



**BOOKS FOR AFRICA, INC.**

**FINANCIAL STATEMENTS**

**June 30, 2025 and 2024**

**BOOKS FOR AFRICA, INC.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Books for Africa, Inc.  
St. Paul, Minnesota

### **Opinion**

We have audited the accompanying financial statements of Books for Africa, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets 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 Books for Africa, Inc. as of June 30, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Books for Africa, Inc. 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 opinions.

### **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 Books for Africa, 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, including omissions, 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 audits.
- 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 Books for Africa, 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 Books for Africa, 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.

*Lewis & Mount LLC*

Minneapolis, Minnesota  
October 8, 2025

**BOOKS FOR AFRICA, INC.**

**STATEMENTS OF FINANCIAL POSITION**

June 30, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash and equivalents	\$ 352,134	\$ 902,140
Investments	2,063,329	1,666,596
Inventory - in-kind	11,890,175	14,304,135
Contributions receivable	208,356	38,225
Prepaid expenses	9,163	6,273
Total current assets	<u>14,523,157</u>	<u>16,917,369</u>
Property and equipment	68,927	86,815
Right of use asset	918,169	909,000
Less: accumulated depreciation and amortization	<u>(777,249)</u>	<u>(808,811)</u>
Net property and equipment	209,847	187,004
Other assets		
Security deposits	<u>24,974</u>	<u>24,974</u>
Total other assets	24,974	24,974
Total assets	<u><u>\$ 14,757,978</u></u>	<u><u>\$ 17,129,347</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of lease obligations	\$ 141,978	\$ 192,921
Accounts payable	164,318	108,573
Accrued expenses	<u>131,267</u>	<u>82,721</u>
Total current liabilities	<u>437,563</u>	<u>384,215</u>
Long-term lease obligations, net of current portion	<u>71,470</u>	<u>122,248</u>
Net assets		
Net assets without donor restriction	1,143,296	1,060,188
Net assets with restriction	<u>13,105,649</u>	<u>15,562,696</u>
Total net assets	14,248,945	16,622,884
Total liabilities and net assets	<u><u>\$ 14,757,978</u></u>	<u><u>\$ 17,129,347</u></u>

See Accompanying Notes to Financial Statements

# BOOKS FOR AFRICA, INC.

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS Years Ended June 30, 2025 and 2024

	2025		
	Net Assets Without Restriction	Net Assets With Restriction	Total
Support and revenue			
Books contributed	\$ 14,237,861	\$ 11,890,175	\$ 26,128,036
In-kind contributions	269,745	-	269,745
Contributions	955,638	1,410,045	2,365,683
Special Events	38,450	-	38,450
Interest and dividends	72,477	-	72,477
Unrealized gain on investments	49,996	-	49,996
Net assets released from restriction	15,757,267	(15,757,267)	-
Total support and revenue	31,381,434	(2,457,047)	28,924,387
Expenses:			
Program services	30,934,660	-	30,934,660
General and administrative	121,909	-	121,909
Fundraising	241,757	-	241,757
Total expenses	31,298,326	-	31,298,326
Change in net assets	83,108	(2,457,047)	(2,373,939)
Net assets - beginning of year	1,060,188	15,562,696	16,622,884
Net assets - end of year	\$ 1,143,296	\$ 13,105,649	\$ 14,248,945
	2024		
	Net Assets Without Restriction	Net Assets With Restriction	Total
Support and revenue			
Books contributed	\$ 6,941,235	\$ 14,304,135	\$ 21,245,370
In-kind contributions	232,600	-	232,600
Contributions	807,803	1,472,196	2,279,999
Special Events	249,773	-	249,773
Interest and dividends	78,305	-	78,305
Unrealized (loss) on investments	60,892	-	60,892
Net assets released from restriction	10,422,884	(10,422,884)	-
Total support and revenue	18,793,492	5,353,447	24,146,939
Expenses:			
Program services	18,488,310	-	18,488,310
General and administrative	124,318	-	124,318
Fundraising	246,772	-	246,772
Total expenses	18,859,400	-	18,859,400
Change in net assets	(65,908)	5,353,447	5,287,539
Net assets - beginning of year	1,126,096	10,209,249	11,335,345
Net assets - end of year	\$ 1,060,188	\$ 15,562,696	\$ 16,622,884

See Accompanying Notes to Financial Statements

**BOOKS FOR AFRICA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2025

	2025			
	Program Services	General and Administrative	Fundraising	Total
Books shipped	\$ 28,541,996	\$ -	\$ -	\$ 28,541,996
Special initiatives	113,614	-	-	113,614
Shipping costs	927,739	-	-	927,739
Partnership payments	6,000	-	-	6,000
Salaries and payroll taxes	740,101	68,224	93,095	901,420
Employee benefits	153,464	27,231	23,007	203,702
Special events	31,873	-	18,689	50,562
Shipping supplies	64,185	-	-	64,185
Automobile	2,250	300	450	3,000
Warehouse rent	208,437	-	-	208,437
Office supplies	12,928	2,586	2,955	18,468
Telephone	4,967	922	1,206	7,096
Postage	4,123	2,124	6,247	12,493
Printing	11,500	2,738	13,143	27,381
Promotion	6,789	-	19,321	26,110
Insurance	9,668	1,675	1,445	12,789
Travel	23,631	-	5,908	29,539
Workshops and conferences	535	-	535	1,070
Depreciation	6,828	759	-	7,587
Miscellaneous	35,491	4,732	43,151	83,374
Strategic Initiatives	10,000	-	-	10,000
Professional fees	18,541	10,619	12,604	41,764
Total	<u>\$ 30,934,660</u>	<u>\$ 121,909</u>	<u>\$ 241,757</u>	<u>\$ 31,298,326</u>

See Accompanying Notes to Financial Statements

**BOOKS FOR AFRICA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2024

	2024			
	Program Services	General and Administrative	Fundraising	Total
Books shipped	\$ 16,220,361	\$ -	\$ -	\$ 16,220,361
Special initiatives	123,179	-	-	123,179
Shipping costs	671,421	-	-	671,421
Partnership payments	9,625	-	-	9,625
Salaries and payroll Taxes	740,479	61,266	84,906	886,651
Employee benefits	165,917	29,402	24,843	220,162
Special events	86,385	-	17,805	104,190
Shipping supplies	75,902	-	-	75,902
Automobile	2,250	300	450	3,000
Warehouse rent	243,481	-	-	243,481
Office supplies	21,494	4,298	4,913	30,705
Telephone	4,641	862	1,127	6,630
Postage	3,614	1,862	5,476	10,952
Printing	11,142	2,653	12,734	26,529
Promotion	5,221	-	14,859	20,080
Insurance	9,095	1,576	1,360	12,031
Travel	11,047	-	2,762	13,809
Workshops and conferences	1,019	-	1,019	2,038
Depreciation	5,480	609	-	6,089
Miscellaneous	40,822	6,157	49,760	96,739
Bad Debt	11,000	-	-	11,000
Professional fees	24,735	15,333	24,758	64,826
Total	<u>\$ 18,488,310</u>	<u>\$ 124,318</u>	<u>\$ 246,772</u>	<u>\$ 18,859,400</u>

See Accompanying Notes to Financial Statements



**BOOKS FOR AFRICA, INC.**

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets:	\$ (2,373,939)	\$ 5,287,539
Adjustment to reconcile the change in net assets to net cash from operating activities:		
Depreciation	7,587	6,089
Unrealized (gain)/loss on investments	(49,996)	(60,892)
Net change in assets and liabilities:		
Inventory	2,413,960	(5,025,009)
Contributions receivable	(170,131)	320,615
Prepaid expenses	(2,890)	(6,273)
Accounts payable and accrued expenses	104,291	(53,063)
Net cash flows from operating activities	<u>(71,118)</u>	<u>469,006</u>
Cash flows from investing activities:		
Purchase of property and equipment	(15,952)	-
Net investment activity	<u>(346,737)</u>	<u>313,197</u>
Net cash flows from investing activities	<u>(362,689)</u>	<u>313,197</u>
Cash flows from financing activities:		
Net activity from long term lease	<u>(116,199)</u>	<u>(68,027)</u>
Net cash flows from financing activities	<u>(116,199)</u>	<u>(68,027)</u>
Net change in cash and equivalents	(550,006)	714,176
Cash and equivalents - beginning of year	902,140	187,964
Cash and equivalents - end of year	<u>\$ 352,134</u>	<u>\$ 902,140</u>

See Accompanying Notes to Financial Statements

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization** Books for Africa, Inc. (the Organization) is a nonprofit organization founded in 1988 with operations that began in September 1989. The Organization's administrative offices and warehouse are located in Saint Paul, Minnesota. The Organization collects books from schools, libraries, and publishers and donates them to agencies in the African Countries of Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo Republic, Cote d'Ivoire, Djibouti, DR Congo, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sahrawi Republic, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

**Basis of accounting** The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with Generally Accepted Accounting Principles in the United States of America and the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

**Tax status** The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and applicable Minnesota Statutes.

The Organization accounts for uncertainty in income taxes recognized in the financial statements annually assessing its exposure for uncertain tax positions. If required, the Organization would accrue income taxes plus a related interest and penalty as a liability. For the years presented the Organization has recorded no liability for uncertain tax positions. Tax years ending after June 30, 2022 remain open and subject to examination for both federal and state returns.

**Basis of presentation** Support is classified based on the presence or absence of donor restrictions and reported in the following net asset categories:

- Net assets without donor restriction represent the portion of net assets that are not subject to donor restrictions.
- Net assets with donor restriction arise from contributions that are restricted by donors for specific purposes or time periods or arise from contributions that are permanently restricted by donors for specific purposes.

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Concentrations and credit risk** The Organization maintains cash balances in financial institutions. From time to time, the cash balances may exceed the federally insured limit. Management regularly reviews the credit worthiness of the financial institutions and has not experienced any losses.

**Cash and equivalents** For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity date of three months or less to be cash equivalents.

**Contributions receivable** Contributions receivable represent unconditional promises to give and are due within one year.

**Inventory** Inventory consists of donated books and is recorded at estimated fair market value.

**Investments** Investments are recorded at their market value based upon quoted market prices. Donated investments are initially recorded at market value on the date of contribution and at the estimated current value thereafter. Investment income and related gains and losses, both realized and unrealized, are accounted for within unrestricted net assets upon the absence of donor restrictions.

**Property and Equipment** Property and Equipment is recorded at the lower of cost or estimated fair value. Depreciation is provided over the estimated useful lives of the respective assets ranging from 3 to 7 years on a straight-line basis. Expenditures for equipment over \$2,500 with determinable lives are capitalized and depreciated. Maintenance and repairs are expensed as incurred; major improvements and betterments are capitalized.

**Contributed materials** Contributed materials are recorded as contributions, when received, at their estimated fair value where such value can be objectively and accurately determined.

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**Contributed services** Contributed services are recorded as contributions, at their fair value, when the service creates or enhances a nonfinancial asset or the service requires specialized skills provided by an individual possessing those skills, and would need to be purchased if not provided by donation. A substantial number of volunteers donate significant amounts of their time to the Organization's program and supporting services. The value of this contributed time is not reflected in these statements since it does not meet the requirements of generally accepted accounting principles for recognition in financial statements.

**Contributions** Contributions are recorded at their net realizable values when the donor makes an unconditional promise to give to the Organization. Donor-restricted contributions are reported as increases in net assets with restriction depending on the nature of restrictions. When a restriction expires, net assets with restriction are reclassified to net assets without restriction and reported in the statement of activity as satisfaction of donor restrictions.

**Revenue from Contracts with Customers** (Topic 606) This ASU provides a single principles based revenue recognition model with a five-step analysis of transactions to determine when and how revenue is recognized. The core principle is that an Organization should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization has analyzed the provisions of FASB's ASC Topic 606 and concluded that no changes are necessary to conform with the standard as of and for the years ended June 30, 2025 and 2024.

**Functional expenses** Allocations are generally made as follows:

- Salaries by time spent on principal activities of each employee
- Employee benefits and payroll taxes according to the percentage used to allocate salaries
- All other expenses are allocated based on management estimates

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**Fair value measurements** The Organization complies with Topic 820 of the Accounting Standards Codification. ASC Topic 820 defines fair value, establishes framework for measuring fair value and expands disclosure about fair value.

Under ASC Topic 820, fair value is determined using assumptions that market participants would use to determine the price of the asset or liability as opposed to measurements determined based upon information specific to the entity holding those assets and liabilities. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. To determine those market participant assumptions, ASC Topic 820 establishes a hierarchy of inputs that the entity must consider including both independent market data and the entities' assumptions about the market participant assumptions. This hierarchy us as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Quoted prices in markets that are not active, as those quoted market prices included in level 1, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Unobservable inputs, used when there is little or no market activity, for the asset or liability at the measurement date. These inputs represent the entity's own assumptions about the assumptions that market participants would use to price the asset or liability.

The Organization uses the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Subsequent events** Management evaluates events occurring subsequent to the date of the balance sheet in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 8, 2025, which is the date the financial statements were available to be issued.

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**2. INVESTMENTS**

Investments consist of the following at June 30:

	2025	2024
Money market funds	\$ 52,625	\$ 14,804
Mutual funds	1,909,407	1,651,792
Certificate of Deposit	101,297	-
Total investments	<u>\$ 2,063,329</u>	<u>\$ 1,666,596</u>

Investment income is comprised of the following for the years ended June 30:

	2025	2024
Unrealized gain/(loss)	\$ 49,996	\$ 60,892
Interest and dividends	72,477	78,305
Total	<u>\$ 122,473</u>	<u>\$ 139,197</u>

Following is a description of the valuation methodologies used for investments measured at fair value, including the general classification pursuant to the valuation hierarchy:

Mutual fund investments are valued at the closing price reported on the active market on which the individual securities are traded.

The methodologies 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. As of June 30, 2025 and 2024 all investments are considered level 1 in the fair value hierarchy.

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**3. DONATED BOOKS INVENTORY**

If a publisher's estimate of the fair value of books donated is not available, donated books received are generally valued at \$12.00 per school book and \$20.00 per post-secondary book, which is management's estimate of the average fair value. The number of useable books shipped and on hand is a significant estimate made by management.

The Organization's ending book inventory is classified as a temporarily restricted net asset until the books are shipped, and totaled \$11,890,175 and \$14,304,135 at June 30, 2025 and 2024, respectively.

**4. LEASE OBLIGATION**

During the year ended June 30, 2023, the Company adopted ASC 842 accounting for leases using the modified retrospective approach. The Company has entered into lease arrangements for warehouse spaces in Minnesota and Georgia. The Company determined that the present value of lease payments does not meet the requirements of a finance lease.

The components of lease expenses were as follows:

	2025	2024
Operating lease cost	\$ 208,437	\$ 243,481

Total rent expense (lease cost) was \$208,437 and \$243,481 for the years ended June 30, 2025 and 2024.

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

4. LEASE OBLIGATION (CONTINUED)

Supplemental information related to leases as follows:

	<u>2025</u>	<u>2024</u>
Operating Lease		
Operating right of use assets, net of amortization	<u>\$ 147,991</u>	<u>\$ 173,388</u>
Amounting included within other current liabilities	\$ 141,978	\$ 192,921
Operatizing lease liabilities, non current	<u>71,470</u>	<u>122,248</u>
Total operating lease liability	<u>\$ 213,448</u>	<u>\$ 315,169</u>
	<u>2025</u>	<u>2024</u>
Weighted-average remaining lease term (in years)	2.2	1.63
Operating leases		
Weighted -average discount rate		
Operating leases	5.00%	5.00%

Maturities of lease payments where the lease commencement date commenced on or prior to June 30, 2025 as follows:

For years ending June 30,		<u>Operating</u>
	2026	\$ 148,396
	2027	24,300
	2028	24,528
	2029	24,527
	2030	<u>4,088</u>
	Total	\$ 225,839
	Less imputed interest	<u>(12,391)</u>
	Total lease liability	<u>\$ 213,448</u>

In August 2025, the Organization renewed its lease for their warehouse in Georgia monthly payments ranging approximately from \$19,900 to \$22,400 and matures February 2031. The right of use asset and liability to be recorded in fiscal year 2026 is estimated at \$1,119,000.



**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**4. LEASE OBLIGATION (CONTINUED)**

Following is a schedule of minimum lease payments required incorporating the new lease agreement.

For years ending June 30,	<u>Operating</u>
2026	\$ 227,843
2027	265,025
2028	272,475
2029	279,916
2030	267,135
Thereafter	<u>178,837</u>
Total	<u><u>\$ 1,491,231</u></u>

**5. DONATED SERVICES**

In addition to the receipt of donated books described in Note 3, the Organization also received and recorded donated shipping costs in the amount of \$269,745 and \$232,600 for the years ended June 30, 2025 and 2024, respectively.

Donated services provided by numerous volunteers to sort and catalog the books are not valued and have not been reported in the accompanying statement of activity, since they do not meet the criteria for recognition in the financial statements under accounting principles generally accepted in the United States of America.

**6. NET ASSETS**

Net assets with donor restriction are restricted for the following purposes at June 30:

	<u>2025</u>	<u>2024</u>
Books in inventory	\$ 11,890,175	\$ 14,304,135
Container sponsorships	<u>1,215,474</u>	<u>1,258,561</u>
Total	<u><u>\$ 13,105,649</u></u>	<u><u>\$ 15,562,696</u></u>

**BOOKS FOR AFRICA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**6. NET ASSETS (CONTINUED)**

Net assets released from restriction as of June 30 were as follows:

	2025	2024
Satisfaction of donor restrictions		
Books shipped	\$ 14,304,135	\$ 9,279,126
Container sponsorships	1,453,132	1,143,758
Total	<u>\$ 15,757,267</u>	<u>\$ 10,422,884</u>

**7. RETIREMENT PLAN**

The Organization has established a SEP/IRA defined contribution plan for its employees. The Organization contributes 6% to the plan on behalf of its employees. Contributions to the SEP/IRA were \$47,088 and \$45,110 for the years ended June 30, 2025 and 2024, respectively.

**8. LIQUIDITY**

The following reflects the Organization's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of donor-imposed restriction within one year of the statement of financial position date.

	2025	2024
Financial assets, at year end	\$ 2,415,463	\$ 2,568,736
less those unavailable for general expenditures with in one year due to donor imposed restrictions	(1,215,474)	(1,258,561)
Financial assets available, at year end	<u>\$ 1,199,989</u>	<u>\$ 1,310,175</u>

Management of the Organization reviews cash balances and cash use on a daily and weekly basis. Additionally, its Board of Directors and Finance Committee review the cash balance, and specifically, the months of cash on hand, monthly. The Organization uses a benchmark of three months of operating expenditures. At June 30, 2025 and 2024, the Organization had 5 and 6 months of financial assets available for future general operating expenditures, respectively.