EAST-WEST MANAGEMENT INSTITUTE, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

EAST-WEST MANAGEMENT INSTITUTE, INC.

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CBIZ CPAs P.C.

68 South Service Road
Suite 300
Melville, NY 11747

P: 631.414.4000

Independent Auditors' Report

To the Board of Directors of
East-West Management Institute, Inc.

Opinion

We have audited the financial statements of East-West Management Institute, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

CBIZ CPAs P.C.

Melville, New York
August 5, 2026

EAST-WEST MANAGEMENT INSTITUTE, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	2025	2024
Assets		
Cash	$ 611,257	$ 1,358,406
Certificates of deposit	4,442,213	--
Contracts and grants receivable	26,519	2,274,708
Contributions receivable	15,836	306,086
Prepaid expenses	38,455	177,777
Security deposits and other assets	69,559	61,784
Operating lease right-of-use assets, less accumulated amortization	938,005	1,064,032
Property and equipment - at cost, less accumulated depreciation and amortization	8,947	17,134
Total Assets	$ 6,150,791	$ 5,259,927
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 156,535	$ 1,127,091
Operating lease liabilities	963,192	1,080,231
Deferred revenue	145,852	177,038
Total Liabilities	1,265,579	2,384,360
Net Assets		
Without donor restrictions	1,284,868	1,037,657
With donor restrictions	3,600,344	1,837,910
Total Net Assets	4,885,212	2,875,567
Total Liabilities and Net Assets	$ 6,150,791	$ 5,259,927

The accompanying notes are an integral part of these financial statements.

EAST-WEST MANAGEMENT INSTITUTE, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues						
U.S. Government grants and cooperative agreements	$ 7,503,856	$ --	$ 7,503,856	$ 28,617,025	$ --	$ 28,617,025
Contributed services	517,899	--	517,899	867,963	--	867,963
Other contracts	299,255	--	299,255	301,005	--	301,005
Other grants and contributions	129,525	3,800,629	3,930,154	126,107	1,414,775	1,540,882
Net assets released from donor restrictions	2,038,195	(2,038,195)	--	1,213,252	(1,213,252)	--
Total Public Support and Revenues	10,488,730	1,762,434	12,251,164	31,125,352	201,523	31,326,875
Expenses						
Program	8,150,671	--	8,150,671	27,242,227	--	27,242,227
General and administrative	2,146,050	--	2,146,050	3,815,941	--	3,815,941
Total Expenses	10,296,721	--	10,296,721	31,058,168	--	31,058,168
Change in Net Assets Before Other Income (Expenses)	192,009	1,762,434	1,954,443	67,184	201,523	268,707
Other Income (Expenses)						
Interest income	66,297	--	66,297	21,866	--	21,866
Interest expense	--	--	--	(1,893)	--	(1,893)
Bad debt	(11,095)	--	(11,095)	(11,850)	--	(11,850)
Other Income, Net	55,202	--	55,202	8,123	--	8,123
Change in Net Assets	247,211	1,762,434	2,009,645	75,307	201,523	276,830
Net Assets, Beginning of Year	1,037,657	1,837,910	2,875,567	962,350	1,636,387	2,598,737
Net Assets, End of Year	$ 1,284,868	$ 3,600,344	$ 4,885,212	$ 1,037,657	$ 1,837,910	$ 2,875,567

The accompanying notes are an integral part of these financial statements.

EAST-WEST MANAGEMENT INSTITUTE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Program	General and Administrative	Total
Expenses			
Salaries and employee benefits	$ 3,555,088	$ 1,119,159	$ 4,674,247
Consultants and related expenses	392,250	515,876	908,126
Rent	86,365	206,394	292,759
Office expense and supplies	26,396	36,891	63,287
Depreciation and amortization	--	8,187	8,187
Travel and meals	51,388	(4,577)	46,811
Insurance	11,150	89,372	100,522
Overseas allowances	105,071	--	105,071
Grants and subcontracts	3,784,261	--	3,784,261
Messengers and postage	1,888	657	2,545
Noncapitalized equipment	4,079	36,300	40,379
Telecommunications	17,181	9,756	26,937
Other professional services	60,823	95,975	156,798
Meetings and trainings	46,342	2,265	48,607
Miscellaneous	8,389	29,795	38,184
Total Expenses	8,150,671	2,146,050	10,296,721
Other Expenses			
Bad debt	38	11,057	11,095
Total Other Expenses	38	11,057	11,095
Total	$ 8,150,709	$ 2,157,107	$ 10,307,816

The accompanying notes are an integral part of these financial statements.

EAST-WEST MANAGEMENT INSTITUTE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2024

	Program	General and Administrative	Total
Expenses			
Salaries and employee benefits	$ 8,240,969	$ 2,826,109	$ 11,067,078
Consultants and related expenses	2,245,999	106,212	2,352,211
Rent	371,041	252,550	623,591
Office expense and supplies	271,479	59,016	330,495
Depreciation and amortization	--	8,187	8,187
Travel and meals	385,180	116,785	501,965
Insurance	22,805	119,631	142,436
Overseas allowances	315,913	--	315,913
Grants and subcontracts	14,173,774	--	14,173,774
Messengers and postage	954	604	1,558
Noncapitalized equipment	126,033	83,059	209,092
Telecommunications	59,576	12,099	71,675
Other professional services	39,666	112,496	152,162
Meetings and trainings	936,496	51,873	988,369
Miscellaneous	52,342	67,320	119,662
Total Expenses	27,242,227	3,815,941	31,058,168
Other Expenses			
Interest	304	1,589	1,893
Bad debt	213	11,637	11,850
Total Other Expenses	517	13,226	13,743
Total	$ 27,242,744	$ 3,829,167	$ 31,071,911

The accompanying notes are an integral part of these financial statements.

EAST-WEST MANAGEMENT INSTITUTE, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 2,009,645	$ 276,830
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	8,187	8,187
Bad debt	11,095	11,850
Amortization of right-of-use assets - operating leases	126,027	525,061
Changes in assets and liabilities		
Contracts and grants receivable	2,237,094	(625,944)
Contributions receivable	290,250	72,455
Prepaid expenses	139,322	82,919
Security deposits and other assets	(7,775)	16,577
Accounts payable and accrued expenses	(970,556)	(10,847)
Operating lease liabilities	(117,039)	(512,290)
Deferred revenue	(31,186)	12,311
Net Cash Provided by (Used in) Operating Activities	3,695,064	(142,891)
Cash Flows Used in Investing Activity		
Purchases of certificates of deposit	(4,442,213)	--
Net Decrease in Cash	(747,149)	(142,891)
Cash, Beginning of Year	1,358,406	1,501,297
Cash, End of Year	$ 611,257	$ 1,358,406
Supplemental Cash Flow Disclosures		
Interest paid	$ --	$ 1,893

The accompanying notes are an integral part of these financial statements.

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

East-West Management Institute, Inc. (the "Institute," or "EWMI") was organized in January 1988 as a not-for-profit corporation under sub-paragraph (a)(5) of Section 102 of the not-for-profit corporation law of the State of New York and is recognized as a public charity under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Institute was established to promote and foster democracy and economic development throughout the world by supporting a variety of educational, legal and economic development activities.

The Institute's government revenue arises primarily from contracts, cooperative agreements, and grants from the United States Agency for International Development (the "USAID") and the U.S. Department of State (collectively, the "U.S. Government" or "USG"). Programs covered by these contracts, cooperative agreements, and grants in 2025 and 2024 were as follows:

- Development and implementation of judicial reform, legal aid, and rule of law programs in Albania, Armenia, Cambodia, Croatia, Georgia, Kyrgyz Republic, Uganda, Uzbekistan and Zimbabwe.

- Civil Society programs, including training and grant support for non-governmental organizations ("NGOs"), grassroots networks, public policy and human rights programs in Armenia, Cambodia, Georgia, Kosovo, Kyrgyz Republic, Malaysia, Serbia, Uganda, Uzbekistan, Zimbabwe and various countries in Southeast Asia.

During 2025 and 2024, the Institute had other programs that were funded through grants from other sources. They included grants to support open data and transparent development in Asia, a grant to support research for the Global Index on responsible AI, a grant to manage research on non-profit economic data in the U.S., a grant to support freedom of expression in Malaysia, a grant to support indigenous data initiatives in Asia, a grant to support civic engagement in Georgia, and grants to support responsible technology in various countries in Southeast Asia.

The Institute also implemented contracts in 2025 and 2024 to support land forestry and mangrove programs in the Mekong region, research on efforts to counter disinformation in Asia, a contract to support resource mobilization efforts for the global index on responsible AI, a contract to provide data literacy training to marginalized communities in the Mekong region, and a contract to provide support for grant-making services.

As described in Note 10, the Institute implements grant-making programs to foster the rule of law, economic development and civic organizations worldwide. These programs are generally funded through various grants, cooperative agreements, contracts and contributions from bilateral, multilateral and private donors.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING AND PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The financial statements presentation is in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Institute is required to report information regarding its financial position and activities according to two classes of net assets: those without donor restrictions and those with donor restrictions. Net assets without donor restrictions are those net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated by the Board of Directors (the "Board"), or management at the Board's direction, to cover any purpose determined by the Institute. Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions, which either expire by the passage of time or when used for specified purposes.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CASH

Cash balances in banks are insured by the Federal Deposit Insurance Corporation, subject to certain limitations. The Institute maintains cash balances that may exceed federally insured limits. The Institute has not experienced any account losses.

CERTIFICATES OF DEPOSIT

Certificates of deposit are invested for terms ranging from three to twelve months and earn interest at varying rates.

RECEIVABLES

Unconditional promises to give (including unconditional grants, cooperative agreements, contracts and contributions) that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized and reported as revenue.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES (CONTINUED)

An allowance for doubtful accounts is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Amounts are written off when deemed uncollectable. As of December 31, 2025 and 2024, management has determined that no allowance for doubtful accounts was necessary.

LEASES

In accordance with FASB ASC 842, *Leases*, the Institute recognizes right-of-use ("ROU") assets and lease liabilities on the statement of financial position. ROU assets represent the Institute's right to use an underlying asset for the lease term and lease liabilities represent the Institute's obligation to make lease payments arising from the lease. The statement of financial position includes operating lease ROU assets and liabilities, which are recognized at the lease commencement date based on the present value of lease payments over the lease term. As permitted under FASB ASC 842, for leases with a term of 12 months or less, the Institute elected not to recognize ROU assets and lease liabilities on the statement of financial position.

In determining the discount rate used to measure ROU assets and lease liabilities, the Institute uses rates implicit in the lease, or if not readily available, the Institute uses its incremental borrowing rate or the risk-free rate as the discount rate based on the information available at the commencement date in determining the present value of lease payments.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets purchased, which range from three to seven years. Leasehold improvements are amortized over the estimated useful life or term of the lease, whichever is shorter. The Institute capitalizes all property and equipment acquisitions in excess of $5,000.

REVENUE RECOGNITION

Grants, Contracts, Cooperative Agreements and Contributions

Unconditional contributions (including grants, contracts and cooperative agreements) are recognized at fair value when received or when an unconditional promise has been made. Contributions are considered conditional when the underlying agreement includes a performance barrier and a right of return or a right to release promised assets exists. Conditional promises to give are not recognized until the performance barrier and the right of return or release have been overcome.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

Grants, Contracts, Cooperative Agreements and Contributions (continued)

All unconditional contributions are considered available for unrestricted use, unless specifically restricted by the donor. The Institute records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use either by purpose or the passage of time. When donor restrictions expire (i.e., when a purpose or time restriction is fulfilled), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions.

Contributed Services

Contributed services that meet the appropriate criteria are recorded as both in-kind contributions and expenses at fair value at the time the services are rendered. These services are provided by professionals who contributed their time to further develop the Institute's programs. The fair value of contributed services is determined based on the actual costs incurred by the donor if they were to charge the Institute for their services. Contributions of facilities for trainings and conferences are valued at the donor's independent valuation of the space utilized by the Institute. Contributed consulting services are valued at prevailing hourly rates for similar services.

All of the Institute's Board members have volunteered their time to serve on the Board. The value of this contributed time is not reflected in these financial statements since the services do not meet all of the following criteria for recognition:

a. Create or enhance nonfinancial assets;
b. Require specialized skills provided by individuals possessing those skills;
c. Would typically need to be purchased if they were not donated.

FUNCTIONAL ALLOCATION OF EXPENSES

Costs that are specifically identifiable to programs or to management and administration are charged directly to such functions. Costs incurred for both programs and general and administration are allocated based on certain factors, such as the time spent on activities performed under the respective functions. The Institute does not perform fund-raising activities.

INCOME TAXES

The Institute is exempt from Federal and State income tax under IRC Section 501(c)(3) and similar state provisions and is classified as a publicly supported charitable organization as described in IRC Section 509(a).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

UNCERTAIN TAX POSITIONS

The Institute recognizes and measures its unrecognized tax positions and assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period.

The measurement of unrecognized tax positions is adjusted when new information is available, or when an event occurs that requires a change. Interest and penalties associated with unrecognized tax positions, if any, would be classified as interest expense and additional income taxes, respectively, in the statement of activities. The Institute did not identify any uncertain tax positions for the years ended December 31, 2025 and 2024. The Institute is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any periods pending or in progress.

SUBSEQUENT EVENTS

These financial statements were approved by management and available for issuance on August 5, 2026. Management has evaluated subsequent events through this date. No events requiring recognition or disclosure have been identified, except as reported in Note 12.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2025	2024
Cash	$ 611,257	$ 1,358,406
Certificates of deposit	4,442,213	--
Contracts and grants receivable	26,519	2,274,708
Contributions receivable	15,836	306,086
Total Financial Assets Available Within One Year	5,095,825	3,939,200
Less: Amounts restricted by donors with purpose restrictions:	(3,600,344)	(1,837,910)
Total Financial Assets Available for General Expenditure Within One Year	$ 1,495,481	$ 2,101,290

NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

As part of the Institute's liquidity management plan, the Institute structures its assets to be available as general expenditures, liabilities and other obligations become due. The Institute maintains sufficient cash to meet its operating requirements and regularly monitors liquidity required to meet its operating needs and other contractual commitments. In addition to financial assets available to meet general expenditures over the next year, the Institute operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

On January 20, 2025, Executive Order 14169, titled "Reevaluating and Realigning United States Foreign Aid," was issued by U.S. President Donald Trump. The order mandated a 90-day pause on all new obligations and disbursements of U.S. foreign development assistance funds. Subsequently, most U.S. Government foreign development assistance was terminated, including, in late February and early March of 2025, most of EWMI's grants and Cooperative Agreements with the U.S. Government. Management has taken steps to mitigate the potential impact of the cancellation of government contracts in 2025 and 2026. Such steps include reducing the Institute's staff size and related program expenses, closing all overseas offices in 2025, subleasing its office space in New York in 2026 as well as exploring alternative sources of revenues. In addition, all matching fund requirements related to the Institute's U.S. Government grants and cooperative agreements, as discussed in Note 8, were terminated in 2025.

Notwithstanding the termination of most of EWMI's grants and Cooperative Agreements with the U.S. Government, EWMI management continues to implement its other programs and work to fulfill its mission.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

All contributions receivable as of December 31, 2025 and 2024 are expected to be collected in less than one year.

NOTE 5 - PROPERTY AND EQUIPMENT

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

	2025	2024
Leasehold improvements	$ 22,367	$ 22,367
Computer equipment	18,568	18,568
	40,935	40,935
Less - Accumulated depreciation and amortization	(31,988)	(23,801)
	$ 8,947	$ 17,134

NOTE 6 - DEFERRED REVENUE

Funds under the following conditional grants and contributions were recorded as deferred revenue and are recognized as revenue based on expenditures incurred which is when the conditions have been met:

	2025			
	Opening Balance	Funds Received	Revenue Recognized	Deferred Revenue
Bolstering Human Rights Protection and Access to Justice	$ 29,030	$ 43,750	$ 72,780	$ --
Improving Access to Independent News and Information	--	99,809	76,127	23,682
Land Management Information Systems	40,805	--	40,805	--
Mangroves for Coastal Resilience Project	107,203	100,000	207,203	--
Partners Support Fund	--	150,000	27,830	122,170
Total	$ 177,038	$ 393,559	$ 424,745	$ 145,852

	2024			
	Opening Balance	Funds Received	Revenue Recognized	Deferred Revenue
Bolstering Human Rights Protection and Access to Justice	$ 32,649	$ 80,000	$ 83,619	$ 29,030
Improving Access to Independent News and Information	13,806	66,000	79,806	--
Land Management Information Systems	24,586	90,000	73,781	40,805
Mangroves for Coastal Resilience Project	98,427	200,000	191,224	107,203
Storytelling Platform for Women in Water Governance	(4,741)	4,741	--	--
Total	$ 164,727	$ 440,741	$ 428,430	$ 177,038

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

The following summarizes the changes in net assets with donor restrictions for the years ended December 31, 2025 and 2024:

Program	Balance, January 1, 2025	Contributions / (Return of Funds)	Released from Restrictions	Balance December 31, 2025
Purpose Restricted				
Promoting Freedom of Expression	$ 877,325	$ 900,000	$ (743,801)	$ 1,033,524
Indigenous Knowledge and Data Sovereignty Initiative	158,687	--	(158,687)	--
Responsible Technology Initiative	137,369	710,000	(123,840)	723,529
Technology and Social Justice	--	2,183,500	(546,470)	1,637,030
Georgia Civil Organization Engagement Program	51,945	--	(51,945)	--
Harnessing Data for Democratic Development	252,468	--	(252,468)	--
Global Index on Responsible AI	81,452	(5,840)	(75,612)	--
Reimagining, Expanding and Sustaining Freedom of Expression	263,039	--	(70,915)	192,124
Partner Legacy Support Program	15,625	12,969	(14,457)	14,137
Total	$ 1,837,910	$ 3,800,629	$ (2,038,195)	$ 3,600,344

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Program	Balance, January 1, 2024	Contributions / (Return of Funds)	Released from Restrictions	Balance December 31, 2024
Purpose Restricted				
Promoting Freedom of Expression	$ 707,395	$ 860,673	$ (690,743)	$ 877,325
Indigenous Knowledge and Data Sovereignty Initiative	175,567	202,500	(219,380)	158,687
Responsible Technology Initiative	--	150,000	(12,631)	137,369
Open Development Initiative	98,474	(101,846)	3,372	--
Georgia Civil Organization Engagement Program	117,867	--	(65,922)	51,945
Harnessing Data for Democratic Development	345,468	--	(93,000)	252,468
Global Index on Responsible AI	167,202	--	(85,750)	81,452
Reimagining, Expanding and Sustaining Freedom of Expression	--	276,200	(13,161)	263,039
Partner Legacy Support Program	24,414	27,248	(36,037)	15,625
Total	$ 1,636,387	$ 1,414,775	$ (1,213,252)	$ 1,837,910

NOTE 8 - GOVERNMENT GRANTS, COOPERATING AGREEMENTS, AND CONTRACTS

The Institute's grants, cooperative agreements, and contracts with the U.S. Government and sub-contracts with certain pass-through entities generally cover several periods. As of December 31, 2025, total funds available consisted of $447,497 under remaining grants and cooperative agreements and $22,392 under remaining sub-awards. As of December 31, 2024, total funds available consisted of $105,083,275 under remaining grants and cooperative agreements and $279,346 under remaining sub-awards.

The Institute is obligated to provide matching funding under certain U.S. Government grants and cooperative agreements. Subject to certain restrictions, matching funds may be met with funds from other grants and contracts, and cost-share amounts (see Notes 2 and 10), and other contributions. Matching funds required by sub-grantees cost-share amounts under the remaining grants and cooperative agreements totaled $2,657,608 as of December 31, 2024. No matching funds are required as of December 31, 2025.

NOTE 8 - GOVERNMENT GRANTS, COOPERATING AGREEMENTS, AND CONTRACTS (CONTINUED)

All contracts, cooperative agreements, and grants with the USAID and the U.S. Department of State allow the Institute to charge for indirect costs using a provisional indirect cost rate for the year, which may be different from the actual indirect cost rate that may be finally allowed for that year under such contracts, cooperative agreements, and grants. Adjustments for the difference between the indirect costs allowed under the provisional rate and the actual indirect costs incurred during the year are accrued and recognized in the financial statements in the year in which the difference occurs.

During 2025, the Institute's actual indirect costs were higher than the amount billed throughout 2025, using the provisional indirect cost rate, by a net amount of $4,429. This amount was presented as an increase in grants and contracts receivable in the accompanying financial statements at December 31, 2025.

During 2024, the Institute's actual indirect costs were higher than the amount billed throughout 2024, using the provisional indirect cost rate, by a net amount of $275,201. This amount was presented as an increase in grants and contracts receivable in the accompanying financial statements at December 31, 2024.

NOTE 9 - CONTRIBUTED SERVICES

For the years ended December 31, 2025 and 2024, contributed services recognized within the statements of activities included the following:

	2025	2024
Consulting and other pro bono services	$ 517,899	$ 757,062
Trainings and conferences	--	98,182
Office expenses	--	12,719
Total	$ 517,899	$ 867,963

NOTE 10 - GRANT EXPENSE

The Institute implements grant-making programs to foster the rule of law, economic development, and a civil Organization worldwide. The activities it has supported include the development of NGOs and professional associations; promotion of ethnic tolerance, human rights and independent media; rural economic development and curriculum development; and research and policy reform in transitional countries. A significant goal is for the sustainability of local institutions. The Institute complements its grant-making with capacity-building activities for NGOs and other groups, professional training, and advisory services. It also engages other donors to co-fund programs and sub-grantees.

Generally, grants are awarded through a competitive grant application process. In addition, the Institute supports certain unsolicited proposals and partnerships. During the year ended December 31, 2025, the Institute awarded cash grants totaling $3,576,344 to local NGOs and other groups. Sub-grantees did not incur any cost sharing under these programs in 2025. During the year ended December 31, 2024, the Institute awarded cash grants totaling $13,237,239 to local NGOs and other groups. Sub-grantees' cost share under these programs totaled $620,017 in 2024.

NOTE 11 - EMPLOYEE BENEFIT PLAN

The Institute maintains a defined contribution plan (the "Plan") under IRC Section 401(k), covering substantially all employees. An officer of the Institute serves as the Plan's trustee. Under the Plan, which was established in 1999, the Institute provided matching contributions equal to 3% of all qualified employees' compensation to the 401(k) component of the Plan. During the year ended December 31, 2024, the Institute additionally elected to contribute 1.32% of all qualified employees' compensation to the revenue-sharing component of the Plan. The Institute's total contributions to the Plan were $156,748 in 2024. During the year ended December 31, 2025, the Institute amended the Plan documents to remove fixed matching contributions. The Institute did not make any employer contributions to the Plan during the year ended December 31, 2025.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

REVOLVING LINES OF CREDIT

On September 19, 2013, the Institute entered into an agreement with Bank of America, N.A. ("BOA"), whereby BOA provided the Institute with a revolving line of credit (the "Facility") in the amount of $1,000,000. The Facility expired on February 15, 2024 and was not renewed.

NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

REVOLVING LINES OF CREDIT (CONTINUED)

On December 17, 2024, the Institute entered into a $500,000 line of credit agreement with Valley National Bank. The Institute opted to cancel this line of credit on January 28, 2025.

There were no drawdowns or repayments on either line of credit during the years ended December 31, 2025 and 2024 and there were no balances outstanding as of the years then ended.

U.S. GOVERNMENT GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS

Certain U.S. government grants, cooperative agreements, and contracts may be subject to audits by the funding sources. Such audits might result in disallowances of costs submitted for reimbursement. Management believes that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been accrued in the accompanying financial statements for such potential claims.

LEASES

The Institute occupied office space in New York, Washington, D.C. and various international locations. During the year ended December 31, 2025, the Institute terminated all operating leases with the exception of the New York lease, which expires on September 30, 2031.

Rent expense for the years ended December 31, 2025 and 2024 was $292,759 and $623,591, respectively, which approximates the cash rental expense in each year.

The Institute recognizes lease liabilities and their corresponding ROU assets at the lease commencement date and initially measures the lease liabilities and ROU assets using the present value of lease payments over the defined lease term, discounted using either the rate implicit in the lease, the incremental borrowing rate or the risk-free rate.

The interest rate implicit in the lease is generally not determinable in transactions where an organization is the lessee. For the Institute's leases that do not provide an implicit rate, the Institute utilizes the incremental borrowing rate, which is based on information available at the lease commencement date and is used to determine the present value of future lease payments. The Institute's incremental borrowing rate applicable to the lease is determined by estimating what it would cost the Institute to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset.

NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

LEASES (CONTINUED)

As of December 31, 2025, the Institute had ROU assets of approximately $938,000 and lease liabilities of approximately $963,000. As of December 31, 2024, the Institute had ROU assets of approximately $1,064,000 and lease liabilities of approximately $1,080,000.

The weighted-average lease term and discount rate as of December 31, 2025 was 5.75 years and 7.50%, respectively. The weighted-average lease term and discount rate as of December 31, 2024 was 6.75 years and 7.50%, respectively.

Future minimum rental payments under operating leases agreements (with terms in excess of one year) are approximately as follows:

Year Ending December 31,	Amount
2026	$ 196,000
2027	201,000
2028	205,000
2029	209,000
2030	213,000
Thereafter	162,000
Total Minimum Lease Payments	1,186,000
Less - Imputed interest	(223,000)
Present Value Lease Liabilities	$ 963,000

The Institute entered into an agreement to sublease its New York office space effective January 2026. The terms of the sublease agreement include base rent of approximately $12,000 per month, with annual increases through September 30, 2031.

NOTE 13 - CONCENTRATIONS

REVENUE AND CONTRACTS AND GRANTS RECEIVABLE

A concentration of credit risk existed with respect to revenue as of December 31, 2025 and 2024 and contracts and grants receivable as of December 31, 2024.

NOTE 13 - CONCENTRATIONS (CONTINUED)

REVENUE AND CONTRACTS AND GRANTS RECEIVABLE (CONTINUED)

During the year ended December 31, 2025, the Institute received approximately 49% of its total revenue (either directly or indirectly) from USAID and approximately 25% of its total revenue from one other donor. There were no significant concentrations of contracts and grants receivable as of December 31, 2025.

During the year ended December 31, 2024, the Institute received approximately 80% of its total revenue (either directly or indirectly) from USAID. As of December 31, 2024, receivables from three donors represented approximately 97% of the Institute's total contracts and grants receivable balance.

CONTRIBUTIONS RECEIVABLE

As of December 31, 2024, receivables from two donors represented approximately 94% of the Institute's total contributions receivable balance. There were no significant concentrations of contributions receivable as of December 31, 2025.