

**Financial Statements**

# **Refugees International**

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**Refugees International, Inc.**

**For the Period January 1, 2025 to June 30, 2025**

**Refugees International, Inc.**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Refugees International, Inc.  
Washington, D.C.

### Opinion

We have audited the financial statements of Refugees International, Inc. (Refugees International), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and change in net assets, functional expenses and cash flows for the period January 1, 2025 to June 30, 2025, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Refugees International, Inc. as of June 30, 2025, and the results of its change in net assets and its cash flows for the period January 1, 2025 to June 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Refugees International and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Refugees International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Refugees International's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Refugees International's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



January 30, 2026

Refugees International, Inc.

Statement of Financial Position  
As of June 30, 2025

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 442,034
Investments	4,292,283
Contributions receivable	2,550,000
Pledges receivable	81,378
Prepaid expenses and other assets	138,294

<b>Total current assets</b>	7,503,989
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**PROPERTY AND EQUIPMENT**

Equipment and software	124,128
Furniture	12,985
	137,113

Less: Accumulated depreciation and amortization	(108,787)
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<b>Net property and equipment</b>	28,326
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**NONCURRENT ASSETS**

Deposits	28,981
Operating lease right-of-use asset, net	153,609

<b>Total noncurrent assets</b>	182,590
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<b>TOTAL ASSETS</b>	\$ 7,714,905
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable and accrued liabilities	\$ 168,789
Accrued salaries and related benefits	326,983
Deferred revenue	172,128
Operating lease liability	175,977

<b>Total current liabilities</b>	843,877
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**NONCURRENT LIABILITIES**

Accrued pension liability	1,044,599
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<b>Total liabilities</b>	1,888,476
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**NET ASSETS**

Without donor restrictions	1,603,621
With donor restrictions	4,222,808

<b>Total net assets</b>	5,826,429
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 7,714,905
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See accompanying notes to financial statements.

Refugees International, Inc.

**Statement of Activities and Change in Net Assets**  
**For the Period January 1, 2025 to June 30, 2025**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
Foundation contributions	\$ 47,950	\$ 2,851,955	\$ 2,899,905
Contributions	655,808	102,600	758,408
Net investment return	264,224	19,989	284,213
Contract revenue	265,040	-	265,040
Events	263,919	-	263,919
Contributed nonfinancial assets	240,430	-	240,430
Net assets released from donor restrictions	1,131,753	(1,131,753)	-
<b>Total support and revenue</b>	<b>2,869,124</b>	<b>1,842,791</b>	<b>4,711,915</b>
<b>EXPENSES</b>			
<b>Program Services:</b>			
Advocacy	2,316,552	-	2,316,552
Strategic Outreach	631,256	-	631,256
<b>Total program services</b>	<b>2,947,808</b>	<b>-</b>	<b>2,947,808</b>
<b>Supporting Services:</b>			
General and Administrative	420,810	-	420,810
Fundraising	329,345	-	329,345
<b>Total supporting services</b>	<b>750,155</b>	<b>-</b>	<b>750,155</b>
<b>Total expenses</b>	<b>3,697,963</b>	<b>-</b>	<b>3,697,963</b>
Change in net assets before other item	(828,839)	1,842,791	1,013,952
<b>OTHER ITEM</b>			
Pension expense	(39,014)	-	(39,014)
Change in net assets	(867,853)	1,842,791	974,938
Net assets at beginning of period	2,471,474	2,380,017	4,851,491
<b>NET ASSETS AT END OF PERIOD</b>	<b>\$ 1,603,621</b>	<b>\$ 4,222,808</b>	<b>\$ 5,826,429</b>

See accompanying notes to financial statements.

Refugees International, Inc.

Statement of Functional Expenses  
For the Period January 1, 2025 to June 30, 2025

	Program Services			Supporting Services			Total Expenses
	Advocacy	Strategic Outreach	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Salaries	\$ 927,928	\$ 335,364	\$ 1,263,292	\$ 115,793	\$ 151,485	\$ 267,278	\$ 1,530,570
Consultants	325,394	66,941	392,335	111,759	2,254	114,013	506,348
Benefits and payroll taxes	217,523	78,615	296,138	27,144	35,511	62,655	358,793
Grants	309,750	-	309,750	-	-	-	309,750
Contributed nonfinancial assets	156,280	40,873	197,153	19,234	24,043	43,277	240,430
Occupancy	112,988	40,835	153,823	14,099	18,445	32,544	186,367
Travel and entertainment	95,441	24,510	119,951	5,409	2,445	7,854	127,805
Dues and subscription	58,814	21,256	80,070	7,339	9,601	16,940	97,010
Events	-	-	-	-	70,856	70,856	70,856
Audit	-	-	-	61,989	-	61,989	61,989
Stipends	55,318	-	55,318	-	-	-	55,318
Insurance	33,227	12,008	45,235	4,146	5,424	9,570	54,805
Miscellaneous	-	-	-	44,330	766	45,096	45,096
Conference	5,371	4,161	9,532	7,257	5,490	12,747	22,279
Telephone	7,688	2,778	10,466	959	1,255	2,214	12,680
Printing	5,337	1,929	7,266	666	871	1,537	8,803
Depreciation and amortization	3,428	1,239	4,667	428	560	988	5,655
Equipment	905	327	1,232	113	148	261	1,493
Office supplies and expenses	755	273	1,028	94	123	217	1,245
Postage and delivery	205	74	279	26	35	61	340
Staff training and development	200	73	273	25	33	58	331
<b>TOTAL</b>	<b>\$ 2,316,552</b>	<b>\$ 631,256</b>	<b>\$ 2,947,808</b>	<b>\$ 420,810</b>	<b>\$ 329,345</b>	<b>\$ 750,155</b>	<b>\$ 3,697,963</b>

See accompanying notes to financial statements.

**Refugees International, Inc.**

**Statement of Cash Flows**  
**For the Period January 1, 2025 to June 30, 2025**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 974,938
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation and amortization	5,655
Realized and unrealized gains on investments	(237,508)
Amortization of operating lease right-of-use asset	183,269
(Increase) decrease in:	
Contributions receivable	(1,700,074)
Pledges receivable	65,055
Prepaid expenses and other assets	(74,847)
Deposits	3,500
Increase (decrease) in:	
Accounts payable and accrued liabilities	75,459
Accrued salaries and related benefits	148,601
Deferred revenue	(265,040)
Accrued pension liability	(8,469)
Operating lease liability	(210,111)
<b>Net cash used by operating activities</b>	<b>(1,039,572)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property and equipment	(1,007)
Purchases of investments	(1,337,432)
Proceeds from sales of investments	1,561,764
<b>Net cash provided by investing activities</b>	<b>223,325</b>
Net decrease in cash and cash equivalents	(816,247)
Cash and cash equivalents at beginning of period	1,258,281
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>\$ 442,034</b>

See accompanying notes to financial statements.

## Refugees International, Inc.

### Notes to Financial Statements January 1, 2025 to June 30, 2025

#### 1. Summary of Significant Accounting Policies

##### Organization

Refugees International, Inc. (Refugees International) advocates for lifesaving assistance and protection for displaced people and promotes solutions to displacement crises. In addition, its Strategic Outreach program provides public education and is designed to build local, state, and national support for improved protection and outcomes for displaced people in the United States and around the world. Founded in 1980 and located in the District of Columbia, Refugees International, Inc. is an independent non-profit organization, and does not accept any Government or UN funding.

##### Program Services

###### Advocacy -

Between January to June 2025, Refugees International advanced a sustained advocacy agenda focused on protection pathways, crisis response, and principled humanitarian policy across eight countries in multiple regions. Core areas of engagement included the escalating humanitarian catastrophe in Sudan, Kenya, Occupied Palestinian Territories and Myanmar, alongside continued attention to U.S. border and deportation policy. Throughout this period, Refugees International issued statements, situation updates, and event briefings that highlighted deteriorating conditions in conflict settings and emphasized the need for diplomatic engagement, restored aid flows, and stronger civilian protection.

Refugees International also intensified its engagement on U.S. immigration and protection policy during this period. Refugees International provided expert testimony to Congress, challenged the rollback of humanitarian parole pathways, and highlighted the risks posed by the termination of programs serving Cubans, Haitians, Nicaraguans, and Venezuelans. Through regular updates, Refugees International documented the growing dangers facing people affected by mass deportations, loss of work authorization, and abrupt shifts in asylum processing. Refugees International continued to advocate for reforms that safeguard due process, expand protection mechanisms, and uphold the rights of those seeking safety at the U.S. southern border.

In early 2025, Refugees International strengthened its commitment to refugee leadership and community-led responses. Refugees International welcomed a new cohort of Refugee Fellows, expanded its work with refugee-led organizations in East Africa, and convened public events including a World Refugee Day town hall to elevate displaced leaders shaping humanitarian policy. Across its programs, Refugees International emphasized localization and equitable partnerships, arguing that in an era of constrained aid, empowering communities and refugee-led initiatives is essential to sustaining effective and principled humanitarian response.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**1. Summary of Significant Accounting Policies (Continued)**

**Program Services (Continued)**

Strategic Outreach -

Refugees International engaged in a wide range of strategic outreach activities and initiatives throughout 2025 to help advance its mission to create a more welcoming world for people seeking refuge and to educate the public. Refugees International's advocates earned considerable media coverage in 2025. They also engaged in public education through speaking engagements and participating in, organizing, and contributing to public events that advance understanding of our mission.

Advocate efforts garnered hundreds of media citations and interviews across the year, which amplified Refugee International's messages to diverse audiences. Refugees International also organized a campaign to rally support for people who arrived in the United States through humanitarian pathways and who are now at risk of being torn from their communities.

**Basis of Presentation**

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follow:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**1. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

Refugees International considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Money market funds and cash held by investment managers in the amount of \$507,084 for the period January 1, 2025 to June 30, 2025 are excluded from cash but included in Investments. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, Refugees International maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

**Investments**

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in Investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. Refugees International's policy is to liquidate all gifts of investments as soon as possible after the gift.

**Contributions and Pledges Receivable**

Contributions and pledges receivable include unconditional promises to give that are expected to be collected in future years. Contributions and pledges receivable are recorded at their fair value, which is measured as the present value of the future cash flows. Contributions and pledges receivable have been assessed by management to be fully collectable within one year. Accordingly, an allowance for doubtful accounts has not been established.

**Property and Equipment**

Property and equipment in excess of \$1,000 are capitalized and stated at cost. Property and equipment are depreciated or amortized on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense totaled \$5,655 for the period January 1, 2025 to June 30, 2025.

**Income Taxes**

Refugees International is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code (IRC), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. Refugees International is not a private foundation.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**1. Summary of Significant Accounting Policies (Continued)**

**Revenue from Contracts with Customers**

Refugees International's contract revenue is treated as exchange transaction revenue following ASC Topic 606. Contract revenue is recorded over the period of time that the performance obligations are met. Refugees International has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on cost. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue.

Events revenue has elements of both exchange transaction revenue and support from contributions. Events revenue includes ticket sales and sponsorships. The portion of events revenue that provides a benefit to the donor in return is based on the cost of those performance obligations. For the exchange transaction portion of special events revenue, the performance obligation is met when the event occurs.

For the events revenue for the period January 1, 2025 to June 30, 2025, the breakdown between contributions and exchange transactions is as follows:

Contributions	\$ 3,000
Exchange transactions	260,919
<b>TOTAL</b>	<b>\$ 263,919</b>

**Support from Contributions**

Contributions are recognized in the appropriate category of net assets in the period received. Refugees International performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**1. Summary of Significant Accounting Policies (Continued)**

**Support from Contributions (Continued)**

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, Refugees International had no refundable advances as of June 30, 2025.

In addition, Refugees International may obtain funding source agreements related to conditional contributions, which will be received in future years. However, Refugees International had no conditional contributions to be received in future years as of June 30, 2025.

**Contributed Nonfinancial Assets**

Contributed nonfinancial assets consisted of contributed legal services. Contributed nonfinancial assets are recorded at their fair market value as of the date of the gift. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Refugees International.

**Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Functional Allocation of Expenses**

The costs of providing Refugees International's programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Refugees International allocates expenses to its core functional expense categories, Program Services (Advocacy and Strategic Outreach) and Supporting Services (General and Administrative and Fundraising), based on a review of the specific expenses and timesheets provided by each employee.

Supporting Services expenses include compensation costs associated with certain executive positions, and the Finance/Operations and Development departments that provide general support. As a result of its small size, and the depth and breadth of interdependencies amongst the four core functional categories described above, a portion of Supporting Services expenses are allocated to Program Services in accordance with an analysis of actual time spent in the accompanying Statement of Activities and Change in Net Assets.

Refugees International, Inc.

Notes to Financial Statements  
January 1, 2025 to June 30, 2025

**1. Summary of Significant Accounting Policies (Continued)**

**Risks and Uncertainties**

Refugees International invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

**2. Investments and Fair Value Measurements**

In accordance with FASB ASC 820, *Fair Value Measurement*, Refugees International has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the accompanying Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market Refugees International has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the period January 1, 2025 to June 30, 2025. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.
- *Exchange-Traded Funds* - Valued at the closing price reported in the active market in which the individual securities are traded.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**2. Investments and Fair Value Measurements (Continued)**

- *Mutual Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by Refugees International are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by Refugees International are deemed to be actively traded.
- *Fixed Income Securities* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ 507,084	\$ -	\$ -	\$ 507,084
Exchange-traded funds	895,484	-	-	895,484
Mutual funds	1,637,615	-	-	1,637,615
Fixed income securities	-	1,252,100	-	1,252,100
<b>TOTAL INVESTMENTS</b>	<u>\$ 3,040,183</u>	<u>\$ 1,252,100</u>	<u>\$ -</u>	<u>\$ 4,292,283</u>

Net investment return consisted of the following for the period January 1, 2025 to June 30, 2025:

Interest and dividends	\$ 48,469
Realized and unrealized gains	237,508
Management fees	(1,764)
<b>NET INVESTMENT RETURN</b>	<u>\$ 284,213</u>

**3. Contract Assets and Liabilities**

There were no contract assets at June 30, 2025 or January 1, 2025.

Contract liabilities (deferred revenue) consisted of the following revenue stream as of:

	<u>June 30, 2025</u>	<u>January 1, 2025</u>
Contract Revenue	<u>\$ 172,128</u>	<u>\$ 437,168</u>

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**4. Net Assets with Donor Restrictions**

Net assets with donor restrictions consist of the following as of June 30, 2025:

**Subject to expenditure for specified purpose:**

Advocacy	\$ 1,633,982
Strategic outreach	645,081
Staff training and development	8,078
Accumulated earnings on endowment not yet authorized for spending	138,721
<b>Subtotal</b>	2,425,862
Subject to passage of time	1,496,946
Endowment to be invested in perpetuity	300,000
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b>\$ 4,222,808</b>

The following net assets with donor restrictions were released for donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the period January 1, 2025 to June 30, 2025:

**Purpose restrictions accomplished:**

Advocacy	\$ 631,080
Strategic outreach	364,071
<b>Subtotal</b>	995,151
Expiration to time restrictions	136,602
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b>\$ 1,131,753</b>

**5. Liquidity and Availability**

Refugees International has a goal to maintain financial assets, which consist of cash, receivables and short-term investments on hand, to meet at least six months of normal operating expenses. Refugees International's policy is to structure its financial assets to become available as general expenditures, liabilities, and other obligations become due. Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of June 30, 2025:

Cash and cash equivalents	\$ 442,034
Investments	4,292,283
Contributions receivable	2,550,000
Pledges receivable	81,378
<b>Subtotal financial assets available within one year</b>	7,365,695
Less: Donor-restricted funds	(2,725,862)
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b>\$ 4,639,833</b>

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**6. Contributed Nonfinancial Assets**

During the period January 1, 2025 to June 30, 2025, Refugees International was the beneficiary of certain contributed nonfinancial assets which allowed Refugees International to provide greater resources toward various programs. No donor-imposed restrictions were associated with the contributed nonfinancial assets, which are recorded at their estimated fair market value as of the date of the gift.

The contributed nonfinancial assets consisted of the following for the period January 1, 2025 to June 30, 2025:

Donated Legal Services	<u>\$ 240,430</u>
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The contributed nonfinancial assets have been recorded in support and in the following functional expense categories for the period January 1, 2025 to June 30, 2025:

Advocacy	\$ 156,280
Strategic Outreach	40,873
Fundraising	24,043
General and Administrative	19,234
<b>TOTAL CONTRIBUTED NONFINANCIAL ASSETS</b>	<u><u>\$ 240,430</u></u>

**7. Lease Commitments**

Refugees International follows FASB ASC 842 for leases. Refugees International has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. Refugees International has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

**Operating Leases:**

During 2019, Refugees International entered into a new lease agreement, which commenced in November 2019 and terminates in November 2025. The base rent of the lease agreement is \$347,774 per annum, with an annual escalation of 4%.

For the period ended January 1, 2025 to June 30, 2025, total lease cost was \$184,717, and total cash paid was \$211,560. The discount rate used was 1.10%. Lease cost is included within Occupancy on the accompanying Statement of Functional Expenses.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**7. Lease Commitments (Continued)**

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of June 30, 2025:

Year Ending June 30, 2026	\$ 176,300
Less: Imputed interest	(323)
<b>OPERATING LEASE LIABILITY</b>	<u><u>\$ 175,977</u></u>

Subsequent to year-end, Refugees International entered into a new lease agreement, which commences in December 2025 and terminates in December 2033. The base rent of the lease agreement is \$447,700 per annum, with an annual escalation of 2.5%.

**8. Retirement Plans**

Refugees International's employees have an option to participate in a voluntary Safe Harbor 401(k) Plan. Employees are eligible to join upon six months of employment with Refugees International. The minimum percentage of compensation a participant may elect to be treated as an Elective Deferral is 1%, and the maximum percentage of compensation a participant may elect to be treated as an Elective Deferral is 80%. Matching contributions equal 100% on the first 4% of participant's compensation which is deferred as an Elective Deferral. Employer contributions to the Plan during the period January 1, 2025 to June 30, 2025 totaled \$53,134, and is included in Benefits in the accompanying Statement of Functional Expenses.

Refugees International entered into an agreement to provide an annual pension payment to a former officer based on an employment contract dated February 15, 2001. The agreement requires an initial payment of \$60,000 (paid in 2006, the first year of retirement), increased by an annual cost of living allowance (COLA), with right of survivorship to the former officer's wife. During 2025, Refugees International paid \$100,222 to the former officer. The pension liability was calculated based on actuarial assumptions, which assumed a 4.5% discount rate (based on an approximate rate used by qualified pension plans under FASB ASC 715-20 and 715-30), a 2.5% rate of future COLA and the participant/spouse mortality tables under the Pension Protection Act.

As of June 30, 2025, the value of the accrued pension liability aggregated \$1,044,599. The net effect of the pension liability adjustment during the period January 1, 2025 to June 30, 2025 was an increase of \$8,469 to the liability and an expense of \$39,014.

**9. Endowment Funds**

Refugees International's endowment funds consist of two donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**9. Endowment Funds (Continued)**

Interpretation of Relevant Law -

Refugees International has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted by the District of Columbia (D.C.) as requiring the preservation of the fair value of the original gift made to the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The governing Board has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary.

As a result, of this interpretation, Refugees International classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Additionally, in accordance with UPMIFA, Refugees International considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the organization.

Return Objectives and Risk Parameters -

Refugees International has adopted an investment and spending policy for the endowments that attempts to provide funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowments' assets. Under this policy, as approved by the Board of Directors, the endowments' assets are invested to preserve principal and achieve long-term capital appreciation.

Strategies Employed for Achieving Objectives -

To satisfy its long-term rate-of-return objectives, Refugees International relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

**Refugees International, Inc.**

**Notes to Financial Statements  
January 1, 2025 to June 30, 2025**

**9. Endowment Funds (Continued)**

Spending Policy and How the Investment Objectives Relate to Spending Policy -

Refugees International has a policy of appropriating for distribution a portion of its endowments based on an annual review and assessment as specified in each investment policy statement. In establishing each policy, Refugees International considered the long-term return objective of its endowments and the policy of maintaining the purchasing power of the endowment assets held in-perpetuity or for a specified term.

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Refugees International to maintain as a fund of perpetual duration. However, there were no funds with deficiencies as of June 30, 2025.

Endowment funds consisted of the following as of June 30, 2025:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions: Available for Appropriation</u>	<u>With Donor Restrictions: Held in Perpetuity</u>	<u>Total with Donor Restrictions</u>
Donor-Restricted Funds	\$ -	\$ 138,721	\$ 300,000	\$ 438,721

Changes in endowment funds consisted of the following as of and for the period January 1, 2025 to June 30, 2025:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions: Available for Appropriation</u>	<u>With Donor Restrictions: Held in Perpetuity</u>	<u>Total with Donor Restrictions</u>
Endowment funds, beginning of period	\$ -	\$ 118,732	\$ 300,000	\$ 418,732
Net investment return	-	19,989	-	19,989
<b>ENDOWMENT FUNDS, END OF PERIOD</b>	<b>\$ -</b>	<b>\$ 138,721</b>	<b>\$ 300,000</b>	<b>\$ 438,721</b>

**10. Subsequent Events**

In preparing these financial statements, Refugees International has evaluated events and transactions for potential recognition or disclosure through January 30, 2026, the date the financial statements were issued.