America's Charities and Affiliate

Consolidated Financial Report
December 31, 2025

Contents

Independent Auditor's Report

Board of Directors
America's Charities

Opinion
We have audited the consolidated financial statements of America's Charities and Affiliate (America's Charities), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the balance sheets of America's Charities as of December 31, 2025 and 2024, and the changes in their net assets and their 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of America's Charities 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 America's Charities' ability to continue as a going concern within one year after the date that the financial statements are issued or 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 America's Charities' 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 America's Charities' 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.

RSM US LLP

Orlando, Florida
June 10, 2026

America's Charities and Affiliate

Consolidated Balance Sheets
December 31, 2025 and 2024

	2025	2024
Assets		
Cash	**$ 11,861,990**	$ 8,400,288
Investments	**17,120,031**	14,376,230
Promises to give	**2,486,234**	648,948
Member charity fees receivable, net of allowance for credit losses of $0—2025; $1,925—2024	**111,633**	133,813
Other receivables	**2,731,043**	2,520,027
Other assets	**216,943**	161,435
Property and equipment, net	**194,044**	231,688
Right-of-use asset for operating lease	**986,032**	1,117,794
Goodwill, net	**64,475**	82,564
Total assets	**$ 35,772,425**	$ 27,672,787
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	**$ 939,458**	$ 482,681
Campaign funds payable to member/nonmember charities	**10,118,718**	8,066,120
Deferred revenue	**1,326,488**	1,076,531
Lease liability, net	**1,171,650**	1,313,501
Total liabilities	**13,556,314**	10,938,833
Commitments and contingency (Note 11)		
Net assets:		
Without donor restrictions	**3,686,771**	2,724,484
With donor restrictions	**18,529,340**	14,009,470
Total net assets	**22,216,111**	16,733,954
Total liabilities and net assets	**$ 35,772,425**	$ 27,672,787

See notes to consolidated financial statements.

America's Charities and Affiliate

Consolidated Statements of Activities
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Amounts raised in campaigns, net of estimated campaign expenses incurred by other organizations and shrinkage:						
Combined federal campaign	**$ 3,214,793**	**$ -**	**$ 3,214,793**	$ 3,430,078	$ -	$ 3,430,078
Campaign management services	**20,296,152**	**-**	**20,296,152**	25,289,868	-	25,289,868
Private sector	**52,267**	**-**	**52,267**	54,447	-	54,447
State and local	**3,679,939**	**-**	**3,679,939**	833,100	-	833,100
Total net amounts raised in campaigns	**27,243,151**	**-**	**27,243,151**	29,607,493	-	29,607,493
Less amounts raised on behalf of others	**27,083,051**	**-**	**27,083,051**	29,380,222	-	29,380,222
Support designated to America's Charities and Affiliate	**160,100**	**-**	**160,100**	227,271	-	227,271
Employee assistance funds donations	**-**	**16,190,628**	**16,190,628**	-	22,227,726	22,227,726
Campaign management fees	**2,151,262**	**-**	**2,151,262**	1,844,163	-	1,844,163
Member charity fees	**1,093,207**	**-**	**1,093,207**	1,117,917	-	1,117,917
Contributions of nonfinancial assets	**182,236**	**-**	**182,236**	418,134	-	418,134
Employee assistance funds fees	**2,613,142**	**-**	**2,613,142**	2,990,176	-	2,990,176
Investment income, net	**658,153**	**-**	**658,153**	580,897	-	580,897
Other	**119,738**	**-**	**119,738**	89,802	-	89,802
Charitable contributions - undesignated	**216,615**	**-**	**216,615**	-	-	-
Net assets released from restriction	**11,670,758**	**(11,670,758)**	**-**	21,475,133	(21,475,133)	-
Total support and revenue	**18,865,211**	**4,519,870**	**23,385,081**	28,743,493	752,593	29,496,086
Expenses:						
Program services:						
Employee assistance funds services	**12,816,739**	**-**	**12,816,739**	22,807,858	-	22,807,858
Campaign management services	**2,350,117**	**-**	**2,350,117**	2,066,006	-	2,066,006
Member campaign services	**484,668**	**-**	**484,668**	660,817	-	660,817
Total program services	**15,651,524**	**-**	**15,651,524**	25,534,681	-	25,534,681
Supporting services:						
Management and general	**1,493,670**	**-**	**1,493,670**	1,123,750	-	1,123,750
Fundraising	**757,730**	**-**	**757,730**	614,141	-	614,141
Total supporting services	**2,251,400**	**-**	**2,251,400**	1,737,891	-	1,737,891
Total expenses	**17,902,924**	**-**	**17,902,924**	27,272,572	-	27,272,572
Change in net assets	**962,287**	**4,519,870**	**5,482,157**	1,470,921	752,593	2,223,514
Net assets:						
Beginning	**2,724,484**	**14,009,470**	**16,733,954**	1,253,563	13,256,877	14,510,440
Ending	**$ 3,686,771**	**$ 18,529,340**	**$ 22,216,111**	$ 2,724,484	$ 14,009,470	$ 16,733,954

See notes to consolidated financial statements.

America’s Charities and Affiliate

Consolidated Statement of Functional Expenses
Year Ended December 31, 2025

	Employee Assistance Funds Services	Campaign Management Services	Member Campaign Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Expenses:								
Salaries	$ 871,170	$ 1,595,914	$ 197,920	$ 2,665,004	$ 1,033,912	$ 552,543	$ 1,586,455	$ 4,251,459
Benefits	89,702	164,327	20,379	274,408	106,459	56,894	163,353	437,761
Total employee compensation	960,872	1,760,241	218,299	2,939,412	1,140,371	609,437	1,749,808	4,689,220
Employee assistance funds grants	11,670,758	-	-	11,670,758	-	-	-	11,670,758
Contributions of nonfinancial assets	-	-	182,236	182,236	-	-	-	182,236
Managed campaign technology	12,251	224,412	4,411	241,074	27,129	29,850	56,979	298,053
Professional fees	26,927	52,740	10,849	90,516	66,726	17,549	84,275	174,791
Technology	63,430	93,311	15,126	171,867	89,312	29,566	118,878	290,745
Facilities	26,034	53,987	11,107	91,128	68,313	17,746	86,059	177,187
Service and bank fees	13,036	73,646	5,561	92,243	34,205	14,481	48,686	140,929
Insurance	9,966	20,641	4,252	34,859	26,150	6,790	32,940	67,799
Depreciation and amortization	8,192	16,967	3,495	28,654	21,497	5,582	27,079	55,733
Campaign	475	13,941	15,144	29,560	1,245	3,429	4,674	34,234
Consultant fees	19,851	5,145	1,060	26,056	6,518	3,625	10,143	36,199
Printing and marketing promotions	164	4,762	2,341	7,267	431	6,897	7,328	14,595
Telephone	-	363	-	363	-	70	70	433
Office supplies	905	2,883	386	4,174	2,373	1,023	3,396	7,570
Membership dues	495	5,031	188	5,714	1,157	1,890	3,047	8,761
Postage and shipping	460	2,602	321	3,383	1,119	822	1,941	5,324
Bad debt expense	-	14,050	-	14,050	-	-	-	14,050
Travel and transportation	571	1,427	244	2,242	1,500	5,023	6,523	8,765
License and registration fees	205	591	9,274	10,070	3,323	1,593	4,916	14,986
Conferences and meetings	2,147	3,377	374	5,898	2,301	2,357	4,658	10,556
Total direct expenses	11,855,867	589,876	266,369	12,712,112	353,299	148,293	501,592	13,213,704
Total	$ 12,816,739	$ 2,350,117	$ 484,668	$ 15,651,524	$ 1,493,670	$ 757,730	$ 2,251,400	$ 17,902,924

See notes to consolidated financial statements.

America's Charities and Affiliate

Consolidated Statement of Functional Expenses
Year Ended December 31, 2024

	Employee Assistance Funds Services	Campaign Management Services	Member Campaign Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Expenses:								
Salaries	$ 623,954	$ 1,554,494	$ 179,156	$ 2,357,604	$ 959,621	$ 525,262	$ 1,484,883	$ 3,842,487
Benefits	65,283	162,643	18,745	246,671	100,403	54,957	155,360	402,031
Total employee compensation	689,237	1,717,137	197,901	2,604,275	1,060,024	580,219	1,640,243	4,244,518
Employee assistance funds grants	21,475,133	-	-	21,475,133	-	-	-	21,475,133
Contributions of nonfinancial assets	-	-	418,134	418,134	-	-	-	418,134
Managed campaign technology	-	212,523	62	212,585	228	4,448	4,676	217,261
Professional fees	131,761	30,986	3,084	165,831	11,451	3,919	15,370	181,201
Technology	221,656	50,104	7,158	278,918	24,447	7,201	31,648	310,566
Facilities	127,639	11,598	3,701	142,938	13,744	3,463	17,207	160,145
Service and bank fees	35,559	4,092	1,217	40,868	4,518	1,145	5,663	46,531
Insurance	41,761	3,795	1,211	46,767	4,497	1,133	5,630	52,397
Depreciation and amortization	26,214	1,800	576	28,590	2,133	537	2,670	31,260
Campaign	-	18,548	20,123	38,671	-	855	855	39,526
Consultant fees	15,972	-	-	15,972	-	353	353	16,325
Printing and marketing promotions	4,373	3,845	3,217	11,435	471	6,581	7,052	18,487
Telephone	-	424	-	424	-	9	9	433
Interest expense	1,025	93	30	1,148	110	28	138	1,286
Office supplies	7,522	895	218	8,635	807	209	1,016	9,651
Membership dues	1,225	2,672	2,521	6,418	132	1,347	1,479	7,897
Postage and shipping	2,048	2,675	696	5,419	197	124	321	5,740
Bad debt expense (recovery)	17,537	3,533	(12,604)	8,466	-	188	188	8,654
Travel and transportation	4,635	531	465	5,631	499	1,964	2,463	8,094
License and registration fees	2,606	237	13,050	15,893	281	358	639	16,532
Conferences and meetings	1,955	518	57	2,530	211	60	271	2,801
Total direct expenses	22,118,621	348,869	462,916	22,930,406	63,726	33,922	97,648	23,028,054
Total	$ 22,807,858	$ 2,066,006	$ 660,817	$ 25,534,681	$ 1,123,750	$ 614,141	$ 1,737,891	$ 27,272,572

See notes to consolidated financial statements.

America's Charities and Affiliate

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

		2025		2024
Cash flows from operating activities:				
Change in net assets	$	**5,482,157**	$	2,223,514
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation and amortization		**55,733**		31,260
Decrease in allowance for credit losses		**(1,925)**		(10,957)
Net unrealized and realized gain on investments		**(226,716)**		(27,876)
Loss on disposal of property and equipment		**-**		17,778
Amortization of right-of-use asset for operating lease		**131,762**		128,994
Changes in assets and liabilities:				
(Increase) decrease in:				
Promises to give		**(1,837,286)**		1,963,531
Member charity fees receivable		**24,105**		60,898
Other receivables		**(211,016)**		(1,225,014)
Other assets		**(55,508)**		(24,875)
Increase (decrease) in:				
Accounts payable and accrued expenses		**456,777**		(54,856)
Campaign funds payable to member/nonmember charities		**2,052,598**		307,346
Deferred revenue		**249,957**		92,089
Lease liability		**(141,851)**		(135,021)
Net cash provided by operating activities		**5,978,787**		3,346,811
Cash flows from investing activities:				
Purchases of investments		**(3,905,887)**		(13,018,534)
Sales of investments		**1,388,802**		12,278,030
Purchases of property and equipment		**-**		(98,121)
Net cash used in investing activities		**(2,517,085)**		(838,625)
Cash flows from financing activities:				
Repayments on line of credit		**-**		(166,667)
Net cash used in financing activities		**-**		(166,667)
Net increase in cash		**3,461,702**		2,341,519
Cash:				
Beginning		**8,400,288**		6,058,769
Ending	**$**	**11,861,990**	$	8,400,288
Cash paid for amounts included in measurement of lease liabilities:				
Operating cash outflows—payments on operating leases	**$**	**166,554**	$	162,491

See notes to consolidated financial statements.

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: America's Charities and Affiliate (collectively, America's Charities) consists of two entities: America's Charities and Community First—America's Charities. All entities are affiliated through common support, activities and governance.

America's Charities was incorporated in 1988 in the District of Columbia. America's Charities operates three significant programs:

Employee assistance funds services: Activities that provide emergency financial assistance to eligible individuals who are suffering a personal financial hardship as a result of disaster or other qualifying emergency event.

Campaign management services: Activities that support the collection, reporting and distribution of various workplace giving and volunteering campaigns.

Member campaign services: Activities related to the management of America's Charities' members' participation in federal government, state and local government, and private sector workplace campaigns. America's Charities solicits contributions for its member charities through payroll deduction charitable giving campaigns. Member charities must meet certain criteria annually to retain membership and receive unrestricted support through America's Charities' campaigns. The campaign period is typically a 20-month period, usually beginning in the fall before the contribution period. The Fall 2025 Campaign period began in October 2025, with final funds disbursement to occur in March 2027. The campaign collection period for the Fall 2025 Campaign covers the period from April 2026 to March 2027. The Fall 2024 Campaign began in September 2024, with final funds disbursement in March 2026. The campaign collection period for the Fall 2024 Campaign covers primarily the period from April 2025 to March 2026. During the Fall 2025 and 2024 Campaigns, America's Charities served public sector workplace campaigns, both on the federal and state and local levels, as well as private sector engagement programs. Each campaign management organization, state employee campaign organization and private sector organization is responsible for compiling pledge information, collecting contributions and remitting the proceeds to America's Charities, net of campaign expenses.

Community First—America's Charities (Community First) was incorporated in 2008 in the District of Columbia. Its purpose is to solicit contributions for its member charities that serve in the Washington D.C. area and deal with various local area-related issues through payroll deduction charitable giving campaigns.

A summary of America's Charities' significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the financial statements of America's Charities and Community First. All significant intercompany balances and transactions have been eliminated in the consolidation.

Basis of presentation: The consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Entities topics of the FASB ASC, America's Charities is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: Represents resources whose use is not restricted by donor stipulations and are available for the support of general operating activities.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Net assets with donor restrictions: Represents resources unavailable for use in the current period because of the existence of donor-imposed restrictions that remain unsatisfied at year-end or resources whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of America's Charities.

Financial risk: America's Charities maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. America's Charities believes it is not exposed to any significant financial risk on cash.

America's Charities invests in a professionally managed portfolio that contains various marketable securities. Such investments are exposed to various risks, such as market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Investments: Investments in marketable securities are reflected at fair value. The change in fair value of these investments is recorded as a component of investment income in the consolidated statements of activities. Cash held within investment accounts are considered investments.

Promises to give: Promises to give are recorded in the consolidated financial statements upon receipt of pledge information from the campaigns. America's Charities honors designations to both members and nonmembers in accordance with campaign regulations. For the Combined Federal Campaign (CFC), America's Charities honors designations made to each member organization by distributing a proportionate share of receipts based on donor designations to each member, as required by CFC regulations. As all promises to give are expected to be collected within one year, they are recorded at their estimated net realizable value. This is achieved by applying an allowance for estimated shrinkage to the campaign pledges. At the end of the year, any amounts receivable from the previous year's campaign are written off. Subsequent receipts relating to such amounts are offset against the shrinkage expense. There was no provision for doubtful accounts as of December 31, 2025 and 2024.

Member charity fees receivable: Member charity fees receivable consist of member charities' fees due to America's Charities, which are expected to be collected within the next year. America's Charities records an allowance for credit losses, which is based on specifically identified amounts that America's Charities believes to be uncollectible. Management determines the allowance for credit losses by identifying troubled accounts by analyzing debtors' ability to pay, by using historical experience applied to an aging of accounts, the existing economic conditions in the industry and reasonable and supportable forecasts of future economic conditions. As a result, it is reasonably possible that America's Charities' estimate of the net carrying amounts of member charity fees receivable could change in the near-term. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. Opening balances as of January 1, 2024 included member charity fees receivable of $183,754 and $984,442 of deferred revenue.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Below is a summary of the changes in the America's Charities allowance for credit losses for the years ended December 31, 2025 and 2024:

	2025	2024
Beginning balance	$ 1,925	$ 12,882
Charge-offs	(1,925)	(10,957)
Ending balance	$ -	$ 1,925

Other receivables: Other receivables consist mainly of managed campaign fund receivables due to America's Charities, which are expected to be collected within the next year. America's Charities records an allowance for credit losses, which is based on specifically identified amounts that America's Charities believes to be uncollectible. Management determines the allowance for credit losses by identifying troubled accounts by analyzing debtors' ability to pay, by using historical experience applied to an aging of accounts, the existing economic conditions in the industry and reasonable and supportable forecasts of future economic conditions. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. As of December 31, 2025 and 2024, no allowance for credit losses is deemed necessary.

Property and equipment: Property and equipment is recorded at cost, less accumulated depreciation. Property and equipment is depreciated on a straight-line basis over the estimated useful lives of the assets, which range from three to seven years. America's Charities capitalizes all property and equipment purchased with a cost of $5,000 or more and when assets are sold or disposed of the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in operations. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Goodwill: America's Charities follows ASC Topics 805 and 350, Accounting for Business Combinations and Intangibles—Goodwill and Other. Goodwill is required to be recognized in a business combination if the fair value of the acquired entity exceeds the fair value of the identifiable net assets acquired. America's Charities recognized $180,890 of goodwill as a result of its acquisition of Causecast on July 26, 2019. America's Charities has elected the Private Company Council accounting alternatives related to goodwill and intangible assets acquired in a business combination. Accordingly, goodwill includes the fair values of certain customer-related intangible assets acquired in the business combination. Goodwill is being amortized on a straight-line basis over a 10-year life. Amortization expense for goodwill was $18,089 for the years ended December 31, 2025 and 2024. Accumulated amortization of goodwill was $116,415 and $98,326 for the years ended December 31, 2025 and 2024, respectively.

Impairment of long-lived assets: The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset groups. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairments of America's Charities' long-lived assets or asset groups have been recognized during the years ended December 31, 2025 and 2024.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Right-of-use asset: Right-of-use (ROU) assets consist of the initial lease liability, any payments made to the lessor at or before the commencement date minus any incentives received, and initial direct costs. ROU assets on operating type leases are amortized over the lease term in conjunction with the amortization of the lease liability in order to achieve a straight-line expense recognition.

Campaign funds payable to member/nonmember charities: Pledges that are designated to America’s Charities’ member charities and nonmember charities are recorded as campaign funds payable to member/nonmember charities. Cash received from designated campaign pledges is allocated to each participating member charity in the ratio of designated pledges from the relevant campaign to the total cash received.

Leases: America’s Charities determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. America’s Charities also considers whether its service arrangements include the right to control the use of an asset.

America’s Charities recognizes most leases on its consolidated balance sheets as ROU assets representing the right to use an underlying asset and a lease liabilities representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of leases affects the pattern of expense recognition in the consolidated statements of activities.

America’s Charities made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, America’s Charities made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which are initially measured using the index or rate at lease commencement. Subsequent changes in an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

Lease liability: Long-term leases are recognized at the present value of all the lease payments using a risk-free rate comparable with that of the individual lease terms. America’s Charities has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate and equipment asset classes. The non-lease components typically represent additional services transferred to America’s Charities, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Deferred revenue: Amounts billed in advance for member charity fees are recorded as a receivable and deferred revenue and are, thereafter, recognized as revenue ratably over the remaining campaign distribution period.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Revenue recognition: Specific designations to America's Charities and certain undesignated pledges are recognized as public support to the extent remitted by the Principal Combined Fund Organization, the state employee agency or the private sector workplace. All pledges designated for a member charity raised under the terms of the member agreements are reported as amounts raised in campaigns. An offset is deducted for amounts raised and advised/designated for members and others on the consolidated statements of activities.

Each member charity is assessed a fixed service fee and funds management fee based on a percentage of contributions. Member charity fees are recognized as revenue ratably over the campaign distribution period to which they apply and in conjunction with satisfaction of America's Charities performance obligations over time.

Campaign management fees are charged to each organization based on the amount of pledges raised and a fixed contract amount and are recognized as revenue over time as the campaign management services are performed and performance obligations are satisfied. There are various performance obligations performed over the campaign period. Campaign management fee revenue is recognized based on the percentage of time and effort performed over the fiscal year as this is the method utilized to determine when performance obligations are satisfied.

Economic factors, such as changes in the economy or various events that result in greater need to contribute can affect the nature, amount, timing and uncertainty of cash flow for campaign management and member charity fees. The primary factor affecting the future revenue and cash inflows is participation in member charity fees, campaign management fees and charitable contributions received. Management does not believe there is a material risk of future loss of revenue or cash flows. There are no rights of return or refunds for any revenue streams. Payments are due upon receipt of invoice with net terms, based on contracts.

America's Charities did not have any impairment on any receivables or contract assets arising from contracts with customers. There are also no incremental costs of obtaining a contract and no significant financing components.

Employee assistance funds (EAF) contributions are recognized as unconditional revenues and are recorded as increases in net assets with donor restrictions. Unconditional contributions are recognized as revenue upon receipt or when unconditional promises to give are received.

EAF annual fees are recognized as revenue ratably over the contract period to which they apply and in conjunction with satisfaction of America's Charities' performance obligations over time.

Contributions of nonfinancial assets: America's Charities receives contributions of nonfinancial services from individuals and businesses toward the fulfillment of program objectives. Those contributions have been included in revenue and expense categories and are recorded at their estimated fair values as of the date of the donation. No contributed nonfinancial services had donor-imposed restrictions and no contributed nonfinancial assets were monetized.

Campaign advertising expenses: Campaign advertising expenses are expensed during the period the advertising occurs.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Functional allocation of expenses: The costs of providing various program and supporting services have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services benefited. Salaries and benefits are allocated based on time sheets prepared on a basis of time and effort. All overhead expenses are allocated to programs based on the percentage of time and effort identified to each program from salary and benefit allocations.

Income taxes: America's Charities and Community First are organized as District of Columbia nonprofit corporations and have been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as organizations described in IRC Section 501(c)(3) and have been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. No provision for federal income taxes has been recorded in the accompanying consolidated financial statements.

In addition, management assessed whether there were any uncertain tax positions that may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. America's Charities and Community First file tax returns in the U.S. federal jurisdiction. Generally, America's Charities and Community First are no longer subject to U.S. federal income tax examinations by taxing authorities for years before December 31, 2022.

Use of estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: America's Charities has evaluated subsequent events through June 10, 2026, the date on which the consolidated financial statements were available to be issued.

Note 2. Investments and Fair Value Measurements

America's Charities follows accounting standards relating to fair value measurements which defines fair value, establishes a framework for measuring fair value in accordance with U.S. GAAP, and expands disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standards relating to fair value measurements establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. America's Charities uses the following prioritized input levels to measure investments carried at fair value. The input levels used for valuing these investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets such as stock quotes.

Level 2: Includes inputs other than Level 1 that are directly or indirectly observable in the marketplace such as yield curves or other market data.

Note 2. Investments and Fair Value Measurements (Continued)

Level 3: Unobservable inputs which reflect the America's Charities' assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk such as bid/ask spreads and liquidity discounts.

America's Charities mutual funds are publicly traded on the New York Stock Exchange and are considered Level 1 items. Investments valued using Level 2 inputs include U.S. treasury notes. These treasury notes were valued using market observable data. In determining the fair value of these investments, the pricing vendors use a market approach and pricing spreads based on the credit risk of the issuer, maturity, current yield and other terms and conditions of each security.

Investments consisted of the following at December 31, 2025 and 2024:

	2025			
	Fair Value	Level 1	Level 2	Level 3
Investments, at fair value:				
Mutual fund—Institutional	$ 1,558,867	$ 1,558,867	$ -	$ -
Equity securities	26,473	26,473	-	-
Fixed income—U.S. treasury notes	10,966,582	-	10,966,582	-
		$ 1,585,340	$ 10,966,582	$ -
Investments at cost:				
Cash	4,568,109			
	$ 17,120,031			

	2024			
	Fair Value	Level 1	Level 2	Level 3
Investments, at fair value:				
Mutual fund—Institutional	$ 596,797	$ 596,797	$ -	$ -
Equity securities	269,435	269,435	-	-
Fixed income—U.S. treasury notes	10,362,270	-	10,362,270	-
		$ 866,232	$ 10,362,270	$ -
Investments at cost:				
Cash	3,147,728			
	$ 14,376,230			

Note 3. Property and Equipment

Property and equipment consist of the following at December 31, 2025 and 2024:

	2025	2024
Software	$ 180,873	$ 1,645,933
Furniture and equipment	60,400	60,400
Computers	28,841	64,442
	270,114	1,770,775
Less accumulated depreciation	76,070	1,539,087
	$ 194,044	$ 231,688

Depreciation expense related to property and equipment was $37,644 and $13,171 for the years ended December 31, 2025 and 2024, respectively.

Note 4. Amounts Raised in Campaigns

Public support on the consolidated statements of activities is presented net of estimated campaign expenses incurred by other organizations and shrinkage of the campaigns. America's Charities includes funds raised in a campaign that it manages as the fiscal agent if it has had substantial involvement in that campaign. The following tables present gross pledges raised by America's Charities and the reconciliation to net amounts raised in campaigns for the years ended December 31, 2025 and 2024:

	2025		
	Gross Promises	(Shrinkage) Recovery	Net Promises
Combined federal campaign	$ 4,460,323	$ (1,245,530)	$ 3,214,793
Campaign management services	20,077,154	218,998	20,296,152
Private sector	51,902	365	52,267
State and local	4,202,964	(523,025)	3,679,939
	$ 28,792,343	$ (1,549,192)	$ 27,243,151

	2024		
	Gross Promises	(Shrinkage)	Net Promises
Combined federal campaign	$ 4,615,364	$ (1,185,286)	$ 3,430,078
Campaign management services	26,364,021	(1,074,153)	25,289,868
Private sector	54,447	-	54,447
State and local	950,288	(117,188)	833,100
	$ 31,984,120	$ (2,376,627)	$ 29,607,493

Note 5. Contributions of Nonfinancial Assets

America's Charities received contributions of nonfinancial assets. Contributions of nonfinancial assets consisted of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Advertising	$ 136,236	$ 411,880
Legal services	46,000	6,254
	$ 182,236	$ 418,134

The contributed advertising includes online advertising provided by one internet company which is valued at the rates that the provider charges to its customers. The legal services are contributed by one legal firm valued at the standard hourly rates for billable matters the legal firm charges to its customers.

These nonfinancial contributions supported member campaign services, campaign management services and employee assistance funds services.

Note 6. Retirement Plan

America's Charities has a 401(k) defined contribution retirement plan covering all full-time employees. Employees are eligible to participate beginning the first day of hire and are 21 years of age. Under the terms of the plan, America's Charities provides eligible employees a 4% safe harbor contribution. America's Charities also provides a discretionary match for voluntary deferrals. Employees are 100% vested after one year of service. Contributions were $229,309 and $212,339 for the years ended December 31, 2025 and 2024, respectively.

Note 7. Line of Credit

America's Charities had an open-ended, revolving, secured $250,000 line of credit to supplement its general working capital. The line of credit expired on April 1, 2024 and was not renewed.

Note 8. Office Lease

America's Charities leases office space under an operating lease which expires in October 2032. The base rent increases annually based on a schedule provided in the lease. During the first 11 months of the lease, there was an abatement of the monthly base rent. America's Charities determined the original lease to be an operating lease under ASC Topic 842, Leases. America's Charities calculated the present value of the lease over the term of the respective lease, using the risk-free rate at the date of the adoption. The interest rate utilized as of December 31, 2025 and 2024, was 2.00%. The remaining lease term is eight and nine years as of December 31, 2025 and 2024, respectively.

Lease expense for the years ended December 31, 2025 and 2024, was $155,432 and $156,464, respectively.

Note 8. Office Lease (Continued)

Future undiscounted minimum cash basis lease payments, not including increases in real estate taxes or operating expenses, are anticipated to be as follows:

Years ending December 31:	
2026	$ 170,718
2027	174,896
2028	179,360
2029	183,844
2030	188,440
2031-2032	357,450
	1,254,708
Discount to net present value	(83,058)
	$ 1,171,650

Note 9. Availability of Assets

America's Charities is substantially supported by contributions owed to member charities. Because this represents resources not available for operations, America's Charities must maintain sufficient resources to meet those responsibilities to its members. Therefore, financial assets may not be available for general expenditures within one year. As part of America's Charities liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due.

The following reflects America's Charities consolidated financial assets, which includes cash, receivables and investments, reduced by amounts not available for general use within one year of the consolidated balance sheets date:

	2025	2024
Financial assets	$ 34,310,931	$ 26,079,306
Less those unavailable for general expenditures within one year due to:		
Contractual restrictions:		
Cash and investments designated for payments to member, non-member, and managed campaigns	(6,604,818)	(5,154,496)
Promises to give designated for member payments designated for payments to member, non-member, and managed campaigns	(2,442,656)	(646,315)
Donor restrictions	(18,529,340)	(14,009,470)
Financial assets available to meet cash needs for general expenditures within one year	$ 6,734,117	$ 6,269,025

Note 10. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following at December 31, 2025 and 2024:

	2025	2024
Subject to purpose restrictions:		
Employee assistance funds	$ 18,529,340	$ 14,009,470

For the years ended December 31, 2025 and 2024, America's Charities released funds of $11,670,758 and $21,475,133, respectively for the purpose restriction being fulfilled.

Note 11. Contingency

Campaign audits: Funds received from public (federal, state and local) and private sector campaigns are subject to adjustments based on reconciliation and audits made by each campaign. In the opinion of America's Charities management, any adjustments resulting would not be material to the consolidated financial statements. No audit of the Fall 2024 and 2023 Campaigns have been performed by OPM as of the date of issuance of these consolidated financial statements.

RSM US LLP

Independent Auditor's Report on the Supplementary Information

Board of Directors
America's Charities

We have audited the consolidated financial statements (collectively, the financial statements) of America's Charities and Affiliate (America's Charities) as of and for the years ended December 31, 2025 and 2024, and have issued our report thereon, dated June 10, 2026, which contains an unmodified opinion on those financial statements. See page 1-2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information 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 was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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.

RSM US LLP

Orlando, Florida
June 10, 2026

America's Charities and Affiliate

Consolidating Balance Sheet
December 31, 2025

	America's Charities	Community First—America's Charities	Elimination	Total
Assets				
Cash	$ 11,861,990	$ -	$ -	$ 11,861,990
Investments	17,120,031	-	-	17,120,031
Promises to give	2,110,340	375,894	-	2,486,234
Member charity fees receivable, net	101,344	10,289	-	111,633
Other receivables	3,563,350	1,634,699	(2,467,006)	2,731,043
Other assets	216,943	-	-	216,943
Property and equipment, net	194,044	-	-	194,044
Right-of-use asset for operating lease	986,032	-	-	986,032
Goodwill, net	64,475	-	-	64,475
Total assets	$ 36,218,549	$ 2,020,882	$ (2,467,006)	$ 35,772,425
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	$ 2,355,642	$ 1,050,822	$ (2,467,006)	$ 939,458
Campaign funds payable to member/nonmember charities	9,640,773	477,945	-	10,118,718
Deferred revenue	1,292,214	34,274	-	1,326,488
Lease liability, net	1,171,650	-	-	1,171,650
Total liabilities	14,460,279	1,563,041	(2,467,006)	13,556,314
Net assets:				
Without donor restrictions	3,228,930	457,841	-	3,686,771
With donor restrictions	18,529,340	-	-	18,529,340
Total net assets	21,758,270	457,841	-	22,216,111
Total liabilities and net assets	$ 36,218,549	$ 2,020,882	$ (2,467,006)	$ 35,772,425

America's Charities and Affiliate

Consolidating Statement of Activities
Year Ended December 31, 2025

	America's Charities	Community First— America's Charities	Total
Support and revenue:			
Amounts raised in campaigns, net of campaign expenses incurred by other organizations and shrinkage:			
Combined federal campaign	$ 2,237,402	$ 977,391	$ 3,214,793
Campaign management services	20,240,022	56,130	20,296,152
Private sector	52,267	-	52,267
State and local	3,670,737	9,202	3,679,939
Total net amounts raised in campaigns	26,200,428	1,042,723	27,243,151
Less amounts raised on behalf of others	26,045,857	1,037,194	27,083,051
Support designated to America's Charities and Affiliate	154,571	5,529	160,100
Employee assistance funds donations	16,190,628	-	16,190,628
Campaign management fees	2,151,262	-	2,151,262
Member charity fees	856,515	236,692	1,093,207
Contributions of nonfinancial assets	73,480	108,756	182,236
Employee assistance funds fees	2,613,142	-	2,613,142
Investment income, net	658,153	-	658,153
Other	119,738	-	119,738
Charitable contributions - undesignated	216,615	-	216,615
Total support and revenue	23,034,104	350,977	23,385,081
Expenses:			
Program services:			
Employee assistance funds services	12,816,739	-	12,816,739
Campaign management services	2,241,361	108,756	2,350,117
Member campaign services	483,423	1,245	484,668
Total program services	15,541,523	110,001	15,651,524
Supporting services:			
Management and general	1,493,670	-	1,493,670
Fundraising	757,730	-	757,730
Total supporting services	2,251,400	-	2,251,400
Total expenses	17,792,923	110,001	17,902,924
Change in net assets	5,241,181	240,976	5,482,157
Net assets:			
Beginning	16,517,089	216,865	16,733,954
Ending	$ 21,758,270	$ 457,841	$ 22,216,111