

**ENTREPRENEURS ACROSS BORDERS, INC.**

Financial Statements

December 31, 2024 and 2023



## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Entrepreneurs Across Borders, Inc.:

### **Opinion**

We have audited the accompanying financial statements of Entrepreneurs Across Borders, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities 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 Entrepreneurs Across Borders, Inc. as of December 31, 2024 and 2023, and the results of its operations 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Entrepreneurs Across Borders, 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 Entrepreneurs Across Borders, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

The Board of Directors  
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### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Entrepreneurs Across Borders, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Entrepreneurs Across Borders, 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.



May 5, 2025

# ENTREPRENEURS ACROSS BORDERS, INC.

## Statements of Financial Position

December 31, 2024 and 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash	\$ 34,253	\$ 171,728
Restricted cash	161,275	100,000
Investments	178,237	317,218
Grants receivable	175,000	-
Prepaid expenses	-	17,157
	<u>          </u>	<u>          </u>
Total assets	\$ <u>548,765</u>	\$ <u>606,103</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	303,179	137,311
Accrued expenses	12,250	6,250
	<u>          </u>	<u>          </u>
Total current liabilities	<u>315,429</u>	<u>143,561</u>
Net assets (deficit):		
Without donor restrictions	(106,176)	362,542
With donor restrictions	339,512	100,000
	<u>          </u>	<u>          </u>
Total net assets	<u>233,336</u>	<u>462,542</u>
Contingencies (note 2)		
Total liabilities and net assets	\$ <u>548,765</u>	\$ <u>606,103</u>

See accompanying notes to financial statements.

# ENTREPRENEURS ACROSS BORDERS, INC.

## Statements of Activities

Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues and other support:		
Program revenue	\$ 18,521	\$ 17,706
Contributions	5	1,250
Net assets released from restriction for operations	<u>35,488</u>	<u>-</u>
Total revenues and other support	<u>54,014</u>	<u>18,956</u>
Operating expenses:		
Program expense	218,697	129,401
Purchased services	155,958	134,114
Supplies and other	64,580	15,877
Advertising	<u>19,666</u>	<u>10,833</u>
Total operating expenses	<u>458,901</u>	<u>290,225</u>
Operating loss	<u>(404,887)</u>	<u>(271,269)</u>
Nonoperating income (loss) -		
Investment income (loss), net	<u>(63,831)</u>	<u>172,414</u>
Decrease in net assets without donor restrictions	<u>(468,718)</u>	<u>(98,855)</u>
Net assets with donor restrictions:		
Contributions	275,000	100,000
Net assets released from restriction for operations	<u>(35,488)</u>	<u>-</u>
Increase in net assets with donor restrictions	<u>239,512</u>	<u>100,000</u>
Increase (decrease) in net assets	(229,206)	1,145
Net assets at beginning of year	<u>462,542</u>	<u>461,397</u>
Net assets at end of year	<u><u>\$ 233,336</u></u>	<u><u>\$ 462,542</u></u>

See accompanying notes to financial statements.

# ENTREPRENEURS ACROSS BORDERS, INC.

## Statements of Cash Flows

Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ (229,206)	\$ 1,145
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Realized and change in unrealized loss (gain) on investments, net	65,473	(172,710)
Changes in operating assets and liabilities:		
Grants receivable	(175,000)	-
Prepaid expenses	17,157	(14,457)
Accounts payable	165,868	137,311
Accrued expenses	6,000	-
Net cash used in operating activities	<u>(149,708)</u>	<u>(48,711)</u>
Cash flows provided by investing activities -		
Sale of investments, net	<u>73,508</u>	<u>204,663</u>
Net increase (decrease) in cash	(76,200)	155,952
Cash and restricted cash at beginning of year	<u>271,728</u>	<u>115,776</u>
Cash and restricted cash at end of year	<u>\$ 195,528</u>	<u>\$ 271,728</u>

See accompanying notes to financial statements.

## ENTREPRENEURS ACROSS BORDERS, INC.

### Notes to Financial Statements

December 31, 2024 and 2023

#### (1) Organization and Summary of Significant Accounting Policies

##### (a) Organization

Entrepreneurs Across Borders, Inc. (the Organization) is a start-up not-for-profit corporation incorporated in January 2019. The Organization serves to identify, curate and connect emerging entrepreneurs in developing countries with resources they need to create jobs, sustainable livelihood and equitable growth.

Through the end of 2022, the Organization's start-up activities and program initiatives were delayed or extremely limited due to the Coronavirus Pandemic, which brought many restrictions and limited access to developing countries, particularly Jamaica, where the Organization's pilot program is based. Such restrictions and limited access impeded development of the Organization's progress in demonstrating efficacy of their operating model, which in turn affected their ability to interact with donors to receive additional public support. The Organization resumed its pilot program, including in country activities and program initiatives starting December 2022. During 2023, the Organization hosted its first event, "Beyond the Beach" in Jamaica to bring together investors, Jamaican leaders and entrepreneurs to foster a new kind of global community that will provide access to capital, mentorship, and networks that emerging entrepreneurs need to be successful. Additionally, the Organization began work on a software platform that will identify, curate, and assess emerging entrepreneurs so that they can be connected to seasoned entrepreneurs in the Organization's network. Lastly, the Organization hosted the first of its annual Impact Tours where United States based investors and entrepreneurs get a unique opportunity to engage with Jamaica and its micro and scalable entrepreneurs. The Beyond the Beach and Impact Tours continued in 2024.

##### (b) Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and present net assets and revenues, expenses, and gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets and changes in net assets are as follows:

Net assets without donor restrictions are available for general use and not subject to donor-imposed restrictions. These net assets may be used at the discretion of the Organization's management and board of directors and may be subject to self-imposed limits by action of the governing board.

Net assets with donor restrictions are those that are subject to stipulations imposed by donors and grantors. Some donor restrictions may be temporary in nature and are limited by donors to a specific time period or purpose. Other donor restrictions may be perpetual in nature, as stipulated by the donor.

## ENTREPRENEURS ACROSS BORDERS, INC.

### Notes to Financial Statements

#### (1) Organization and Summary of Significant Accounting Policies, Continued

##### (c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

##### (d) Revenue and Related Receivables

Revenue and related accounts receivable are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services. Revenue is recognized as performance obligations are satisfied.

Revenues associated with grants are recognized as the related costs are incurred. To the extent that amounts are received exceed the amounts earned, the Organization records these as deferred revenue. Expenses consist of direct costs incurred and related indirect costs reimbursed according to the terms and conditions of such agreements.

##### (e) Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as the cost basis. Conditional contributions are reported at fair value at the date the contribution is received. The contributions are reported as net assets with donor restrictions if they are received with donor stipulation that limit the use of the donated assets. 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 as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restriction in the accompanying financial statements.

##### (f) Investments and Investment Income (Loss)

Investments in equity securities with readily determinable fair values are measured at fair value in the statement of financial position. Investment income or loss (including realized and unrealized gains or losses on investments, interest and dividends) is included as a component of the change in net assets without donor restrictions unless the income or loss is restricted by law or donor. At December 31, 2024 and 2023, the Organization did not have any investments in debt securities.



## ENTREPRENEURS ACROSS BORDERS, INC.

### Notes to Financial Statements

#### (1) Organization and Summary of Significant Accounting Policies, Continued

##### (f) Investments and Investment Income, Continued

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in values in the near term could materially affect the amounts reported in the accompanying statements of financial position and statements of activities.

##### (g) Advertising Costs

The Organization expenses advertising costs as they are incurred.

##### (h) Concentrations

The Organization maintains cash balances with financial institutions, which at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to its cash.

##### (i) Income Tax Status

The Organization is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. It has been determined that the Organization is not a private foundation. As of December 31, 2024 and 2023, the Organization did not have any unrecognized tax benefits or any related accrued interest or penalties. The tax years open to examination by federal and New York State taxing authorities are 2021 through 2024.

##### (j) Subsequent Events

Subsequent events have been evaluated through May 5, 2025, which is the date the financial statements were available to be issued.

#### (2) Grant Restrictions

Financial awards from federal, state and local government entities in the form of grants or contracts, such as the Paycheck Protection Program grant received in 2020 are potentially subject to reviews or audits. Such instances could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions.

## ENTREPRENEURS ACROSS BORDERS, INC.

### Notes to Financial Statements

#### (3) Liquidity and Availability of Financial Assets

Financial assets available within one year for general expenditure are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Cash	\$ 34,253	\$ 171,728
Investments	<u>178,237</u>	<u>317,218</u>
Total	<u>\$ 212,490</u>	<u>\$ 488,946</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

#### (4) Investments

Investments are presented in the financial statements at fair value. The fair values at December 31, are as follows:

	<u>2024</u>	<u>2023</u>
Common stock	<u>\$ 178,237</u>	<u>\$ 317,218</u>

Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. Financial instruments measured and reported at fair value are classified and disclosed in one of the following categories based on the lowest level input that is significant to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities.
- Level 2 inputs are observable prices that are based on inputs not quoted in active markets, but corroborated by market data.
- Level 3 inputs are unobservable inputs that are used when little or no market data is available. Significant management judgement or estimation is likely involved in the determination of fair value.

Fair value for common stock are based on quoted market prices and therefore classified as Level 1 financial assets.

# ENTREPRENEURS ACROSS BORDERS, INC.

## Notes to Financial Statements

### (5) Transactions with Related Parties

The Organization is charged through a management service agreement through a related party, which is owned by the founder and current board member of the Organization. Purchased services expense related to this agreement amounted to \$142,000 in 2024 and \$100,000 in 2023. Amount due to related party included in accounts payable are \$293,781 and \$135,713 at December 31, 2024 and 2023, respectively.

### (6) Functional Expenses

The Organization provides services to entrepreneurs. Expenses related to providing these services are as follows for the years ended December 31:

	2024			
	<u>Program services</u>	<u>Fundraising</u>	<u>General and administrative</u>	<u>Total</u>
Program expense	\$ 218,697	\$ -	\$ -	\$ 218,697
Purchased services	35,500	71,001	49,457	155,958
Supplies and other	41,413	-	23,167	64,580
Advertising	19,666	-	-	19,666
Total expenses	<u>\$ 315,276</u>	<u>\$ 71,001</u>	<u>\$ 72,624</u>	<u>\$ 458,901</u>

  

	2023			
	<u>Program services</u>	<u>Fundraising</u>	<u>General and administrative</u>	<u>Total</u>
Program expense	\$ 129,401	\$ -	\$ -	\$ 129,401
Purchased services	25,000	50,000	59,114	134,114
Supplies and other	7,507	-	8,370	15,877
Advertising	10,833	-	-	10,833
Total expenses	<u>\$ 172,741</u>	<u>\$ 50,000</u>	<u>\$ 67,484</u>	<u>\$ 290,225</u>

The financial statements report certain categories of expenses that are attributable to more than one functional expense category. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on the nature of the expense and estimates of time spent.

## ENTREPRENEURS ACROSS BORDERS, INC.

### Notes to Financial Statements

#### (7) Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purpose at December 31:

	<u>2024</u>	<u>2023</u>
<i>Subject to expenditure for specified purpose:</i>		
Platform Development Project: EAB Connect	\$ 164,512	\$ 100,000
Entrepreneurship training program	100,000	-
Social Venture Challenge program	<u>75,000</u>	<u>-</u>
Total	<u>\$ 339,512</u>	<u>\$ 100,000</u>