

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
EMDR Humanitarian Assistance Programs, Inc.

Opinion

We have audited the accompanying financial statements of EMDR Humanitarian Assistance Programs, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EMDR Humanitarian Assistance Programs, Inc. as of June 30, 2024 and 2023, 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. 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 EMDR Humanitarian Assistance Programs, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 EMDR Humanitarian Assistance Programs, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about EMDR Humanitarian Assistance Programs, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Budwitz & Meyerjack, P.C.

Cheshire, Connecticut
August 22, 2025

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

STATEMENT OF FINANCIAL POSITION

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS:		
Cash	\$ 44,759	\$ 90,963
Investments	661,733	763,401
Accounts receivable	-	1,000
Net property and equipment	4,404	11,790
Right of use asset-operating	-	12,779
Restricted cash	4,867	137,962
Security deposits	2,000	1,926
Beneficial interest in assets held at Community Foundation of GNH, Inc.	596,997	555,911
Total Assets	<u>\$ 1,314,760</u>	<u>\$ 1,575,732</u>
LIABILITIES:		
Accounts payable and accrued expenses	\$ 54,931	\$ 45,116
Credit card payable	18,162	9,032
Operating lease liability	-	12,929
Deferred training revenue	131,729	112,388
Total Liabilities	<u>204,822</u>	<u>179,465</u>
NET ASSETS:		
Without donor restrictions	318,410	680,652
With donor restrictions	<u>791,528</u>	<u>715,615</u>
Total Net Assets	<u>1,109,938</u>	<u>1,396,267</u>
Total Liabilities and Net Assets	<u>\$ 1,314,760</u>	<u>\$ 1,575,732</u>

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

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	Without Donor Restrictions	With Donor Restrictions	2023 Totals
Public Support, Revenue and Reclassifications						
Product sales	\$ 15,769	\$ -	\$ 15,769	\$ 19,569	\$ -	\$ 19,569
Program services	873,443	-	873,443	1,006,289	-	1,006,289
Program services-donated	1,427,276	-	1,427,276	1,953,105	-	1,953,105
Contribution income	61,928	51,754	113,682	111,762	15,985	127,747
Investment income	40,813	-	40,813	8,666	-	8,666
Gain on beneficial interest in assets held at Community Foundation of GNH, Inc.	-	41,086	41,086	-	48,778	48,778
Unrealized gain on investments	9,736	-	9,736	2,117	-	2,117
Other income	635	-	635	-	-	-
Net assets released from restrictions:						
Restrictions satisfied by purpose	16,927	(16,927)	-	210,794	(210,794)	-
Total Support, Revenue and Reclassifications	2,446,527	75,913	2,522,440	3,312,302	(146,031)	3,166,271
Expenses and Losses						
Program costs	1,290,958	-	1,290,958	1,180,389	-	1,180,389
Program costs-donated	1,427,276	-	1,427,276	1,953,105	-	1,953,105
Management and general expenses	90,535	-	90,535	84,496	-	84,496
Total Expenses	2,808,769	-	2,808,769	3,217,990	-	3,217,990
Unrealized loss on investments	-	-	-	-	-	-
Loss on beneficial interest in assets held at Community Foundation of GNH, Inc.	-	-	-	-	-	-
Total Expenses and Losses	2,808,769	-	2,808,769	3,217,990	-	3,217,990
INCREASE (DECREASE) IN NET ASSETS	(362,242)	75,913	(286,329)	94,312	(146,031)	(51,719)
NET ASSETS, beginning of year	680,652	715,615	1,396,267	586,340	861,646	1,447,986
NET ASSETS, end of year	\$ 318,410	\$ 791,528	\$ 1,109,938	\$ 680,652	\$ 715,615	\$ 1,396,267

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

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	PROGRAMS					Management & General	2024 Total
	Store	TRN/Special	Training	Client Programs	Total		
Program and Supporting Services Expenses:							
Salaries	\$ -	\$ -	\$ 505,317	\$ -	\$ 505,317	\$ 20,299	\$ 525,616
Payroll taxes and employee benefits	-	-	43,482	-	43,482	1,553	45,035
Travel and conference expense	-	36,948	18,453	-	55,401	-	55,401
Donation and grant expenses	-	-	-	10,527	10,527	-	10,527
Training expenses - domestic and international	-	-	339,658	-	339,658	-	339,658
Training expenses - donated	-	-	1,427,276	-	1,427,276	-	1,427,276
Outreach/Volunteer Expenses	-	-	4,318	12,180	16,498	-	16,498
Insurance	-	-	10,940	-	10,940	-	10,940
Postage and delivery	524	-	-	-	524	-	524
Professional fees	-	8,817	6,171	-	14,988	67,540	82,528
Marketing and development	-	-	30,877	777	31,654	-	31,654
Business Consulting	-	-	14,650	-	14,650	-	14,650
Lease expense	-	-	20,642	-	20,642	-	20,642
Store and product cost	4,152	-	-	-	4,152	-	4,152
Utilities and telecommunications	234	-	11,667	-	11,901	-	11,901
Office expenses	-	-	38,877	651	39,528	286	39,814
Bank, merchant, and investment fees	1,281	160	20,339	5,109	26,889	857	27,746
Client needs and program expenses	-	17,211	110,564	9,045	136,820	-	136,820
Depreciation	-	-	7,387	-	7,387	-	7,387
Total Program and Supporting Services Expenses June 30, 2024	<u>\$ 6,191</u>	<u>\$ 63,136</u>	<u>\$ 2,610,618</u>	<u>\$ 38,289</u>	<u>\$ 2,718,234</u>	<u>\$ 90,535</u>	<u>\$ 2,808,769</u>

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

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2023

	PROGRAMS					Management & General	2023 Total
	Store	TRN/Special	Training	Client Programs	Total		
Program and Supporting Services Expenses:							
Salaries	\$ -	\$ -	\$ 458,083	\$ -	\$ 458,083	\$ 18,823	\$ 476,906
Payroll taxes and employee benefits	-	-	37,579	-	37,579	1,520	39,099
Travel and conference expense	-	14	42,676	-	42,690	-	42,690
Donation and grant expenses	-	-	-	12,669	12,669	-	12,669
Training expenses - domestic and international	-	-	169,358	-	169,358	-	169,358
Training expenses - donated	-	-	1,953,105	-	1,953,105	-	1,953,105
Outreach/Volunteer Expenses	-	23,003	49,295	32	72,330	-	72,330
Insurance	-	-	10,409	-	10,409	-	10,409
Postage and delivery	841	-	3,173	-	4,014	-	4,014
Professional fees	-	-	27,831	-	27,831	63,775	91,606
Marketing and development	-	-	10,522	-	10,522	-	10,522
Business Consulting	-	-	18,000	-	18,000	-	18,000
Lease expense	-	-	11,433	-	11,433	-	11,433
Store and product cost	7,786	-	-	-	7,786	-	7,786
Utilities and telecommunications	195	-	15,046	-	15,241	-	15,241
Office expenses	-	-	39,307	365	39,672	128	39,800
Bank, merchant, and investment fees	1,351	-	20,033	2,998	24,382	250	24,632
Client needs and program expenses	-	12,564	190,529	7,701	210,794	-	210,794
Depreciation	-	-	7,596	-	7,596	-	7,596
Total Program and Supporting Services Expenses June 30, 2023	<u>\$ 10,173</u>	<u>\$ 35,581</u>	<u>\$ 3,063,975</u>	<u>\$ 23,765</u>	<u>\$ 3,133,494</u>	<u>\$ 84,496</u>	<u>\$ 3,217,990</u>

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

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ (286,329)	\$ (51,719)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,387	-
Unrealized (gain) loss on investments	(9,736)	(18,958)
(Gain) loss on beneficial interest in assets held at Community Foundation of GNH, Inc.	(41,086)	(31,937)
Changes in Operating Assets and Liabilities		
(Increase) decrease in accounts receivable	1,000	(1,000)
(Increase) decrease in cash restricted for grant purposes	133,095	791,366
(Increase) decrease in security deposits	(74)	(500)
(Increase) decrease in right of use assets and liabilities	(150)	150
Increase (decrease) in accounts payable and accrued expenses	9,815	(5,100)
Increase (decrease) in credit card payable	9,130	(2,700)
Increase (decrease) in deferred training revenue	19,341	(70,762)
Net Cash Used in Operating Activities	<u>(157,607)</u>	<u>608,840</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(488,597)	(657,774)
Sale of investments	600,000	-
Purchase of property, plant and equipment	-	(1,564)
Net Cash Used by Investing Activities	<u>111,403</u>	<u>(659,338)</u>
NET INCREASE (DECREASE) IN CASH	(46,204)	(50,498)
CASH, beginning of year	<u>90,963</u>	<u>141,461</u>
CASH, end of year	<u>\$ 44,759</u>	<u>\$ 90,963</u>

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

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization:

EMDR Humanitarian Assistance Programs, Inc. (the Organization) is a non-profit Organization, incorporated within the State of California. The Organization's tax-exempt status has been certified by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code. The primary objectives and purposes of the Organization shall be to extend access to mental health services for underserved populations anywhere in the world through public and professional education, humanitarian services, and supportive research, with emphasis on building the capacity of local care givers to provide effective care for psychological trauma. The Organization's fiscal year begins on July 1 and ends on June 30. A summary of the Organization's accounting policies that affect the significant elements of the financial statements are stated below.

Basis of Presentation and Accounting Method:

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, the accounts of the Organization are reported in the following categories:

Net Assets Without Donor Restrictions - Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the Board of Directors.

Net Assets With Donor Restrictions - Net assets with donor restrictions represent contributions that are restricted by the donor as to purpose or time of expenditure. Net assets with donor restrictions also represent resources that have donor-imposed restrictions to be maintained in perpetuity.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Further, the use of estimates also affects the levels of revenues and expenses recorded throughout the reporting period. Actual results could differ from those estimates.

Revenue Recognition:

Contributions and Support Revenue

Contributions that are subject to donor-imposed conditions (i.e., a donor stipulation that includes a barrier that must be overcome and a right of return or release from obligation) are recognized when the conditions on which they depend are substantially met, that is, when the

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

conditional promise becomes unconditional. Unconditional contributions are recognized when pledged or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions receivable expected to be collected in more than one year are discounted to their present value.

The Organization reports contributions of cash as donor restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received whose restrictions are met in the same period are presented with net assets without donor restrictions. Transfers of assets from a resource provider received before the barriers are overcome are reported as refundable advances on the accompanying statement of financial position.

Program Services and Product Sales Revenue

Program services revenue represents revenue from seminars and trainings provided by the Organization. Program services revenue received is not recognized as revenues until the revenue is earned, which is when the seminars or services are provided, and the Organization believes it is no longer required to provide additional services for the training program. Any unearned portion is recorded as deferred training revenue. Product sales revenue is recognized at the point in time when product is shipped, and the terms of the order have been satisfied.

Statement of Cash Flows:

The Organization considers demand deposits, certificates of deposit and all highly liquid investments with a maturity of three months or less to be cash equivalents.

Accounts Receivable:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. No allowance for doubtful accounts has been provided for the years ended June 30, 2024 and 2023 as management has evaluated all amounts and believes they are all collectible.

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

Property, Plant and Equipment:

Buildings, improvements and equipment are carried at the cost of acquisition. The Organization follows the practice of capitalizing all expenditures for property and equipment equal to or in excess of \$1,000. The Organization uses the straight-line method of depreciation in all cases, allocating the cost of acquisition of property and equipment evenly over their expected useful lives. The depreciated cost of all property and equipment represents that portion of the original cost not yet allocated as charge against operations and does not purport to be realizable value or a replacement cost. Upon retirement or disposal, gain or loss, if any, is reflected in earnings for the period.

The estimated useful lives are as follows:

Computers	5 years
Website costs	3 years
Furniture and fixtures	5-7 years

Property and equipment consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Computer equipment	\$ 44,957	\$ 44,957
Website costs	53,306	53,306
Furniture and fixtures	<u>61,963</u>	<u>61,963</u>
Total Costs	160,226	160,226
Less accumulated depreciation	<u>(155,822)</u>	<u>(148,436)</u>
Net property and equipment	<u>\$ 4,404</u>	<u>\$ 11,790</u>

Reclassifications:

Certain reclassifications have been made to the financial statements to conform to the June 30, 2023 presentation. These reclassifications have no material effect on the financial statements.

Restricted Cash:

Restricted cash is from donations and other funding sources. The total balance in these restricted accounts was \$4,849 and \$137,962 as of June 30, 2024 and 2023, respectively.

Corporate Income Taxes:

The Internal Revenue Service has ruled that under Section 501 (c) (3) of the Internal Revenue Code, the Organization qualifies as an Organization exempt from income tax under the present Federal income tax laws. Further, the Internal Revenue Service has ruled that the Organization is not a private foundation in accordance with Section 170 (b) (1) (a) (iv) of the Internal Revenue Code. The Organization is additionally exempt from State income taxation by virtue of its Federal exemption.

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Return of Organizations Exempt From Income Tax (Form 990) for the years ended June 30, 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed.

Allocation Expenses:

The costs of providing the various programs and other supporting activities of the Organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that were clearly identifiable as being for a specific function were allocated to that function. All other expenses were allocated based on management's estimation of time spent on a particular function or asset usage. Various allocation methods may change from year to year based upon management's review of internal processes.

Gains and Losses:

The realized gain or loss on the sale of investments is the difference between the proceeds received and the average cost of the investment sold. Unrealized appreciation or depreciation in the aggregate fair value of investments represents the change in the difference between the fair value and cost of investments.

Deferred Training Revenue:

Deferred revenue represents program income from training services invoiced in the period prior to the fiscal year in which such training services are provided.

Leases:

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which requires lease assets and liabilities to be recorded on the statement of financial position. The Organization adopted this ASU and related amendments as of July 1, 2022, under the modified retrospective approach as described in the FASB issued ASU 2018-11 amendment. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

For any new or modified lease, the Organization, at the inception of the contract, determines whether a contract is or contains a lease. The Organization records right-of use ("ROU") assets and lease obligations for its finance and operating leases; ROU assets represent the Organization's right to use an underlying asset during the lease term. Lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are initially recognized based on the discounted future lease payments

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

over the term of the lease. As the rate implicit in the Organization's leases is not easily determinable, the Organization's applicable incremental borrowing rate is used in calculating the present value of the sum of the lease payments. The Organization had a lease beginning August 22, 2022 under ASO 2016-02 terminate during the year ended June 31, 2024. See Note 7.

2. DEFERRED TRAINING REVENUE

Total deferred training revenue was \$131,729 and \$112,388 for the years ended June 30, 2024 and 2023, respectively.

3. DONATED SERVICES

A substantial number of volunteers have donated significant amounts of time in the area of clinical training and trauma education in international disaster settings and in community mental health agencies across the U.S. If these hours were valued at commercial rates, the Organization would have received approximately \$1,427,276 of training time for domestic, military, and international clinician training during the year ended June 30, 2024. For the year ended June 30, 2023, the Organization would have received approximately \$1,953,105.

4. BENEFICIAL INTEREST

The Organization has transferred assets to The Community Foundation for Greater New Haven, Inc. (the "Foundation") which is holding them as a donor restricted fund ("Fund") for the exclusive benefit of the Organization. At any time, the Organization may request to withdraw all or part of its investment in the Fund. Withdrawals of amounts less than 50% of the then current market value of the Organization's investment require at least 60 days prior written notice, and withdrawals of amounts greater than 50% require 90 days written notice.

The Organization follows the annual distribution rate in accordance with the Spending Rule Policy of the Foundation determined annually by the Foundation's Board of Directors. The Spending Rate for 2024 was 5.5%. The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held at The Community Foundation for GNH in the statement of financial position and reports distributions received as investment income. Changes in the value of the Fund are reported as gains or losses in the statement of activities. Changes in the Fund for the year ended June 30, 2024, are as follows:

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

Balance at July 1, 2022	\$ 507,443
Investment expenses	(8,381)
Investment income	2,052
Distributions received	-
Gain (loss) on beneficial interest	<u>54,797</u>
Balance at June 30, 2023	<u>\$ 555,911</u>
Balance at July 1, 2023	\$ 555,911
Investment expenses	(2,393)
Investment income	3,421
Distributions received	-
Gain (loss) on beneficial interest	<u>40,058</u>
Balance at June 30, 2024	<u>\$ 596,997</u>

5. INVESTMENTS

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Investments are stated at fair value and consist primarily of equity securities and mutual funds.

	<u>June 30, 2024</u>		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual funds	\$ 358,360	\$ 362,088	\$ 3,728
Other investments – negotiable			
Certificates of Deposit	<u>299,802</u>	<u>299,645</u>	<u>(157)</u>
	<u>\$ 658,162</u>	<u>\$ 661,733</u>	<u>\$ 3,571</u>
	<u>June 30, 2023</u>		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual funds	<u>\$ 769,682</u>	<u>\$ 763,401</u>	<u>\$ (6,281)</u>

Investment return is summarized as follows:

	<u>2024</u>	<u>2023</u>
Investment income	\$ 40,813	\$ 8,666
Net realized and unrealized gain (loss)	<u>9,736</u>	<u>2,117</u>
Total Net Unrestricted Investment Gain (loss)	<u>\$ 50,549</u>	<u>\$ 10,783</u>

EMDR HUMANITARIAN ASSISTANCE PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

6. CONCENTRATIONS OF CREDIT RISK

The Organization maintains a substantial portion of its cash with two financial institution. At June 30, 2024, and at other times of the year, amounts of cash and cash equivalents maintained on deposit may be in excess of Federal Deposit Insurance Corporation (FDIC) limits. There were no amounts in excess as of June 30, 2024 or 2023, respectively.

7. LEASES

Office and Storage Facilities:

The Organization leased a office under lease beginning August 22, 2022 which terminated during the year. The Organization recognized a gain of \$165 as a result of the lease termination, which is recorded in other income. Lease expense for the years ended June 30, 2024 and 2023 was \$-0- and \$5,100, respectively. The Organization leased a second office and a storage facility during the year ended June 30, 2023 on a month-to-month basis. Lease expense for month-to-month leases was \$20,642 and \$6,333 for the years ended June 30, 2024 and 2023, respectively.

8. FAIR VALUE MEASUREMENTS

Accounting Standards Codification (“ASC”) Topic 820, “Fair Value Measurements and Disclosures” (“ASC 820”), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under ASC 820 are described below:

- | | |
|---------|---|
| Level 1 | Unadjusted quoted prices in active markets that are accessible at the measurement date identical, unrestricted assets or liabilities; |
| Level 2 | Quoted prices in market that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly; |
| Level 3 | Prices or valuations that require inputs that are both significant to the fair value measurement and observable. |

The asset’s and liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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Following is a description of the valuation methodology used for assets measured at fair value.

Mutual funds – These funds are valued at the closing price reported in the active market in which the securities are traded.

Investments – Negotiable Certificates of Deposit – These funds are certificates of deposit held for investment that are not debt securities, but are negotiable jumbo securities with remaining maturities greater than one year.

Beneficial interest in assets held at The Community Foundation for GNH, Inc. – These funds are valued at the fair value of the Organization’s share of the interest held in the Foundation’s comingled fund as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation for which prices are not readily available, are determined by the management of the Foundation. Estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Foundation’s investments are composed approximately of 50.00% global equities, 35.00% alternative investments including hedge funds and private equity funds, and 15.00% bonds. The beneficial interest in assets held at the Foundation is redeemable by the Organization as described in Note 5.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

<u>Description</u>	<u>6/30/24</u>	<u>In Active Markets For Identical Assets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments –				
Mutual funds	\$ 362,088	\$ 362,088	\$ -	\$ -
Negotiable Certificates of Deposit	-	-	299,645	-
Beneficial interest in assets held at the Community Foundation for GNH, Inc.	596,997	-	-	596,997
	<u>\$ 959,085</u>	<u>\$ 362,088</u>	<u>\$ 299,645</u>	<u>\$ 596,997</u>

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<u>Description</u>	<u>6/30/23</u>	<u>In Active Markets For Identical Assets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments –				
Mutual funds	\$ 763,401	\$ 763,401	\$ -	\$ -
Beneficial interest in assets held at the Community Foundation for GNH, Inc.	555,911	-	-	555,911
	<u>\$ 1,319,312</u>	<u>\$ 763,401</u>	<u>\$ -</u>	<u>\$ 555,911</u>

Gains and losses (realized and unrealized) are reported in the statement of activities for the year ended June 30, 2024 and 2023.

Financial instruments classified as Level 3 in the fair value hierarchy represent the Organization's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model. The following table represents a reconciliation of the activities for Level 3 financial instruments:

Balance at July 1, 2023	\$ 507,443
Amounts invested in Fund during 2023	-
Gain (loss) on beneficial interest	48,468
Distributions received	-
Balance at June 30, 2023	<u>\$ 555,911</u>
Amounts invested in Fund during 2024	-
Gain (loss) on beneficial interest	41,086
Distributions received	-
Balance at June 30, 2024	<u>\$ 596,997</u>

The components of the net return (loss) on investments, including Level 3 investments, as reported in the accompanying statements of activities are as follows for the year ended June 30, 2024:

Gain (loss) on beneficial interest in assets held at The Main Street Community Foundation, Inc., net of investment income recorded	<u>\$ 41,086</u>
	<u>\$ 41,086</u>

Gains and losses (realized and unrealized) are reported in the statement of activities for the year ended June 30, 2024.

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9. NET ASSET CLASSIFICATIONS

Temporarily Restricted Net Assets:

Temporarily restricted net assets as of June 30, 2024 and 2023 totaled \$791,528 and \$715,615, respectively, and the purposes and amounts are as follows:

	<u>2024</u>	<u>2023</u>
Training and program needs	<u>\$ 791,528</u>	<u>\$ 715,615</u>

Net Assets Released From Restrictions:

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors. Net assets released from restrictions are as follows:

	<u>2024</u>	<u>2023</u>
Training and program needs	<u>\$ 16,927</u>	<u>\$ 210,794</u>
	<u>\$ 16,927</u>	<u>\$ 210,794</u>

10. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	<u>\$ 44,759</u>	<u>\$ 90,963</u>
Investments	<u>662,242</u>	<u>138,519</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 707,001</u>	<u>\$ 229,482</u>

Liquidity Management:

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 22, 2025 the date the financial statements were available to be issued, and has determined that there are no matters requiring disclosure in, or adjustment to, these financial statements.