

# BRIDGE TO TÜRKIYE FUND

Financial Statements  
With Independent Auditor's Report

June 30, 2025 and 2024



# BRIDGE TO TÜRKIYE FUND

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Bridge to Türkiye Fund  
Chapel Hill, North Carolina

### ***Opinion***

We have audited the accompanying financial statements of Bridge to Türkiye Fund (a nonprofit organization), which comprise the statements of financial position as of June 30, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bridge to Türkiye Fund 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 audit 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 Bridge to Türkiye Fund 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 Bridge to Türkiye Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors  
Bridge to Türkiye Fund  
Chapel Hill, North Carolina

***Auditor's Responsibility 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 Bridge to Türkiye Fund'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 Bridge to Türkiye Fund'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.

*Capin Crouse LLC*

Lawrenceville, Georgia  
January 27, 2026

# BRIDGE TO TÜRKIYE FUND

## Statements of Financial Position

	June 30,	
	<u>2025</u>	<u>2024</u>
ASSETS:		
Cash and cash equivalents	\$ 104,559	\$ 54,073
Contributions receivable-net	661,808	1,531,344
Investments	4,877,097	5,790,075
Prepaid expenses	6,797	-
Investments held for long-term purposes	160,146	-
	<u>5,810,407</u>	<u>7,375,492</u>
Total Assets	\$ 5,810,407	\$ 7,375,492
LIABILITIES AND NET ASSETS:		
Liabilities:		
Grants payable	\$ -	\$ 1,138,872
Total liabilities	<u>-</u>	<u>1,138,872</u>
Net assets:		
Without donor restrictions	2,349,533	1,264,524
With donor restrictions	3,460,874	4,972,096
Total net assets	<u>5,810,407</u>	<u>6,236,620</u>
Total Liabilities and Net Assets	\$ 5,810,407	\$ 7,375,492

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>			
Support:			
Contributions	\$ 810,209	\$ 2,289,439	\$ 3,099,648
Revenue:			
Investment income	388,186	4,969	393,155
Total Support and Revenue	1,198,395	2,294,408	3,492,803
<b>RECLASSIFICATIONS:</b>			
Satisfaction of purpose restrictions	3,805,630	(3,805,630)	-
<b>EXPENSES:</b>			
Program services	3,671,492	-	3,671,492
Supporting activities:			
General and administrative	146,451	-	146,451
Fundraising	101,073	-	101,073
	247,524	-	247,524
Total Expenses	3,919,016	-	3,919,016
Change in Net Assets	1,085,009	(1,511,222)	(426,213)
Net Assets, Beginning of Year	1,264,524	4,972,096	6,236,620
Net Assets, End of Year	\$ 2,349,533	\$ 3,460,874	\$ 5,810,407

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Statement of Activities

Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE:</b>			
Support:			
Contributions	\$ 1,026,722	\$ 4,463,891	\$ 5,490,613
Revenue:			
Investment income	489,639	-	489,639
Total Support and Revenue	<u>1,516,361</u>	<u>4,463,891</u>	<u>5,980,252</u>
<b>RECLASSIFICATIONS:</b>			
Satisfaction of purpose restrictions	<u>6,155,383</u>	<u>(6,155,383)</u>	<u>-</u>
<b>EXPENSES:</b>			
Program services	<u>7,914,165</u>	<u>-</u>	<u>7,914,165</u>
Supporting activities:			
General and administrative	84,145	-	84,145
Fundraising	65,917	-	65,917
	<u>150,062</u>	<u>-</u>	<u>150,062</u>
Total Expenses	<u>8,064,227</u>	<u>-</u>	<u>8,064,227</u>
Change in Net Assets	(392,483)	(1,691,492)	(2,083,975)
Net Assets, Beginning of Year	<u>1,657,007</u>	<u>6,663,588</u>	<u>8,320,595</u>
Net Assets, End of Year	<u>\$ 1,264,524</u>	<u>\$ 4,972,096</u>	<u>\$ 6,236,620</u>

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Statement of Functional Expenses

Year Ended June 30, 2025

	Supporting Activities			Total Supporting Activities	Total Expenses
	Program Services	General and Administrative	Fundraising		
Grants to others	\$ 3,423,498	\$ -	\$ -	\$ -	\$ 3,423,498
Salaries and benefits	211,987	79,802	66,752	146,554	358,541
Bank charges	32,118	14,537	42	14,579	46,697
Information technology	-	7,916	-	7,916	7,916
Advertising and promotion	2,886	-	34,279	34,279	37,165
Office expenses	-	8,724	-	8,724	8,724
Travel	27	-	-	-	27
Conferences and meetings	976	5,876	-	5,876	6,852
Professional fees	-	29,596	-	29,596	29,596
	<u>\$ 3,671,492</u>	<u>\$ 146,451</u>	<u>\$ 101,073</u>	<u>\$ 247,524</u>	<u>\$ 3,919,016</u>

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Statement of Functional Expenses

Year Ended June 30, 2024

	Supporting Activities			Total Supporting Activities	Total Expenses
	Program Services	General and Administrative	Fundraising		
Grants to others	\$ 7,746,298	\$ -	\$ -	\$ -	\$ 7,746,298
Salaries and benefits	141,241	48,980	53,988	102,968	244,209
Bank charges	26,332	5,712	-	5,712	32,044
Information technology	223	11,552	-	11,552	11,775
Advertising and promotion	-	-	11,309	11,309	11,309
Office expenses	71	10,045	620	10,665	10,736
Travel	-	3,299	-	3,299	3,299
Conferences and meetings	-	3,198	-	3,198	3,198
Professional fees	-	1,359	-	1,359	1,359
	\$ 7,914,165	\$ 84,145	\$ 65,917	\$ 150,062	\$ 8,064,227

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Statements of Cash Flows

	Year Ended June 30,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (426,213)	\$ (2,083,975)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Realized/unrealized gains on investments and investments held for long-term purposes	(151,948)	(199,600)
Changes in operating assets and liabilities:		
Contributions receivable–net	869,536	(1,531,344)
Prepaid expenses	(6,797)	-
Grants payable	(1,138,872)	1,138,872
Net Cash Used by Operating Activities	(854,294)	(2,676,047)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments and investments held for long-term purposes	(3,075,309)	(1,054,887)
Proceeds from sales of investments and investments held for long-term purposes	3,980,089	3,734,734
Net Cash Provided by Investing Activities	904,780	2,679,847
Net Change in Cash and Cash Equivalents	50,486	3,800
Cash and Cash Equivalents, Beginning of Year	54,073	50,273
Cash and Cash Equivalents, End of Year	\$ 104,559	\$ 54,073

See notes to financial statements

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 1. NATURE OF ORGANIZATION:

Bridge to Türkiye Fund (BTF) was incorporated in the state of North Carolina on December 18, 2003. BTF is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code) and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. BTF has been classified as a public charity, which is not a private foundation under Section 170(b)(1)(A)(vi) of the Code. BTF exists to connect communities worldwide for a brighter Türkiye by transforming goodwill into sustainable and impactful programs that improve lives. The primary source of revenue for BTF is contributions from the general public.

A culture of giving and civic involvement is a part of BTF's heritage. BTF was established by a few like-minded Turkish-Americans and friends of Türkiye with the simple desire to give back. Founded on citizen-based, democratic and secular principles, BTF encourages all to contribute to the welfare of less fortunate children and youth in Türkiye. BTF's goal is to be the bridge that connects brilliant ideas with philanthropic resources. BTF's trusted and collaborative platform is designed to enable social entrepreneurs to flourish and transform their ideas into reality. BTF maintains a portfolio of carefully vetted Turkish NGOs and localized projects to accomplish this goal. This makes it possible for BTF's donors to support impactful causes simply and safely from abroad. BTF's focus areas include education, the health and wellbeing of youth, environmental and natural life conservation, and disaster management. BTF's shared vision is to unite friends of Türkiye and give back as a community. It is an organized attempt to leverage individual diaspora resources who believe in the power of investing together for education and building better futures for disadvantaged youth in Türkiye.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

#### USE OF ESTIMATES

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

#### CASH AND CASH EQUIVALENTS

BTF considers cash and cash equivalents to be cash held in checking accounts. At June 30, 2025 and 2024, cash balances did not exceed federally insured limits.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CONTRIBUTIONS RECEIVABLE–NET

Contributions receivable–net includes unconditional promises made by certain donors wherein the donors have unconditionally promised contributions to the Organization in future periods. Unconditional promises expected to be collected within one year are recorded as support and a receivable at net realizable value. Unconditional promises expected to be collected in future years are recorded as support and a receivable at the present value of the expected future cash flows. Discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. For the contributions receivable received during the years ended June 30, 2025 and 2024, the discount rates used were 3.68% and 4.52%, respectively. Amortization of discounts is included in contributions in the accompanying statements of activities. The allowance for doubtful accounts is maintained at a level which, in management’s judgment, is adequate to absorb potential losses inherent in the contributions receivable portfolio. The amount of the allowance is based on management’s evaluation of the collectability of the contributions receivable portfolio, including the nature of the portfolio, trends in historical loss experience, specific impaired accounts, and economic conditions. For the years ended June 30, 2025 and 2024, no allowance was recorded as management has determined that all contributions receivable are fully collectible.

#### INVESTMENTS AND INVESTMENTS HELD FOR LONG-TERM PURPOSES

Investments in marketable securities with readily determinable fair values are recorded at fair market value based on the last reported sales price on the valuation date. Donated investments are recorded at market value at the date of donation and thereafter carried in conformity with the stated policy. Interest and dividend income and the realized and unrealized gains and losses on marketable securities and other investments are included in investment income (loss) in the accompanying statements of activities.

#### CLASSES OF NET ASSETS

The financial statements report amounts separately by class of net assets:

*Nets assets without donor restrictions* are currently available for general purposes under the direction of the board.

*Net assets with donor restrictions* are currently contributed with donor stipulations for specific operating purposes or programs, time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

#### SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Gifts of cash and other assets are recorded when received and are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued

BTF reports revenue from conditional grants in the period in which the conditions are met. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Gifts-in-kind that can be used or sold are measured at fair value on the date of donation.

BTF reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, BTF reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of BTF. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salaries and benefits which are allocated based on time and effort estimates.

#### CONCENTRATIONS

During the years ended June 30, 2025 and 2024, BTF received 54% and 52%, respectively, of total contributions from two and three donors, respectively. BTF's operations and program activities could be impacted if these donor relationships were to be terminated and could not be replaced by new donors with comparable donations.

### 3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects BTF's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. BTF considers general expenditures to be all expenditures related to its ongoing activities of connecting communities worldwide for a brighter Türkiye by transforming goodwill into sustainable and impactful programs that improve lives as well as the conduct of services undertaken to support those activities to be general expenditures.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 3. LIQUIDITY AND FUNDS AVAILABLE, continued:

	June 30,	
	<u>2025</u>	<u>2024</u>
Financial assets, at year-end:		
Cash and cash equivalents	\$ 104,559	\$ 54,073
Contributions receivable–net	661,808	1,531,344
Investments	4,877,097	5,790,075
Investments held for long-term purposes	160,146	-
	<u>5,803,610</u>	<u>7,375,492</u>
Less those not available for general expenditure within one year, due to:		
Endowment fund	(160,146)	-
Contributions receivable due beyond one year	<u>(236,808)</u>	<u>(256,344)</u>
	<u>(396,954)</u>	<u>(256,344)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,406,656</u>	<u>\$ 7,119,148</u>

As part of BTF's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At June 30, 2025 and 2024, BTF had \$3,130,697 and \$4,640,752, respectively, in net assets with donor restrictions for project support. These funds are considered available to meet needs for general expenditures as funds are used for their donor-restricted purpose.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 4. CONTRIBUTIONS RECEIVABLE–NET:

Contributions receivable–net, consist of:

	June 30,	
	2025	2024
Expected future cash flow from unconditional contributions receivable	\$ 675,000	\$ 1,550,000
Less present value discount	(13,192)	(18,656)
	<u>661,808</u>	<u>1,531,344</u>
Less allowance	-	-
	<u>\$ 661,808</u>	<u>\$ 1,531,344</u>
Amounts of unconditional contributions receivable due in:		
Less than one year	\$ 425,000	\$ 1,275,000
One to five years	236,808	256,344
	<u>\$ 661,808</u>	<u>\$ 1,531,344</u>

### 5. INVESTMENTS:

Investments consist of:

	June 30,	
	2025	2024
Held at fair value:		
Exchange traded funds	<u>\$ 1,882,755</u>	<u>\$ 1,716,699</u>
Held at cost:		
Cash and cash equivalents	2,994,342	2,045,641
Certificates of deposit	-	2,027,735
	<u>2,994,342</u>	<u>4,073,376</u>
	<u>\$ 4,877,097</u>	<u>\$ 5,790,075</u>

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

6. INVESTMENTS HELD FOR LONG-TERM PURPOSES:

Investments held for long term-purposes consist of:

	June 30,	
	2025	2024
Held at fair value:		
Exchange traded funds	\$ 47,701	\$ -
Held at cost:		
Cash and cash equivalents	112,445	-
	<u>\$ 160,146</u>	<u>\$ -</u>

7. FAIR VALUE MEASUREMENTS:

FASB Accounting Standards Codification (FASB ASC) topic 820, *Fair Value Measurements and Disclosure*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 consists of unobservable inputs in which there is little or no market data, which requires BTF to develop its own assumptions. BTF uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, BTF measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. There were no changes in methods or assumptions from prior year.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 7. FAIR VALUE MEASUREMENTS, continued:

	Fair Value Measurements at June 30, 2025			Total
	Level 1	Level 2	Level 3	
Investments:				
Mutual funds	<u>\$ 1,882,755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,882,755</u>
Reconciling items at cost:				
Cash and cash equivalents				<u>2,994,342</u>
Total investments				<u>\$ 4,877,097</u>
Investments held for long-term purposes:				
Exchange traded funds	<u>\$ 47,701</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,701</u>
Reconciling items at cost:				
Cash and cash equivalents				<u>112,445</u>
Total investments held for long-term purposes				<u>\$ 160,146</u>

	Fair Value Measurements at June 30, 2024			Total
	Level 1	Level 2	Level 3	
Investments:				
Exchange traded funds	<u>\$ 1,716,699</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,716,699</u>
Reconciling items at cost:				
Cash and cash equivalents				<u>2,045,641</u>
Certificates of deposit				<u>2,027,735</u>
				<u>4,073,376</u>
Total investments				<u>\$ 5,790,075</u>

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

### 7. FAIR VALUE MEASUREMENTS, continued:

*Mutual and exchange traded funds* –The fair value of these financial instruments is based upon quoted market prices or dealer quotes in an active market.

*Changes in valuation techniques* –None.

### 8. ENDOWMENT FUND:

BTF's endowments consist of a fund established for scholarships as a result of donor contributions. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of trust to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of directors of BTF has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift, as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, BTF classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is classified as net assets with donor restrictions for purpose until those amounts are appropriated for expenditure by BTF in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, BTF considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of BTF and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of BTF
7. The investment policies of BTF

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

8. ENDOWMENT FUND, continued:

Endowment net asset composition by type of fund as of June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Original Gift	
Donor-restricted endowment funds	\$ -	\$ 4,969	\$ 155,177	\$ 160,146
	\$ -	\$ 4,969	\$ 155,177	\$ 160,146

Changes in endowment net assets for the year ended June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Original Gift	
Endowment net assets, July 1, 2024	\$ -	\$ -	\$ -	\$ -
Investment income	-	4,969	-	4,969
Contributions	-	-	155,177	155,177
Amounts appropriated for expenditure	-	-	-	-
	-	4,969	155,177	160,146
Endowment net assets, June 30, 2025	\$ -	\$ 4,969	\$ 155,177	\$ 160,146

*Return Objectives and Risk Parameters:*

BTF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that BTF must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce an inflation adjusted income stream to grow the corpus above the inflation rate. BTF expects its endowment funds, over time, to provide an average rate of return of approximately 4% to 5% annually. Actual returns in any given year may vary from this amount.

*Funds with Deficiencies:*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires BTF to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature that are reported in net assets with donor restrictions as of June 30, 2025.

# BRIDGE TO TÜRKIYE FUND

## Notes to Financial Statements

June 30, 2025 and 2024

8. ENDOWMENT FUND, continued:

*Strategies Employed for Achieving Objectives:*

To satisfy its long-term rate-of-return objectives, BTF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). BTF targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

*Spending Policy and How the Investment Objectives Related to Spending Policy:*

BTF has a policy of appropriating for distribution each year 4% of the net values of the assets in the endowment as of the preceding fiscal year end. In establishing this policy, BTF considered long-term expected return on its endowment. This is consistent with BTF's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified time as well as to provide additional real growth through new gifts and investment returns.

9. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consists of:

	June 30,	
	2025	2024
Restricted for time	\$ 175,000	\$ 331,344
Restricted for time/purpose:		
Child Amputees of Türkiye Earthquake–purpose	2,081,075	2,128,885
Disaster management–purpose	499,500	1,284,655
Educational buildings–time and purpose	-	1,000,000
Scholarships–time and purpose	486,808	200,000
Health and wellbeing–purpose	27,845	27,212
School supplies–purpose	19,957	-
Environment–purpose	10,543	-
Unappropriated endowment fund earnings–purpose	4,969	-
Restricted in perpetuity–endowment	155,177	-
	<u>\$ 3,460,874</u>	<u>\$ 4,972,096</u>

10. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through January 27, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.