

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED AUGUST 31, 2025 AND 2024



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YEARS ENDED AUGUST 31, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Soroptimist International of the Americas, Inc.
Philadelphia, Pennsylvania

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Soroptimist International of the Americas, Inc. (a nonprofit organization), which comprise the statements of financial position as of August 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, 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 Soroptimist International of the Americas, Inc. as of August 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Soroptimist International of the Americas, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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.

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 Soroptimist International of the Americas, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 Soroptimist International of the Americas, Inc.'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 Soroptimist International of the Americas, Inc.'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.

Report on Supplementary Information

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information appearing on pages 21 through 22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The schedules of contributions and sponsorships on page 22 has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Board of Directors
Soroptimist International of the Americas, Inc.

We have not audited the supplementary agency information on page 21. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
February 2, 2026

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2025 AND 2024

	2025	2024
ASSETS		
Cash and Cash Equivalents	\$ 3,395,360	\$ 4,602,076
Accounts Receivable, Net	4,841	34,843
Pledges Receivable, Net	38,013	142,477
Inventory	88,107	32,694
Prepaid Expenses and Other Assets	590,581	523,712
Investments	10,287,876	10,040,235
Property, Equipment, and Software, Net	2,127,758	2,139,340
Right-of-Use Asset	34,782	51,032
Total Assets	\$ 16,567,318	\$ 17,566,409
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 495,688	\$ 936,753
Agency Funds	4,991	1,392
Deferred Revenue	1,875,960	1,670,073
Lease Liability	34,782	51,032
Total Liabilities	2,411,421	2,659,250
NET ASSETS		
Without Donor Restrictions:		
Undesignated	1,304,400	2,523,487
Board-Designated	2,770,525	2,490,869
With Donor Restrictions	10,080,972	9,892,803
Total Net Assets	14,155,897	14,907,159
Total Liabilities and Net Assets	\$ 16,567,318	\$ 17,566,409

See accompanying Notes to Financial Statements.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED AUGUST 31, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Annual Dues	\$ 2,360,131	\$ -	\$ 2,360,131	\$ 2,227,090	\$ -	\$ 2,227,090
Convention and Meetings	27,827	-	27,827	1,074,165	-	1,074,165
Sales, Net of Cost of Sales of \$82,753 in 2025 and \$143,858 in 2024	31,684	-	31,684	24,294	-	24,294
Contributions	1,612,716	197,774	1,810,490	1,732,337	189,864	1,922,201
In-Kind Contributions	476,536	-	476,536	484,508	-	484,508
Investment Return, Net	216,908	795,885	1,012,793	625,635	1,114,837	1,740,472
Miscellaneous	-	-	-	26,112	-	26,112
Endowment Appropriations	549,281	(549,281)	-	454,180	(454,180)	-
Net Assets Released from Restrictions	256,209	(256,209)	-	411,723	(411,723)	-
Total Revenue and Support	<u>5,531,292</u>	<u>188,169</u>	<u>5,719,461</u>	<u>7,060,044</u>	<u>438,798</u>	<u>7,498,842</u>
EXPENSES						
Program Activities:						
Program Services	1,120,814	-	1,120,814	1,259,948	-	1,259,948
Member Services	1,342,413	-	1,342,413	987,271	-	987,271
Governance	599,614	-	599,614	704,763	-	704,763
Leadership and Volunteer Engagement	785,672	-	785,672	449,311	-	449,311
Soroptimist International	272,181	-	272,181	240,597	-	240,597
Convention and Meetings	118,166	-	118,166	1,969,343	-	1,969,343
Product Sales	253,926	-	253,926	194,794	-	194,794
Total Program Activities	<u>4,492,786</u>	<u>-</u>	<u>4,492,786</u>	<u>5,806,027</u>	<u>-</u>	<u>5,806,027</u>
Administration	861,138	-	861,138	644,389	-	644,389
Fundraising	1,116,799	-	1,116,799	1,039,048	-	1,039,048
Total Expenses	<u>6,470,723</u>	<u>-</u>	<u>6,470,723</u>	<u>7,489,464</u>	<u>-</u>	<u>7,489,464</u>
CHANGES IN NET ASSETS	(939,431)	188,169	(751,262)	(429,420)	438,798	9,378
Net Assets - Beginning of Year	<u>5,014,356</u>	<u>9,892,803</u>	<u>14,907,159</u>	<u>5,443,776</u>	<u>9,454,005</u>	<u>14,897,781</u>
NET ASSETS - END OF YEAR	<u>\$ 4,074,925</u>	<u>\$ 10,080,972</u>	<u>\$ 14,155,897</u>	<u>\$ 5,014,356</u>	<u>\$ 9,892,803</u>	<u>\$ 14,907,159</u>

See accompanying Notes to Financial Statements.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2025

	Program Activities							Supporting Activities			
	Program Services	Member Services	Governance	Leadership and Volunteer Engagement	Soroptimist International	Convention and Meetings	Product Sales	Total Programs	Administration	Fundraising	Total
Personnel Costs:											
Payroll	\$ 254,304	\$ 546,074	\$ 263,387	\$ 344,635	\$ 43,174	\$ 60,857	\$ 133,966	\$ 1,646,397	\$ 516,294	\$ 487,812	\$ 2,650,503
Fringe Benefits	60,240	130,202	65,073	81,731	6,143	14,430	29,554	387,373	97,940	119,212	604,525
Total Personnel Costs	314,544	676,276	328,460	426,366	49,317	75,287	163,520	2,033,770	614,234	607,024	3,255,028
Grants and Other Assistance	507,400	-	-	-	-	-	-	507,400	-	2,000	509,400
Special Events and Meetings	357	488	236	7,826	39	2,922	120	11,988	462	1,436	13,886
Travel, Training and Meetings	7,169	4,487	33,123	37,818	11,553	197	434	94,781	1,828	4,889	101,498
Translation and Interpretation	46,580	49,666	112,016	67,299	9,002	4,283	1,310	290,156	5,434	29,338	324,928
Information Technology	66,788	136,954	56,978	74,554	9,340	13,165	28,981	386,760	111,689	105,527	603,976
Promotion and In-Kind Advertising	64,971	139,514	-	88,049	-	-	34,226	326,760	-	124,629	451,389
Other Professional Services	18,267	37,418	22,854	41,552	3,029	4,238	9,586	136,944	35,771	47,348	220,063
Occupancy	9,579	20,569	9,921	12,981	1,626	2,292	5,046	62,014	19,447	18,374	99,835
Office Expenses	2,250	4,564	2,201	2,880	361	649	1,120	14,025	4,512	4,102	22,639
Insurance	68,196	72,185	7,834	4,712	590	832	1,832	156,181	7,059	6,670	169,910
Soroptimist International Dues	-	-	-	-	184,826	-	-	184,826	-	-	184,826
Depreciation	12,311	135,139	12,750	16,684	2,090	2,946	6,485	188,405	46,735	110,578	345,718
Cost of Products Sold	-	-	-	-	-	-	82,753	82,753	-	-	82,753
Fees and Other	2,402	65,153	13,241	4,951	408	11,355	1,266	98,776	13,967	54,884	167,627
Total Expenses by Function	\$ 1,120,814	\$ 1,342,413	\$ 599,614	\$ 785,672	\$ 272,181	\$ 118,166	\$ 336,679	\$ 4,575,539	\$ 861,138	\$ 1,116,799	\$ 6,553,476
Less: Expenses Included with Revenues on the Statement of Activities:											
Cost of Products Sold	-	-	-	-	-	-	82,753	82,753	-	-	82,753
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 1,120,814	\$ 1,342,413	\$ 599,614	\$ 785,672	\$ 272,181	\$ 118,166	\$ 253,926	\$ 4,492,786	\$ 861,138	\$ 1,116,799	\$ 6,470,723

See accompanying Notes to Financial Statements.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2024

	Program Activities							Supporting Activities			
	Program Services	Member Services	Governance	Leadership and Volunteer Engagement	Soroptimist International	Convention and Meetings	Product Sales	Total Programs	Administration	Fundraising	Total
Personnel Costs:											
Payroll	\$ 367,855	\$ 470,618	\$ 234,540	\$ 145,258	\$ 24,916	\$ 323,619	\$ 110,043	\$ 1,676,849	\$ 356,641	\$ 476,687	\$ 2,510,177
Fringe Benefits	80,160	98,685	49,663	29,964	5,403	69,905	23,353	357,133	72,906	98,821	528,860
Total Personnel Costs	448,015	569,303	284,203	175,222	30,319	393,524	133,396	2,033,982	429,547	575,508	3,039,037
Grants and Other Assistance	486,000	-	-	-	-	-	-	486,000	-	4,000	490,000
Special Events and Meetings	-	-	51,390	38	-	1,019,803	-	1,071,231	-	57,756	1,128,987
Travel, Training and Meetings	6,361	15,749	61,910	62,030	4,685	40,110	557	191,402	1,952	19,064	212,418
Translation and Interpretation	41,102	33,631	165,004	79,687	27,358	129,826	1,364	477,972	4,219	32,898	515,089
Information Technology	80,597	71,383	34,706	21,495	3,687	47,888	16,284	276,040	52,774	73,341	402,155
Promotion and In-Kind Advertising	67,319	86,124	42,921	26,583	4,560	59,223	20,138	306,868	65,267	87,235	459,370
Other Professional Services	22,720	29,067	17,736	60,576	1,539	54,105	6,797	192,540	30,208	58,170	280,918
Occupancy	14,434	18,466	9,202	5,700	978	12,698	4,318	65,796	13,994	18,704	98,494
Office Expenses	3,800	6,982	2,641	1,519	257	24,018	1,137	40,354	4,671	14,125	59,150
Insurance	60,042	61,928	4,259	2,638	452	15,906	1,998	147,223	6,476	8,656	162,355
Soroptimist International Dues	-	-	-	-	164,768	-	-	164,768	-	-	164,768
Depreciation	24,442	31,270	15,584	9,651	1,656	21,502	7,312	111,417	23,695	31,673	166,785
Cost of Products Sold	-	-	-	-	-	-	143,858	143,858	-	-	143,858
Fees and Other	5,116	63,368	15,207	4,172	338	150,740	1,493	240,434	11,586	57,918	309,938
Total Expenses by Function	\$ 1,259,948	\$ 987,271	\$ 704,763	\$ 449,311	\$ 240,597	\$ 1,969,343	\$ 338,652	\$ 5,949,885	\$ 644,389	\$ 1,039,048	\$ 7,633,322
Less: Expenses Included with Revenues on the Statement of Activities:											
Cost of Products Sold	-	-	-	-	-	-	143,858	143,858	-	-	143,858
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 1,259,948	\$ 987,271	\$ 704,763	\$ 449,311	\$ 240,597	\$ 1,969,343	\$ 194,794	\$ 5,806,027	\$ 644,389	\$ 1,039,048	\$ 7,489,464

See accompanying Notes to Financial Statements.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (751,262)	\$ 9,378
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation	345,718	166,785
Discount on Pledge Receivable	(228)	7,054
Net Realized and Unrealized Gain on Investments	(527,123)	(1,288,032)
(Increase) Decrease in:		
Accounts Receivable, Net	30,002	(28,359)
Inventory	(55,413)	84,656
Prepaid Expenses and Other Assets	(66,869)	(233,001)
Pledges Receivable, Net	104,692	42,015
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	(441,065)	424,269
Agency Funds	3,599	(3,261)
Deferred Revenue	205,887	(144,035)
Net Cash Used by Operating Activities	(1,152,062)	(962,531)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Equipment, and Software	(334,136)	(795,449)
Purchases of Investments	(395,518)	(362,295)
Proceeds of Investments	675,000	2,500,000
Net Cash Provided (Used) by Investing Activities	(54,654)	1,342,256
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,206,716)	379,725
Cash and Cash Equivalents - Beginning of Year	4,602,076	4,222,351
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,395,360	\$ 4,602,076

See accompanying Notes to Financial Statements.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 1 NATURE OF OPERATIONS

Soroptimist International of the Americas, Inc. (the Organization) is a global organization whose volunteer members empower women and girls through access to education. Since our founding in 1921, we have grown to include tens of thousands of Soroptimists in 18 countries and territories across North America, Latin America, and the Pacific Rim. Powered by our volunteer members, each of our nearly 1,100 clubs support community-based and global projects benefiting women and girls. Through our Dream Programs, we have supported more than 185,000 women and girls on their quest to live their dreams. Program projects of the Organization include:

The *Live Your Dream: Education and Training Awards for Women*[†] have provided over \$49 million in education cash awards to more than 47,000 women since its inception in 1972. The Organization invests in women's education because education is the pathway to economic empowerment, and it has the potential to transform lives and communities. The *Live Your Dream Awards* assist women who provide the primary financial support for their families and face obstacles including poverty, teen pregnancy, and drug or alcohol addiction.

Dream It, Be It: Career Support for Girls[†] has reached more than 162,000 girls across 17 countries and territories since the program launched in 2015. *Dream It, Be It* provides girls with access to professional role models, career education, and the resources to be happy, successful adults. Soroptimist clubs work with girls through a seven-session curriculum in small groups or a conference setting to give girls the tools they need to achieve their education and career goals and empowering girls to break cycles of poverty, violence, and abuse.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Organization considers short-term securities purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable, Net

Accounts receivable are recorded at net realizable value. Accounts receivable are written off when determined to be uncollectible based upon management's assessment of the individual accounts. Receivables are considered to be delinquent when they are 90 days past their due date. Management periodically assesses its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment. As August 31, 2025 and 2024, there were \$-0- and \$8,600 in allowance for credit losses, respectively. As of August 31, 2025, 2024 and 2023, there was \$4,841, \$43,443, and \$6,484, respectively that is included as exchange contract receivables.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable, Net

Unconditional promises to give are recognized as contribution revenue in the period received and as assets. Promises to give are recorded at present value, which is estimated as net realizable value if expected to be collected in one year and discounted future cash flows if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization evaluates the pledge receivable for collectability on an individual account basis.

Inventory

Inventory consists of jewelry and other items with the Organization insignia and is stated at the lower of cost or net realizable values.

Prepaid Expenses and Other Assets

Prepaid expenses are advance payments for services that will be use in the Organization's program or activities.

Investments

Investments are stated at fair value which is determined by quoted market prices. Donated investments are recorded as contributions at fair value at the time of the donation. Net investment return comprises interest, dividends, realized and unrealized gains and losses net of external investment expenses. Realized gains and losses are computed using the specified-identification cost method and recorded in the statements of activities.

Fair Value of Financial Instruments

FASB *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lower priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments (Continued)

The following table represents the Organization's fair value hierarchy of financial instruments, excluding money market funds, measured at fair value on a recurring basis as of August 31:

	2025		
	Level 1	Level 2	Level 3
Mutual Funds	\$ 10,287,876	\$ -	\$ -
Total Assets	\$ 10,287,876	\$ -	\$ -
	2024		
	Level 1	Level 2	Level 3
Mutual Funds	\$ 10,040,235	\$ -	\$ -
Total Assets	\$ 10,040,235	\$ -	\$ -

Property and Equipment

Property and equipment are stated at cost. Items over \$5,000 considered to have useful life of longer than one year are capitalized. Depreciation is provided over the estimated useful lives of the respective assets and is calculated on the straight-line basis over the following useful lives:

Computer Software	3 to 5 Years
Computer Hardware	3 to 5 Years
Furniture and Fixtures	5 to 10 Years
Building and Improvements	30 Years

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included ROU assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease terms. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Agency Funds

The Organization receives funds from member clubs on behalf of other organizations, which it holds, and periodically makes remittances to them. These funds are not owned by the Organization, nor does it exercise discretion over receipts or disbursements. Consequently, they are included as a liability on the statements of financial position. Receipts and disbursements of agency funds are not included in the statements of activities.

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restriction or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. A contribution is conditional if a right of return or right of release exists as well as a barrier. The conditional contribution is recognized once the conditions have been met. Gifts of cash and other assets are reported with donor-restricted contributions if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions. Donor-restricted contributions that are received and expended within the same fiscal year are reported as support with donor restrictions.

Net Assets

Net assets are categorized as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restrictions may be designated for certain purposes by the board of directors. See Note 8 for board designations.

Net Assets With Donor Restrictions – Net assets are subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition and Deferred Revenue

The Organization applies the five-step revenue model under FASB ASC 606, *Revenue from Contracts with Customers* (Topic 606) to determine when revenue is earned and recognized. Topic 606 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

Annual membership dues are recognized over time over the applicable membership period. Membership dues collected in advance are recorded as deferred revenue. Convention and meeting related revenue, fees and registration is recognized when the convention or event takes place.

Sales are recognized at a point in time when the product is shipped to the customer.

The following tables show the Organization's deferred revenue activity for the years ended August 31:

	Annual Dues	
	2025	2024
Deferred Revenue – Beginning of Year	\$ 1,670,073	\$ 1,814,108
Increase in Deferred Revenue Due to		
Cash Collections During the Year	2,564,518	2,083,055
Recognition of Revenue as Performance		
Obligations are Met	(2,360,131)	(2,227,090)
Deferred Revenue - End of Year	\$ 1,874,460	\$ 1,670,073

In-Kind Contributions

Donated 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 the Organization. In-kind donations are recorded as contributions at their fair values at the date of donation. During the years ended August 31, 2025 and 2024, the Organization received \$476,536 and \$484,508, respectively, in total in-kind donations. The Organization received \$476,536 and \$441,180 in donated professional services, during the years ended August 31, 2025 and 2024, respectively. Professional services relate to donated advertising and consulting services. Advertising and consulting services were used for both program and supporting services. In-kind gifts for the attendee's convention bags including snacks and beauty products of \$-0- and \$43,328 were received during the years ended August 31, 2025 and 2024, respectively. Donated professional services are reported at the estimated fair value as provided by the donor based on the rates for similar services. Donated gifts are reported at their fair market value as provided by the donor.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Expenses

The statements of functional expenses reports certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis as determined by management. The expenses that are allocated include personnel costs, depreciation, headquarters insurance, information technology, marketing and communication, certain office and occupancy, professional services and other expenses, which are allocated on the basis of estimates of time and effort. Costs of the marketing and communication department are allocated based on the estimates of benefit received.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization follows the accounting guidance for uncertainty in income taxes using the FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not that the position will be sustained upon examination of the tax authorities. It also provides guidance on the recognition, measurement, and classification of income tax uncertainties, along with any related interest or penalties.

The Organization's federal tax return is subject to audit by taxing authorities. As of August 31, 2025, the Organization had no uncertain tax positions that qualify for either recognition or disclosure.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 2, 2026, the date the financial statements were available to be issued.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 3 LIQUIDITY

Financial assets available for general expenditure, within one year of the statement of financial position date comprise the following at August 31:

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents	\$ 3,395,360	\$ 4,602,076
Accounts Receivable, Net	4,841	34,843
Pledges Receivable, Net	38,013	142,477
Investments	<u>10,287,876</u>	<u>10,040,235</u>
Total Assets	13,726,090	14,819,631
Less: Long-Term Pledges	(34,688)	(51,293)
Less: Endowment	(9,917,702)	(9,671,098)
Less: Agency Funds	(4,991)	(1,392)
Less: Board-Designated	<u>(2,770,525)</u>	<u>(2,490,869)</u>
Total	<u>\$ 998,184</u>	<u>\$ 2,604,979</u>

The Organization's financial assets as of August 31, 2025 and 2024, are reduced by amounts not available for general use within one year of the statement of financial position date because of donor-imposed restrictions. The Organization's policy is to maintain a minimum cash and cash equivalent balance to cover three months of operating expenses. Operating cash in excess of this amount may be invested in money market, fixed income, and equity investments, with a 80% target allocation to a diversified portfolio of investment grade fixed income securities.

The Organization's endowment fund is subject to an annual spending rate of between 2% and 7% (see Note 11) which may be used to supplement operating income.

NOTE 4 CONCENTRATION OF CREDIT RISK

The Organization maintains cash accounts that, at times, may exceed federally insured limits. At August 31, 2025 and 2024, the Organization had approximately \$1,384,000 and \$2,365,000, respectively, in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits. To date, the Organization has not experienced any losses in any of these accounts.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 5 PLEDGES RECEIVABLE

Pledges receivable due to be collected as of August 31 were as follows:

	<u>2025</u>	<u>2024</u>
Receivables in Less than One Year	\$ 30,352	\$ 123,439
Receivables in One to Five Years	42,495	54,100
Subtotal	<u>72,847</u>	<u>177,539</u>
Less: Discount on Long-term Pledges	(2,807)	(2,807)
Less: Allowance for Doubtful Accounts	<u>(32,027)</u>	<u>(32,255)</u>
Total	<u><u>\$ 38,013</u></u>	<u><u>\$ 142,477</u></u>

As of August 31, 2025 and 2024, the Organization used discount rates of 2.33%, respectively, to calculate the present value of pledges receivable due to be collected beyond one year.

As of August 31, 2025, one donor accounted for approximately 41% of gross pledges receivable. As of August 31, 2024, one donor accounted for approximately 28% of gross pledges receivable.

NOTE 6 INVESTMENTS

Investments are composed of the following as of August 31:

	<u>2025</u>	<u>2024</u>
Mutual Funds	<u>\$ 10,287,876</u>	<u>\$ 10,040,235</u>
Total Assets	<u><u>\$ 10,287,876</u></u>	<u><u>\$ 10,040,235</u></u>

The net realized and unrealized gains on investments are as follows for the years ended August 31:

	<u>2025</u>	<u>2024</u>
Dividend and Interest	\$ 515,670	\$ 481,892
Realized and Unrealized Gain	527,123	1,288,032
Less: Brokerage Fees	<u>(30,000)</u>	<u>(29,452)</u>
Total	<u><u>\$ 1,012,793</u></u>	<u><u>\$ 1,740,472</u></u>

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 7 PROPERTY, EQUIPMENT, AND SOFTWARE

Property, equipment, and software consist of the following as of August 31:

	<u>2025</u>	<u>2024</u>
Land	\$ 28,000	\$ 28,000
Computer Software	1,295,892	994,172
Computer Hardware	201,442	180,925
Furniture and Fixtures	47,652	35,753
Building and Improvements	<u>2,719,784</u>	<u>2,719,784</u>
Total	4,292,770	3,958,634
Less: Accumulated Depreciation	<u>(2,165,012)</u>	<u>(1,819,294)</u>
Total Property and Equipment, Net	<u><u>\$ 2,127,758</u></u>	<u><u>\$ 2,139,340</u></u>

Depreciation expense for the years ended August 31, 2025 and 2024 was \$345,718 and \$166,785, respectively.

NOTE 8 NET ASSETS

The board of directors has chosen to place the following designations on net assets without donor restrictions:

	<u>2025</u>	<u>2024</u>
Board-Designated - Building Reserve Endowment	\$ 52,141	\$ 61,393
Board-Designated - Operating Endowment	2,017,393	1,924,411
Board-Designated - Special Purpose	<u>700,991</u>	<u>505,065</u>
Total	<u><u>\$ 2,770,525</u></u>	<u><u>\$ 2,490,869</u></u>

Net assets with donor restrictions during the years ended August 31 are available for the following as of August 31:

	<u>2025</u>	<u>2024</u>
Subject to Expenditure for Specified Purpose:		
Charitable Remainder Unitrust	\$ 14,648	\$ 14,648
Disaster Fund	112,109	124,580
Subject to Time Restrictions - Pledges	36,513	82,477
Endowments Subject to the Organization's		
Endowment Spending Policy and Appropriation	1,297,731	1,051,127
Subject to be Held in Perpetuity	<u>8,619,971</u>	<u>8,619,971</u>
Total	<u><u>\$ 10,080,972</u></u>	<u><u>\$ 9,892,803</u></u>

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 9 RETIREMENT PLANS

The Organization provides a deferred contribution savings plan for its employees under Section 401(k) of the IRC. Employees may contribute a percentage of their salary, up to federal limits. The Organization contributes annually 3% based on the employees' annual compensation. In addition, the Organization has the option to make an additional contribution up to 3% of participating employees' annual compensation. For the years ended August 31, 2025 and 2024, employer contributions to the plan were \$159,030 and \$127,574, respectively.

NOTE 10 COMMITMENTS

The Organization leases certain office equipment under operating leases expiring in 2028. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

The following tables provide quantitative information concerning the Organization's leases for the years ended August 31:

	<u>2025</u>	<u>2024</u>
Lease Cost:		
Operating Lease Cost	<u>\$ 17,492</u>	<u>\$ 17,492</u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$ 17,492	\$ 17,492
Weighted-Average Remaining Lease Term - Operating Leases	2.2 Years	3.2 Years
Weighted-Average Discount Rate - Operating Leases	3.0%	3.0%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2025, is as follows:

<u>Year Ending August 31,</u>	<u>Operating</u>
2026	\$ 17,492
2027	13,186
2028	<u>5,180</u>
Undiscounted Cash flows	35,858
Less: Imputed Interest	<u>(1,076)</u>
Total Lease Liability	<u>\$ 34,782</u>

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 11 ENDOWMENT

The Commonwealth of Pennsylvania has not adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). State law allows nonprofit organizations to make an election to adopt a total return investment policy as provided by Act 141 (1998) of Pennsylvania legislature, 15 Pa.C.S.A. Section 5548 and *Enhanced Disclosures for All Endowment Funds* now incorporated in FASB ASC 958-205. The Organization is required by FASB ASC 958-205 to disclose certain matters associated with its endowment fund. Endowment funds subject to FASB ASC 958-205 include all net assets with donor restrictions to be held in perpetuity, excluding beneficial interest in perpetual trusts, and the income generated by these endowment funds held in perpetuity, subject to donor restrictions. Management of the Organization does not consider any other funds, whether subject to expenditure for a specified purpose or board-designated, to be subject to FASB ASC 958-205.

The Organization's endowment, known as the Restricted Reserve Fund, consists of donor-restricted endowment funds from which income is available for the general benefit of the Organization. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization's board of directors has interpreted relevant law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, to the extent that there are no donor stipulations to the contrary. The Organization classifies as donor-restricted net assets the original value of gifts donated to the donor-restricted endowment and the original value of subsequent gifts made to the donor-restricted endowment.

Interest, dividends, and unrealized and realized gains/losses earned on endowment funds with donor restrictions held in perpetuity are recorded as increases or decreases in net assets with donor restrictions.

The Organization has adopted investment and spending policies for the endowment funds that attempt to provide a predictable stream of funding to supplement operating income while maintaining the purchasing power of the endowment funds. The Organization's practice is to permit spending from underwater funds depending on various factors, including the degree to which the fund is underwater, unless specifically prohibited by the donor or relevant laws and regulations.

Funds with Deficiencies

From time to time, the fair value of assets associated with a donor-restricted endowment fund may fall below the level that the donor or state law requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies at August 31, 2025 and 2024.

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 11 ENDOWMENT (CONTINUED)

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of returns while seeking to maintain the purchasing power of the endowment assets. The total return should meet or exceed the total of the revenue target including the rate of inflation and fees. The specific asset allocation for this portfolio will be set by the investment manager and the Organization's board of directors. Allocation provisions will be reviewed on a regular basis and may be changed from time to time by the Organization's board of directors.

Strategies Employed for Achieving Objectives

The Restricted Reserve Fund shall be invested in a portfolio of quality equity funds and fixed income funds which shall provide safety through diversification of investments and may reflect varying rates of return provided the overall rate of return is consistent with the risk that the Organization's board of directors is willing to accept. In general, the ratio of equity funds to fixed income funds in the portfolio should approximate 70:30 for restricted funds, and 20:80 for unrestricted funds. These allocations may fluctuate within 10% at the discretion of the Investment Manager.

Spending Policy and How the Investment Objectives Relate to Spending Policy

In order to meet program and operating goals, the Organization's board of directors may authorize withdrawals from the restricted reserve fund between 2% and 7% on an annual basis. A three-year rolling average of the portfolio's market value, using no less than six observations, shall be used as the basis for this calculation. The source of these withdrawals will be dividends, interest, and net capital appreciation, which includes both realized and unrealized gains. The frequency and amount of each withdrawal will be determined by the Executive Director/CEO and Chief Finance Officer.

Change in endowment net assets for the fiscal years ended August 31:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of Year	\$ 1,985,804	\$ 9,671,098	\$ 11,656,902
Investment Return	657,829	795,885	1,453,714
Appropriations for Operating Expenses	(574,099)	(549,281)	(1,123,380)
End of Year	<u>\$ 2,069,534</u>	<u>\$ 9,917,702</u>	<u>\$ 11,987,236</u>
	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of Year	\$ 1,898,230	\$ 9,010,441	\$ 10,908,671
Investment Return	649,424	1,114,837	1,764,261
Appropriations for Operating Expenses	(561,850)	(454,180)	(1,016,030)
End of Year	<u>\$ 1,985,804</u>	<u>\$ 9,671,098</u>	<u>\$ 11,656,902</u>

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
SCHEDULES OF AGENCY FUNDS (UNAUDITED)
YEARS ENDED AUGUST 31, 2025 AND 2024
(SEE INDEPENDENT AUDITORS' REPORT)

		2025		
Fund	Beginning Balance	Contributions Received	Distributions	Ending Balance
Soroptimist International Foundation Appeal	<u>\$ 1,392</u>	<u>\$ 38,721</u>	<u>\$ (35,122)</u>	<u>\$ 4,991</u>
		2024		
Fund	Beginning Balance	Contributions Received	Distributions	Ending Balance
Soroptimist International Foundation Appeal	<u>\$ 4,653</u>	<u>\$ 43,696</u>	<u>\$ (46,957)</u>	<u>\$ 1,392</u>

SOROPTIMIST INTERNATIONAL OF THE AMERICAS, INC.
SCHEDULES OF CONTRIBUTIONS AND SPONSORSHIPS
YEARS ENDED AUGUST 31, 2025 AND 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	<u>2025</u>	<u>2024</u>
Without Donor Restriction Contributions:		
Founders Pennies	\$ 138,827	\$ 141,877
Club Giving	561,228	544,134
Program Support	55,721	50,411
Legacy/Bequests	172,480	171,000
Unrestricted Support	<u>682,210</u>	<u>805,115</u>
Total Without Donor Restriction Contributions	1,610,466	1,712,537
Donor-Restricted Contributions:		
Dream Big Campaign	-	3,000
Long Term Pledges	14,721	-
Dream It Be It	33,353	32,774
Live Your Dream Awards	149,600	179,090
Disaster Recovery	100	-
Uncollectible Pledges	-	(25,000)
Total Donor-Restricted Contributions	<u>197,774</u>	<u>189,864</u>
Subtotal	1,808,240	1,902,401
Convention Sponsorships	<u>2,250</u>	<u>19,800</u>
Total Contributions	1,810,490	1,922,201
Other:		
In-Kind Revenue - Professional Services	476,536	484,508
In-Kind Revenue - Other	<u>-</u>	<u>43,328</u>
Total Contributions and Sponsorships	<u>\$ 2,287,026</u>	<u>\$ 2,450,037</u>



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