



UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidated Financial Statements and Supplemental Schedules

June 30, 2025

(With Summarized Comparative Financial Information as of and for the
Year Ended June 30, 2024)

(With Independent Auditors' Report Thereon)

UNITED STATES FUND FOR UNICEF AND AFFILIATES

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KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Directors
United States Fund for UNICEF:

Opinion

We have audited the consolidated financial statements of United States Fund for UNICEF and its affiliates (USF), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of USF as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 the USF'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the USF'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 Summarized Comparative Information

We have previously audited USF 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

New York, New York
October 29, 2025

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidated Statement of Financial Position

June 30, 2025

(with summarized comparative financial information as of June 30, 2024)

Assets	2025	2024
Cash and cash equivalents	\$ 108,917,824	94,425,423
Investments (note 2)	96,866,176	87,784,994
Contributions and other receivables (note 3)	342,754,215	118,751,830
Prepaid expenses and other assets	3,382,928	3,859,177
Investments held for split-interest agreements (note 4)	8,772,545	11,563,552
Property and equipment, net (note 6)	23,096,107	24,985,452
Total assets	\$ 583,789,795	341,370,428
Liabilities and Net Assets		
Liabilities:		
Grants payable (note 5)	\$ 35,395,850	45,673,631
Accrued expenses and other liabilities (note 8)	14,752,231	15,955,250
Liabilities under split-interest agreements (note 4)	3,120,969	3,140,603
Loans payable (note 7)	42,525,000	37,075,000
Bonds payable, net (note 7)	24,212,544	26,000,917
Total liabilities	120,006,594	127,845,401
Net assets:		
Without donor restrictions	155,039,975	132,154,300
With donor restrictions (note 10)	308,743,226	81,370,727
Total net assets	463,783,201	213,525,027
Total liabilities and net assets	\$ 583,789,795	341,370,428

See accompanying notes to consolidated financial statements.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidated Statement of Activities

Year ended June 30, 2025

(with summarized comparative financial information for the year ended June 30, 2024)

	2025		Total	2024 Total
	Without donor restrictions	With donor restrictions		
Public support and revenue:				
Public support:				
Contributions:				
Corporate	\$ 29,896,184	17,735,114	47,631,298	52,291,860
Major gifts	60,641,079	246,317,219	306,958,298	40,646,058
Foundations	135,283,167	22,670,445	157,953,612	219,474,539
Nongovernmental organizations (NGO)	73,281,115	1,050,000	74,331,115	67,642,662
Direct marketing	74,482,482	150,000	74,632,482	71,424,616
Trick-or-treat program	144,815	—	144,815	121,542
Internet	30,929,294	—	30,929,294	38,754,270
Other	12,504,796	—	12,504,796	7,637,129
Gifts-in-kind	119,614,059	—	119,614,059	174,945,529
Special events income, net of expenses of \$1,122,239 in 2025 and \$7,530,195 in 2024	1,195,905	—	1,195,905	2,316,260
Bequests and legacies	24,775,450	—	24,775,450	33,860,722
Provision for losses and discounts on restricted assets	—	(5,807,809)	(5,807,809)	(6,636,173)
Total public support	<u>562,748,346</u>	<u>282,114,969</u>	<u>844,863,315</u>	<u>702,479,014</u>
Revenue:				
Greeting cards revenue	782,256	—	782,256	798,897
Investment return (note 2)	13,078,139	—	13,078,139	13,689,679
Change in value of split-interest agreements	(76,639)	—	(76,639)	346,678
Total revenue	<u>13,783,756</u>	<u>—</u>	<u>13,783,756</u>	<u>14,835,254</u>
Net assets released from restrictions	<u>54,742,470</u>	<u>(54,742,470)</u>	<u>—</u>	<u>—</u>
Total public support, revenue, and net assets released from restrictions	<u>631,274,572</u>	<u>227,372,499</u>	<u>858,647,071</u>	<u>717,314,268</u>
Expenses:				
Program services:				
Grants to UNICEF and other nongovernmental organizations (NGOs) (note 5)	484,617,020	—	484,617,020	594,753,020
Public information, education, and program services	24,423,032	—	24,423,032	24,622,141
Advocacy	1,973,337	—	1,973,337	1,627,125
Total program services	<u>511,013,389</u>	<u>—</u>	<u>511,013,389</u>	<u>621,002,286</u>
Supporting services:				
Management and general	17,570,038	—	17,570,038	16,662,810
Fund-raising expenses	79,805,470	—	79,805,470	87,612,639
Total supporting services	<u>97,375,508</u>	<u>—</u>	<u>97,375,508</u>	<u>104,275,449</u>
Total expenses	<u>608,388,897</u>	<u>—</u>	<u>608,388,897</u>	<u>725,277,735</u>
Increase (decrease) in net assets	<u>22,885,675</u>	<u>227,372,499</u>	<u>250,258,174</u>	<u>(7,963,467)</u>
Net assets:				
Beginning of year	<u>132,154,300</u>	<u>81,370,727</u>	<u>213,525,027</u>	<u>221,488,494</u>
End of year	\$ <u>155,039,975</u>	<u>308,743,226</u>	<u>463,783,201</u>	<u>213,525,027</u>

See accompanying notes to consolidated financial statements.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidated Statement of Cash Flows

Year ended June 30, 2025

(with summarized comparative financial information for the year ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 250,258,174	(7,963,467)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,799,408	1,945,030
Net appreciation in fair value of investments	(8,571,151)	(8,774,307)
Change in value of split-interest agreements	76,639	346,678
Loss on disposal of property and equipment	132,999	—
Changes in operating assets and liabilities:		
Contributions and other receivables	(224,002,385)	39,008,603
Prepaid expenses and other assets	476,249	(1,367,507)
Grants payable	(10,277,781)	(6,185,883)
Split-interest agreements assets	290,617	(498,873)
Accrued expenses and other liabilities	<u>(1,203,019)</u>	<u>2,024,400</u>
Net cash provided by operating activities	<u>8,979,750</u>	<u>18,534,674</u>
Cash flows from investing activities:		
Purchases of property and equipment	—	(277,758)
Proceeds from sales of investments	13,778,624	17,856,462
Purchases of investments	<u>(11,864,904)</u>	<u>(20,101,243)</u>
Net cash provided by (used in) investing activities	<u>1,913,720</u>	<u>(2,522,539)</u>
Cash flows from financing activities:		
Proceeds from contributions under split-interest agreements	—	2,138
Payments under split-interest agreements	(19,634)	(359,787)
Payment of bonds payable	(1,831,435)	(1,777,329)
Proceeds from line of credit	7,500,000	1,000,000
Payment on line of credit	(7,500,000)	(1,000,000)
Proceeds from loans	8,000,000	7,650,000
Payments on loans	<u>(2,550,000)</u>	<u>(11,050,000)</u>
Net cash provided by (used in) financing activities	<u>3,598,931</u>	<u>(5,534,978)</u>
Net increase in cash and cash equivalents, and restricted cash	14,492,401	10,477,157
Cash and cash equivalents:		
Beginning of year	<u>94,425,423</u>	<u>83,948,266</u>
End of year	\$ <u>108,917,824</u>	\$ <u>94,425,423</u>
Cash paid for interest	\$ 1,336,136	1,642,329
Noncash operating activity:		
Gifts-in-kind revenue/expenses	\$ 119,614,059	174,945,529

See accompanying notes to consolidated financial statements.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidated Statement of Functional Expenses

Year ended June 30, 2025

(with summarized comparative financial information for the year ended June 30, 2024)

	Program services				Supporting services			Totals	
	Grants to UNICEF and other NGOs	Public information, education, and program services	Advocacy	Total	Management and general	Fund-raising	Total	2025	2024
Grants to UNICEF and other NGOs	\$ 484,617,020	—	—	484,617,020	—	—	—	484,617,020	594,753,020
Salaries, payroll taxes, and employee benefits	—	13,694,439	835,586	14,530,025	13,593,646	26,206,977	39,800,623	54,330,648	53,638,082
Outside printing and telemarketing	—	444,765	1,455	446,220	19,055	8,966,440	8,985,495	9,431,715	11,605,019
Postage and shipping	—	53,291	1,654	54,945	10,912	9,245,267	9,256,179	9,311,124	9,516,293
Mailing list rental	—	—	—	—	—	1,274,675	1,274,675	1,274,675	1,560,675
Consulting and other fees	—	5,946,018	798,780	6,744,798	523,335	27,593,178	28,116,513	34,861,311	37,713,884
Telephone	—	34,132	2,137	36,269	30,397	58,774	89,171	125,440	129,337
Occupancy	—	140,115	8,003	148,118	122,302	241,105	363,407	511,525	818,328
Conferences, conventions, meetings and travel	—	663,012	78,103	741,115	323,216	595,414	918,630	1,659,745	2,904,325
Equipment, repairs, and supplies	—	1,826,844	182,937	2,009,781	1,308,003	3,197,455	4,505,458	6,515,239	6,668,205
Legal and accounting	—	135,488	7,787	143,275	630,836	227,371	858,207	1,001,482	1,146,400
Insurance	—	123,289	7,817	131,106	109,417	212,258	321,675	452,781	444,629
Depreciation and amortization	—	374,950	26,953	401,903	356,049	1,041,456	1,397,505	1,799,408	1,945,030
Interest	—	777,510	12,717	790,227	180,889	348,930	529,819	1,320,046	1,461,397
Miscellaneous	—	209,179	9,408	218,587	361,981	596,170	958,151	1,176,738	973,111
Total expenses, year ended June 30, 2025	\$ 484,617,020	24,423,032	1,973,337	511,013,389	17,570,038	79,805,470	97,375,508	608,388,897	725,277,735
Total expenses, year ended June 30, 2024	\$ 594,753,020	24,622,141	1,627,125	621,002,286	16,662,810	87,612,639	104,275,449	725,277,735	725,277,735

See accompanying notes to consolidated financial statements.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

(1) Organization and Summary of Significant Accounting Policies

(a) Principles of Consolidation

The accompanying consolidated financial statements include the United States Fund for UNICEF (Fund) and affiliates, UNICEF USA Impact Fund for Children Inc (IF4C), and Bridge Fund Grant Assistance Corporation (BF-GAC); collectively (USF). The Fund is the sole voting member of IF4C and BF-GAC and elects their boards of directors. There were no transactions for BF-GAC in 2025 and 2024.

(b) Nature of Activities

The Fund is a not-for-profit organization, chartered by the State of New York, organized to support programs through fund-raising, education, and advocacy activities, providing lifesaving medicine, better nutrition, clean water and sanitation, quality basic education, and emergency relief to children, families, and communities in more than 190 countries and territories. As a partner in the global commitment to build a world fit for children, the Fund is working to create a world that is free from poverty, disease, violence, exploitation, and discrimination.

IF4C is a not-for-profit organization, chartered by the State of New York, organized to support the Fund by facilitating the contribution and distribution of in-kind donations to advance the health, education, and welfare of children throughout the world.

BF-GAC is a not-for-profit organization, chartered by the State of New York, to receive contributions and other financial support and give grants to international charitable organizations to be used by such organizations to benefit children throughout the world.

IF4C and BF-GAC operate exclusively for the benefit of and to perform specific functions of the Fund for charitable and educational purposes.

(c) Financial Statement Presentation

The consolidated financial statements include certain prior year summarized comparative information, which does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be viewed in conjunction with USF's consolidated financial statements for the year ended June 30, 2025 from which the summarized information was derived.

USF prepares its consolidated financial statements on the accrual basis in accordance with U.S. GAAP. Net assets of USF and changes therein are classified and reported as follows:

Without Donor Restrictions Net Assets – Net assets that are not subject to donor-imposed restrictions.

With Donor Restrictions Net Assets – Net assets subject to donor-imposed restrictions that will be met either by actions of USF and/or by the passage of time as well as assets subject to donor-imposed restrictions that stipulate that they be maintained permanently by USF but permit USF to expend all or part of the income derived therefrom to support operations.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

Revenue is reported as increases in net assets unless its use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions, that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, except for those restrictions met in the same year as received, which are reported as without donor restriction revenue, are reported as net assets released from restrictions.

(d) Cash and Cash Equivalents

USF considers highly liquid investments with original maturities of three months or less to be cash equivalents, except for such investments purchased by USF's investment managers as part of their long-term investment strategies. Financial instruments that potentially subject USF to concentrations of credit risk consist principally of cash, certificates of deposit, and commercial paper. Cash and cash equivalents in excess of insurable limits aggregated approximately \$108.9 million and \$94 million at June 30, 2025 and 2024, respectively.

(e) Investments, Including Investments Held for Split-Interest Agreements

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon values provided by USF's external investment managers or upon quoted market prices or readily determined published prices. Investments in limited partnerships are reflected at estimated fair values, which, as a practical expedient, are the net asset values as reported by the general partners. The estimated fair value may differ from the values that would have been reported had a ready market for these securities existed. USF reviews and evaluates the values provided by the general partners and agrees with the valuation methods and assumptions used in determining the estimated fair value of the limited partnerships.

Realized and unrealized gains on investments generated by net assets with donor restrictions are available for unrestricted use and are recorded as without donor restriction revenue.

Investment income is recorded when earned. Realized and unrealized gains and losses are determined on the basis of specific identification.

Investments are exposed to various risks, such as interest rate, market, and credit risks. Because of the level of risk associated with certain investments, it is at least reasonably possible that changes in their values will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

(f) Property and Equipment, Net

Property and equipment are recorded at cost. Depreciation and amortization are computed by the straight-line method over the estimated useful lives of the assets, or in the case of leasehold improvements, over the lesser of the remaining terms of the leases or the estimated useful lives of the improvements.

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Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

Useful lives used in the calculation of depreciation by major category of assets are as follows:

Office condominium	39 years
Computer equipment and internal use software	3–5 years
Furniture and fixtures	5–7 years
Office equipment	3–5 years

(g) Revenue Recognition

Contributions through direct mail and other campaigns are recorded as public support when received.

Gifts-in-kind are recorded as public support at their estimated fair value on the date of receipt. For donated gifts-in-kind, USF performs a review and evaluation of the fair values by using methods that include reviewing observable market data. This includes reviewing independently quoted prices for that particular pharmaceutical product or a similar pharmaceutical product and incorporating the fair value provided by the donor. USF does not sell donated gifts-in-kind. The inputs used to measure the fair value of gifts-in-kind are considered Level 3 within the fair value hierarchy (note 1(m)).

Additionally, a substantial number of volunteers have donated their time to support the USF's fund-raising and other activities. The value of these contributed services is not included in the consolidated financial statements since they do not meet the criteria for financial statement recognition established under GAAP.

(h) Grants

Grants are recorded as an expense and liability when approved by the board of directors of USF. All commitments are expected to be paid within 12 months from the date of the consolidated statement of financial position.

(i) Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated using the square footage method among the programs and supporting service areas that were benefited.

(j) Deferred Bond Acquisition Costs

Costs incurred to obtain long-term debt are deferred and amortized over the life of the debt.

(k) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported consolidated amounts of assets and liabilities and disclosure 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. Estimates made in the preparation of the consolidated financial statements include valuation of

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

investments at fair value, net realizable value of contributions receivable, fair value of gifts-in-kind and functional expense allocations. Actual results could differ from those estimates.

(l) Income Tax Status

The Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is classified as a publicly supported organization as defined in Section 509(a)(1) of the IRC. IF4C and BF-GAC are also exempt from federal income taxes under Section 501(c)(3) of the IRC and are classified as publicly supported organizations as defined in Section 509(a)(3) of the IRC. The Fund, IF4C, and the BF-GAC are also exempt from state and local income taxes and qualify for the maximum charitable contribution deduction by donors.

USF recognizes the effects of income tax positions only if those positions are more likely than not of being sustained. No provision for income taxes has been made, as USF has not reported any taxable unrelated business income and any unrelated business income is offset by associated expenditures. USF evaluates, on an annual basis, the effects of any uncertain tax positions on its consolidated financial statements. As of June 30, 2025 and 2024, USF has not identified or provided for any such positions.

(m) Fair Value

Fair value is defined as 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. In determining the inputs used to measure fair value, the highest priority is given to observable inputs and lowest priority is given to unobservable inputs. Fair value inputs are categorized within a fair value hierarchy as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities or published net asset values for alternative investments that have characteristics similar to a mutual fund
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs observable or corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

(2) Investments

The classification of investments by level in the fair value hierarchy as of June 30, 2025 and 2024 is as follows:

		2025			
		Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$	530,541	—	—	530,541
Corporate fixed income		—	47,871,941	—	47,871,941
Equity Securities:					
U.S.		37,556,715	—	—	37,556,715
Non-U.S.		10,906,979	—	—	10,906,979
Total	\$	<u>48,994,235</u>	<u>47,871,941</u>	<u>—</u>	<u>96,866,176</u>

		2024			
		Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$	110,238	—	—	110,238
Corporate fixed income		—	44,139,098	—	44,139,098
Equity Securities:					
U.S.		34,388,537	—	—	34,388,537
Non-U.S.		9,147,121	—	—	9,147,121
Total	\$	<u>43,645,896</u>	<u>44,139,098</u>	<u>—</u>	<u>87,784,994</u>

Return on investments for the years ended June 30, 2025 and 2024 consists of the following:

		2025	2024
Dividends and interest, net of fees	\$	4,506,988	4,915,372
Appreciation in fair value		<u>8,571,151</u>	<u>8,774,307</u>
Total investment return	\$	<u>13,078,139</u>	<u>13,689,679</u>

(3) Contributions and Other Receivables

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy. In subsequent periods, the discount rate

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2025

(with summarized comparative financial information as of and for the year ended June 30, 2024)

is unchanged and the allowance for uncollectible contributions is reassessed and adjusted if necessary. Amortization of the discounts is recorded as additional contribution revenue.

Contributions and other receivables at June 30, 2025 and 2024 consist of unconditional promises to give, due as follows:

	2025	2024
Contributions receivable:		
Less than one year	\$ 306,731,851	68,273,434
One to seven years	52,341,814	57,724,561
	359,073,665	125,997,995
Less:		
Discount to present value (ranges .43% to 2.86%)	(1,182,725)	(1,395,426)
Allowance for uncollectable pledge	(15,136,725)	(5,850,739)
Total	\$ 342,754,215	118,751,830

Included in gross contributions and other receivables at June 30, 2025 is approximately \$305.2 million due from 5 donors. The top 5 donors account for \$554.5 million or 66% of public support revenue for the year ended June 30, 2025. Gifts-in-kind revenue is primarily received from one donor.

(4) Investments Held for Split-Interest Agreements

Split-interest agreements, for which USF is a trustee, consist principally of charitable gift annuities (CGA), related assets of which total \$8,772,545 and \$11,563,552 at June 30, 2025 and 2024, respectively. Such designated assets exceed the legally mandated reserve. The classification of investments held for split-interest agreements by their level in the fair value hierarchy as of June 30, 2025 and 2024 is as follows:

	2025			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 113,186	—	—	113,186
Corporate fixed income	—	3,564,635	—	3,564,635
Equity securities:				
U.S.	3,042,851	—	—	3,042,851
Non-U.S.	1,568,236	—	—	1,568,236
Real assets	483,637	—	—	483,637
	\$ 5,207,910	3,564,635	—	8,772,545

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	2024			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 414,196	—	—	414,196
Corporate fixed income	—	4,249,913	—	4,249,913
Equity securities:				
U.S.	3,779,970	—	—	3,779,970
Non-U.S.	2,854,593	—	—	2,854,593
Real assets	264,880	—	—	264,880
	<u>\$ 7,313,639</u>	<u>4,249,913</u>	<u>—</u>	<u>11,563,552</u>

Changes in fair value of these split-interest agreements are reflected in USF's consolidated statement of activities. On an annual basis, the Fund values the liability to the designated beneficiaries based upon actuarial assumptions. The present value of the estimated future payments of \$3,120,969 and \$3,140,603 at June 30, 2025 and 2024, respectively, is calculated using the Internal Revenue Service discount rate and applicable mortality tables.

(5) Grants

The boards of directors of USF authorized grants to UNICEF-assisted projects and various nonprofit organizations from funds and in-kind gifts received by USF during the years ended June 30, 2025 and 2024. Such grants are to be used by UNICEF and nonprofit organizations solely for those assistance projects approved by the boards of directors to provide life-saving medicine, better nutrition, clean water and sanitation, quality basic education, and emergency relief to children, families, women, and communities in more than 150 countries and territories.

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As of June 30, 2025 and 2024, grants payable to UNICEF and NGOs were calculated as follows:

	<u>2025</u>	<u>2024</u>
Grants payable to UNICEF and NGOs – beginning of year	\$ 45,673,631	51,859,514
Add:		
Gifts-in-kind	119,614,059	174,945,529
Grants to UNICEF	320,717,937	372,709,952
Grants to NGOs	<u>44,557,986</u>	<u>48,043,476</u>
Total additions	<u>530,563,613</u>	<u>647,558,471</u>
Less:		
Cash paid to UNICEF	327,068,644	369,875,242
Gifts-in-kind	123,336,224	183,370,780
Cash paid to NGOs	<u>44,762,895</u>	<u>48,638,818</u>
Total deductions	<u>495,167,763</u>	<u>601,884,840</u>
Grants payable to UNICEF and NGOs – end of year	\$ <u>35,395,850</u>	<u>45,673,631</u>

(6) Property and Equipment, Net

Property and equipment at June 30, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
Office condominium	\$ 41,779,450	41,779,450
Computer equipment and internal use software	7,516,109	7,768,109
Leasehold improvements	104,324	104,324
Furniture and fixtures	749,961	749,961
Office equipment	<u>20,933</u>	<u>20,933</u>
	50,170,777	50,422,777
Less accumulated depreciation and amortization	<u>(27,074,670)</u>	<u>(25,437,325)</u>
	\$ <u>23,096,107</u>	<u>24,985,452</u>

(7) Long-Term Debt

(a) Bonds Payable

On June 14, 2007, a private placement of New York City Industrial Development Agency issued Civic Facility Revenue Bonds (the Bonds) totaling \$43,510,000 consisting of two series: Series 2007A (Series A) in the amount of \$7,910,000, fixed interest rate 5.05% and Series 2007B (Series B) in the amount of \$35,600,000, fixed interest rate 5.30%. Proceeds of the Bonds, net of issuance costs of

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\$1,204,778, were used by USF to acquire an office condominium (the Facility) and to pay for related interior space construction costs, to purchase furniture and fixtures, and to pay related costs as well as closing costs of the bond issuance (collectively, the Project). The Bonds were not secured by any mortgage lien or security interest in the Facility or any property of USF. The Bonds also had a financial covenant in which USF guaranteed to maintain minimum net assets at \$10,000,000.

In September 2016, Build NYC Resource Corporation issued private placement Civic Facility Revenue Bonds, Series 2016 (2016 Bonds) totaling \$39,100,000 to defease the New York City Industrial Development Agency Civic Facility Revenue Bonds Series 2007A and 2007B. The term of the 2016 Bonds is 20 years with a fixed interest rate of 2.86%. The deferred bond acquisition cost on bonds payable for the years ended June 30, 2025 and 2024 was \$495,219 and \$538,281, respectively.

The maturities of the bonds payable subsequent to June 30, 2025 are as follows:

Fiscal year ending:		
2026	\$	1,885,253
2027		1,940,652
2028		1,996,097
2029		2,056,336
2030		2,178,966
Thereafter		<u>14,650,459</u>
Total		24,707,763
Less deferred bond acquisition cost		<u>(495,219)</u>
Bonds payable, net	\$	<u>24,212,544</u>

Interest expense on bonds payable for the years ended June 30, 2025 and 2024 was \$745,494 and \$799,600, respectively.

(b) Loans Payable

On December 31, 2011, the IF4C entered into a loan agreement with various philanthropic investors for use with the Revolving Guarantee Bridge Fund (RGBF) program. RGBF is an innovative tool that secures better pricing, faster delivery, and a consistent flow of essential goods for children in the developing world by distributing critical, flexible capital to overcome traditional funding obstacles when purchasing urgently needed supplies that save children’s lives. RGBF funds its program activities and grants by obtaining net worth grants and similar contributions, below market loans, and program-related investments from financial institutions, foundations, and other lenders. The RGBF provides UNICEF’s Supply Division with access to U.S. mission investment funding to bridge procurement costs until regular, slower payments become available.

The loan payable balance of \$42,525,000 represents various loans from corporate and individual lenders with interest rates ranging from 0% to 2.25% per annum. The loan payable balances range

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from three to seven years from the date of the loan agreement. Interest expense on loans payable for the years ended June 30, 2025 and 2024 was \$482,275 and \$616,550, respectively.

(c) Line of Credit

USF has a \$20,000,000 amended line of credit agreement with TD Bank (“Lender”) signed in June 2021 which expired in March 2023, and was subsequently extended through April 2026. Advances bear interest at the Standard Overnight Financing Rate (SOFR) plus 1.615% or the Base Rate which is equal to the greater of U.S. Prime Rate or the Federal Funds Effective Rate, unless the average daily cash balance for the quarter exceeds \$10,000,000. There were no amounts outstanding on the line of credit at June 30, 2025, and June 30, 2024.

(8) Commitments and Contingencies

The Fund is obligated under noncancelable operating lease agreements for the rental of offices and warehouse space expiring through 2030 (future minimum lease payment range from \$363,826 to \$661,762 between 2024 and 2030). Such leases generally contain provisions for increased rentals based upon increases in real estate taxes and operating expenses. Total rent expense was \$427,676 and \$712,357 for the years ended June 30, 2025, and 2024, respectively.

(9) Retirement Plan

The Fund has a defined contribution retirement plan, under IRC Section 403(b), which is offered to all of its qualified employees. Employees can contribute a portion of their salary to the plan up to the maximum permitted under the IRC. The Fund will match employee contributions up to 4% of an employee’s salary (up to 6% of base compensation prior to July 8, 2013). The employee must complete one year and 1,000 hours of service and must be at least 21 years of age. In addition, the Fund makes a nonmatching contribution of 5% of salary to eligible employees prior to July 8, 2013 and 4% of base compensation of all eligible employees hired on or after July 1, 2013. The Fund’s matching and nonmatching contributions totaled \$2,584,285 and \$2,674,265 for the years ended June 30, 2025 and 2024, respectively.

The Fund has a deferred compensation plan under IRC Section 457(b) in which selected management employees can contribute additional salary up to the maximum permitted by the IRC. The Fund does not match these contributions.

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(with summarized comparative financial information as of and for the year ended June 30, 2024)

(10) With Donor Restrictions Net Assets

With Donor Restrictions net assets consisted of the following at June 30, 2025:

	<u>2025</u>	<u>2024</u>
With donor restrictions net assets:		
Child protection	\$ 4,801,423	5,054,661
Child survival, including nutrition and health	225,374,355	58,526,482
Emergency	3,302,546	3,759,850
Other miscellaneous programs	70,675,455	9,426,795
Value of split interest	133,974	223,638
Endowment	<u>4,455,473</u>	<u>4,379,301</u>
Total	<u>\$ 308,743,226</u>	<u>81,370,727</u>

(a) Endowment

USF's endowment consists of individual donor-restricted funds. Net assets associated with these permanent endowments are classified and reported based on the existence or absence of donor-imposed restrictions. USF has no board-designated endowment funds.

USF operates in accordance with the New York Prudent Management of Institutional Funds Act (NYPMIFA). In accordance with the accounting guidance associated with the adoption of NYPMIFA, the remaining portion of the donor-restricted endowment fund that is classified under with donor restriction net assets until those amounts are appropriated for expenditure by USF in a manner consistent with the standard of prudence prescribed by NYPMIFA.

The following table summarizes USF's endowment by net asset class and changes therein for the years ended June 30, 2025 and 2024:

<u>Description</u>	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Net Assets at June 30, 2023	\$ —	4,325,374	4,325,374
Investment return	—	53,927	53,927
Net Assets at June 30, 2024	—	4,379,301	4,379,301
Investment return	—	76,172	76,172
Net Assets at June 30, 2025	<u>\$ —</u>	<u>4,455,473</u>	<u>4,455,473</u>

(11) Availability of Resources

The Fund manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. The Fund operates with a balanced budget and anticipates sufficient revenue to

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Notes to Consolidated Financial Statements

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cover general expenditures not covered by donor-restricted resources. The board approved the Fiscal Year 2026 spend from the endowment, which is estimated to be \$128,301.

As of June 30, 2025 and 2024, the Fund considered the following financial assets available to meet its general expenditures within one year:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 108,917,824	94,425,423
Investments	96,866,176	87,784,994
Contributions receivables	<u>342,754,215</u>	<u>118,751,830</u>
Total financial assets	<u>548,538,215</u>	<u>300,962,247</u>
Less:		
Contributions receivable not due within one year	<u>51,159,089</u>	<u>56,329,135</u>
	<u>51,159,089</u>	<u>56,329,135</u>
Total financial assets available to meet general expenditures within one year of the balance due	<u>\$ 497,379,126</u>	<u>244,633,112</u>

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Notes to Consolidated Financial Statements

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(12) Contributed Nonfinancial Assets

USF's policy is to use contributed nonfinancial assets for programmatic or other purposes unless the assets have no utility consistent with USF's mission. In those instances, the assets would be monetized. Revenues from contributions of nonfinancial assets were as follows:

Description	2025	2024	Usage in programs /activities	Donor-imposed restrictions	Fair value techniques and inputs
Pharmaceuticals	\$ 114,164,177	164,088,788	International Health Programs	Use outside the U.S	Pharmaceuticals not legally permissible for sale in the U.S. were valued using third-party sources that represent wholesale exit prices in the principal markets (Africa, India, Canada and other international developing markets in which the products may be legally sold).
Advertising	3,279,387	6,022,556	Emergency and Natural Disaster Programs	None	Estimates based on current local rates for identical or similar services.
Apparel and footwear	—	195,750	Emergency and Natural Disaster Programs	None	Estimates based on U.S. wholesale prices of identical or similar products.
Freight and shipping services	<u>2,170,495</u>	<u>4,638,435</u>	Emergency and Natural Disaster Programs	None	Estimates based on current local rates for identical or similar services.
Total	<u>\$ 119,614,059</u>	<u>174,945,529</u>			

(13) Subsequent Events

USF evaluated events subsequent to June 30, 2025, and through October 29, 2025, the date on which the consolidated financial statements were issued, and determined there were no subsequent events required to be disclosed.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidating Schedule of Financial Position

June 30, 2025

Assets	United states	UNICEF USA Impact Fund for Children Inc			Total	Intercompany eliminations	Consolidated total
	fund for UNICEF	Gifts-in-kind	Bridge fund	Subtotal			
Cash and cash equivalents	\$ 99,878,831	—	9,038,993	9,038,993	108,917,824	—	108,917,824
Investments	69,879,948	—	26,986,228	26,986,228	96,866,176	—	96,866,176
Contributions and other receivables	309,220,915	—	35,533,300	35,533,300	344,754,215	(2,000,000)	342,754,215
Prepaid expenses and other assets	3,382,928	—	—	—	3,382,928	—	3,382,928
Due from affiliate	278,662	—	—	—	278,662	(278,662)	—
Investments held for split-interest agreements	8,772,545	—	—	—	8,772,545	—	8,772,545
Property and equipment, net	23,096,107	—	—	—	23,096,107	—	23,096,107
Total assets	\$ 514,509,936	—	71,558,521	71,558,521	586,068,457	(2,278,662)	583,789,795
Liabilities and Net Assets							
Liabilities:							
Grants payable	\$ 35,395,850	—	—	—	35,395,850	—	35,395,850
Accrued expenses and other liabilities	10,013,424	—	4,738,807	4,738,807	14,752,231	—	14,752,231
Liabilities under split-interest agreements	3,120,969	—	—	—	3,120,969	—	3,120,969
Due to affiliate	—	—	278,662	278,662	278,662	(278,662)	—
Loans payable	—	—	42,525,000	42,525,000	42,525,000	—	42,525,000
Bonds payable, net	24,212,544	—	—	—	24,212,544	—	24,212,544
Total liabilities	72,742,787	—	47,542,469	47,542,469	120,285,256	(278,662)	120,006,594
Net assets:							
Without donor restrictions	132,688,712	—	24,351,263	24,351,263	157,039,975	(2,000,000)	155,039,975
With donor restrictions	309,078,437	—	(335,211)	(335,211)	308,743,226	—	308,743,226
Total net assets	441,767,149	—	24,016,052	24,016,052	465,783,201	(2,000,000)	463,783,201
Total liabilities and net assets	\$ 514,509,936	—	71,558,521	71,558,521	586,068,457	(2,278,662)	583,789,795

See accompanying independent auditors' report.

UNITED STATES FUND FOR UNICEF AND AFFILIATES

Consolidating Schedule of Activities

Year ended June 30, 2025

	United states fund for UNICEF	UNICEF USA Impact Fund for Children Inc			Total	Intercompany eliminations	Consolidated total
		Gifts-in-kind	Bridge fund	Subtotal			
Public support and revenue:							
Public support:							
Contributions:							
Corporate	\$ 47,631,298	—	—	—	47,631,298	—	47,631,298
Major gifts	306,958,298	—	—	—	306,958,298	—	306,958,298
Foundations	157,953,612	—	—	—	157,953,612	—	157,953,612
Nongovernment organizations (NGO)	74,331,115	—	—	—	74,331,115	—	74,331,115
Direct marketing	74,632,482	—	—	—	74,632,482	—	74,632,482
Trick-or-treat program	144,815	—	—	—	144,815	—	144,815
Internet	30,929,294	—	—	—	30,929,294	—	30,929,294
Other	2,504,796	—	25,015,418	25,015,418	27,520,214	(15,015,418)	12,504,796
Gifts-in-kind	119,614,059	—	—	—	119,614,059	—	119,614,059
Special events income	1,195,905	—	—	—	1,195,905	—	1,195,905
Bequests and legacies	24,775,450	—	—	—	24,775,450	—	24,775,450
Provision for losses and discounts on restricted assets	(6,148,561)	—	340,752	340,752	(5,807,809)	—	(5,807,809)
Total public support	834,522,563	—	25,356,170	25,356,170	859,878,733	(15,015,418)	844,863,315
Revenue:							
Greeting cards revenue	782,256	—	—	—	782,256	—	782,256
Investment return	10,618,697	—	2,459,442	2,459,442	13,078,139	—	13,078,139
Change in value of split-interest agreements	(76,639)	—	—	—	(76,639)	—	(76,639)
Total revenue	11,324,314	—	2,459,442	2,459,442	13,783,756	—	13,783,756
Total public support and revenue	845,846,877	—	27,815,612	27,815,612	873,662,489	(15,015,418)	858,647,071
Expenses:							
Program services:							
Grants to UNICEF and other NGOs	458,965,284	—	25,651,736	25,651,736	484,617,020	—	484,617,020
Grant to affiliate	15,015,418	—	—	—	15,015,418	(15,015,418)	—
Public information, education, and program services	23,100,706	—	1,322,326	1,322,326	24,423,032	—	24,423,032
Advocacy	1,973,337	—	—	—	1,973,337	—	1,973,337
Total program services	499,054,745	—	26,974,062	26,974,062	526,028,807	(15,015,418)	511,013,389
Supporting services:							
Management and general	17,322,959	—	247,079	247,079	17,570,038	—	17,570,038
Fund-raising expenses	79,697,201	—	108,269	108,269	79,805,470	—	79,805,470
Total supporting services	97,020,160	—	355,348	355,348	97,375,508	—	97,375,508
Total expenses	596,074,905	—	27,329,410	27,329,410	623,404,315	(15,015,418)	608,388,897
Increase in net assets	249,771,972	—	486,202	486,202	250,258,174	—	250,258,174
Net assets:							
Beginning of year	191,995,177	—	23,529,850	23,529,850	215,525,027	(2,000,000)	213,525,027
End of year	\$ 441,767,149	—	24,016,052	24,016,052	465,783,201	(2,000,000)	463,783,201

See accompanying independent auditors' report.