

ASHESI UNIVERSITY FOUNDATION

Financial Statements

For the Years Ended December 31, 2025 and 2024

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Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
Ashesi University Foundation
Seattle, Washington

Opinion

We have audited the financial statements of Ashesi University Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

Clark Nuber P.S.

Certified Public Accountants
May 13, 2026

ASHESI UNIVERSITY FOUNDATION

Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	$ 995,464	$ 3,372,447
Promises to give, current portion	715,349	296,085
Interest and other receivables	37,725	57,755
Notes receivable, current portion	115,385	115,385
Prepaid expenses	125,083	82,459
Investments	2,690,943	2,603,197
University Fund investments	8,073,745	7,258,093
Total Current Assets	**12,753,694**	**13,785,421**
Promises to give, less current portion	1,253,748	325,122
Notes receivable, less current portion, net	446,465	543,077
AFM Scholarship Fund investments	132,781	149,489
Endowment investments	16,524,122	14,521,633
Total Assets	**$ 31,110,810**	**$ 29,324,742**
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	$ 35,972	$ 25,590
Accrued liabilities	72,075	68,326
Funds held for the benefit of Ashesi University	8,073,745	7,258,093
Refundable advance		16,525
Loans payable, current portion	115,385	115,385
Total Current Liabilities	**8,297,177**	**7,483,919**
Loans payable, net of discount and current portion	437,754	534,672
Total Liabilities	**8,734,931**	**8,018,591**
Net Assets:		
Without donor restrictions	2,222,144	3,772,023
With donor restrictions	20,153,735	17,534,128
Total Net Assets	**22,375,879**	**21,306,151**
Total Liabilities and Net Assets	**$ 31,110,810**	**$ 29,324,742**

See accompanying notes.

ASHESI UNIVERSITY FOUNDATION

Statements of Activities
For the Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:						
Contributions	$ 1,933,563	$ 3,515,382	$ 5,448,945	$ 1,198,460	$ 3,489,675	$ 4,688,135
Grants from government agencies					600,491	600,491
In-kind contributions				40,568		40,568
Interest on notes receivable	47,214		47,214	54,408		54,408
Investment return	249,625	1,837,437	2,087,062	308,846	859,889	1,168,735
Releases of restrictions	2,733,212	(2,733,212)		3,536,473	(3,536,473)	
Total Support and Revenue	**4,963,614**	**2,619,607**	**7,583,221**	**5,138,755**	**1,413,582**	**6,552,337**
Expenses:						
Program services	5,310,426		5,310,426	4,129,923		4,129,923
Management and general	506,877		506,877	439,173		439,173
Fundraising	664,642		664,642	663,699		663,699
Total Expenses	**6,481,945**		**6,481,945**	**5,232,795**		**5,232,795**
Gains and Losses:						
Net (loss) recovery on uncollectible promises to give	(31,548)		(31,548)	24,734		24,734
Total Gains and Losses	**(31,548)**		**(31,548)**	**24,734**		**24,734**
Change in Net Assets	**(1,549,879)**	**2,619,607**	**1,069,728**	**(69,306)**	**1,413,582**	**1,344,276**
Net assets, beginning of year	3,772,023	17,534,128	21,306,151	3,841,329	16,120,546	19,961,875
Net Assets, End of Year	**$ 2,222,144**	**$ 20,153,735**	**$ 22,375,879**	**$ 3,772,023**	**$ 17,534,128**	**$ 21,306,151**

See accompanying notes.

ASHESI UNIVERSITY FOUNDATION

Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 204,806	$ 220,051	$ 406,752	$ 831,609
Employee benefits	28,951	31,636	55,541	116,128
Payroll taxes	16,486	17,860	34,346	68,692
Total Personnel Expenses	**250,243**	**269,547**	**496,639**	**1,016,429**
Grants to Ashesi University	4,922,118			4,922,118
Professional fees	51,811	190,518	50,560	292,889
Travel and training	26,376	19,211	45,904	91,491
Office and other expenses	13,155	15,213	35,031	63,399
Interest expense	44,417			44,417
Occupancy	9,217	10,967	18,646	38,830
Miscellaneous	994	1,421	6,951	9,366
Total Expenses Before Shared Costs	**5,318,331**	**506,877**	**653,731**	**6,478,939**
Less Ashesi University Foundation Canada shared costs	(7,905)		10,911	3,006
Total Expenses	**$ 5,310,426**	**$ 506,877**	**$ 664,642**	**$ 6,481,945**

See accompanying notes.

ASHESI UNIVERSITY FOUNDATION

Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 185,989	$ 167,979	$ 369,088	$ 723,056
Employee benefits	24,546	22,798	47,984	95,328
Payroll taxes	15,381	14,154	29,936	59,471
Total Personnel Expenses	**225,916**	**204,931**	**447,008**	**877,855**
Grants to Ashesi University	3,694,608			3,694,608
Professional fees	107,116	193,629	96,506	397,251
Travel and training	28,370	8,040	49,688	86,098
Office and other expenses	17,425	19,484	39,834	76,743
Interest expense	54,617			54,617
Occupancy	7,796	7,326	16,411	31,533
Miscellaneous	238	1,117	6,951	8,306
Total Expenses Before Shared Costs	**4,136,086**	**434,527**	**656,398**	**5,227,011**
Plus Ashesi University Foundation Canada shared costs	(6,163)	4,646	7,301	5,784
Total Expenses	**$ 4,129,923**	**$ 439,173**	**$ 663,699**	**$ 5,232,795**

See accompanying notes.

ASHESI UNIVERSITY FOUNDATION

Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities:		
Change in net assets	$ 1,069,728	$ 1,344,276
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities-		
Unrealized and realized gains on investments	(1,971,358)	(692,412)
Change in allowance and discounts on promises to give	(17,348)	(27,561)
Amortization of discount on notes receivable	(18,772)	(20,946)
Amortization of discount on notes payable	18,467	23,694
Contributions restricted for endowment	(1,425,000)	(2,101,734)
Changes in operating assets and liabilities:		
Promises to give	(497,708)	500,451
Interest and other receivables	20,030	(3,867)
Prepaid expenses	(42,624)	(829)
Accounts payable	10,382	6,199
Accrued liabilities	3,749	27,969
Funds held for the benefit of Ashesi University	815,652	2,411,199
Refundable advance	(16,525)	(239,708)
Net Cash Flows (Used in) Provided by Operating Activities	**(2,051,327)**	**1,226,731**
Cash Flows From Investing Activities:		
Payments on notes receivable from Ashesi University	115,384	115,385
Purchases of investments	(18,278,724)	(15,380,178)
Sales of investments	17,360,903	8,359,438
Net Cash Flows Used in Investing Activities	**(802,437)**	**(6,905,355)**
Cash Flows From Financing Activities:		
Proceeds from contributions and pledges restricted for endowment	592,166	4,085,109
Payments on loans payable	(115,385)	(142,307)
Net Cash Flows Provided by Financing Activities	**476,781**	**3,942,802**
Change in Cash and Cash Equivalents	**(2,376,983)**	**(1,735,822)**
Cash and cash equivalents, beginning of period	3,372,447	5,108,269
Cash and Cash Equivalents, at End of Year	**$ 995,464**	**$ 3,372,447**
Supplementary Disclosure of Cash Flow Information:		
Cash paid for interest	$ 28,616	$ 34,307

See accompanying notes.

Note 1 - Operations and Summary of Significant Accounting Policies

Ashesi University Foundation (the Foundation) was founded in 1999 to provide educational opportunities in Ghana. It accomplishes this purpose by forming and providing operating, program, scholarship and capital support to Ashesi University (the University) in Ghana. The University's mission is to educate a new generation of ethical, entrepreneurial leaders in Africa; to cultivate within their students the critical thinking skills, the concern for others, and the courage it will take to transform their continent.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Federal Income Taxes - The Internal Revenue Service has recognized the Foundation as exempt from federal income taxes under provision of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and not as a private foundation.

Basis of Presentation - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
>
> Net Assets With Donor Restrictions - Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets with donor restrictions when received. When a 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 statements of activities as net assets released from restriction.

Cash and Cash Equivalents - Cash and cash equivalents represent checking, savings, and money market accounts held at various regional financial institutions.

Investments - Investments are stated at fair value and include investments held for board reserves, scholarships, and endowment fund investments. Net investment return is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment expenses. The fair values of investments are subject to market risk. However, the Foundation believes that the investment policies and guidelines are prudent for its long-term financial stability.

Concentrations - The Foundation maintains cash deposits in bank accounts which exceed federally insured limits. The Foundation has not experienced any losses in these accounts and management does not believe it is exposed to any significant credit risk.

Note 1 - Continued

For the years ended December 31, 2025 and 2024, three and two donors represented 46% and 31% of total contributions, grants, and in-kind donations, respectively. As of December 31, 2025 and 2024, outstanding pledges from one donor represented 26% and 67%, respectively, of total promises to give.

Support and Revenue Recognition - The Foundation recognizes contributions when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met. The Foundation's federal grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Conditional federal grants for which conditions had not yet been met totaled $0 and $2,253,223 as of December 31, 2025 and 2024, respectively. During 2025, the Foundation’s remaining USAID award was terminated. No amounts were received in advance as of December 31, 2025 or 2024.

During the year ended December 31, 2022, the Foundation received a grant award in the amount of $1,800,000 for University scholarships, conditioned upon the awarding of scholarships to students meeting the stated grant criteria. As of December 31, 2025, $1,800,000 had been received to date. During the years ended December 31, 2025 and 2024, allowable qualifying scholarships, incidentals, and supplemental support were recognized of $426,525 and $709,708, respectively, and $663,767 in prior years, leaving no refundable grant balance at December 31, 2025. Per the grant agreement and Foundation policy, of each grant advance amount received, the Foundation allocates 5% towards unrestricted operating expenses.

In-Kind Goods and Services - Contributed materials and use of facilities have been recorded on the basis of rates that otherwise would have been paid for similar items. Donated services are recorded as in-kind contributions and are recognized as revenue at estimated fair values at the date of receipt if they (a) create or enhance nonfinancial assets, or (b) require specialized skills and would need to be purchased if not provided by donation. Corresponding expenses are recognized as the assets and services are utilized.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Where possible, specific expenses have been charged directly to the appropriate category. When functions are shared or costs are intermingled, expenses are allocated based on employee counts and estimated percentage of effort.

Subsequent Events - The Foundation has evaluated subsequent events through May 13, 2026, the date on which the financial statements were available to be issued.

Note 2 - Promises to Give

Promises to give are shown net of an allowance for collectability. The fair value of promises to give is estimated by discounting the future cash flows using the rates currently offered for deposits of similar remaining maturities. Amortization of the discount is reported as contribution revenue.

Note 2 - Continued

Unconditional promises to give were due as follows as of December 31:

	2025	2024
Due within one year	$ 1,154,368	$ 404,194
Due within two to five years	866,564	251,500
Total unconditional promises to give	2,020,932	655,694
Less-		
Discounts to net present value (0.97% - 4.27% discount rate)	(31,626)	(27,826)
Allowance for uncollectible pledges	(20,209)	(6,661)
	$ 1,969,097	**$ 621,207**

Unconditional promises to give contain pledges for donor restricted endowment are to be restricted in perpetuity, as such, are classified as noncurrent on the consolidated statement of financial position as of December 31, 2025 and 2024.

Note 3 - Fair Value Measurements

Fair Value Measurement - In accordance with financial accounting standards, a three-tiered hierarchy of input levels is used for measuring fair value. Financial accounting standards defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques utilized to determine fair value are consistently applied. The three tiers of inputs used for fair value measurements are as follows:

Level 1 - Fair values are based on quoted prices in active markets for identical assets and liabilities.

Level 2 - Fair values are based on observable inputs that include: quoted market prices for similar assets or liabilities; quoted market prices that are not in an active market; or other inputs that are observable in the market and can be corroborated by observable market data for substantially the full term of the assets.

Level 3 - Fair values are calculated by the use of pricing models and/or discounted cash flow methodologies and may require significant management judgment or estimation. These methodologies may result in a significant portion of the fair value being derived from unobservable data.

Fair value of assets measured on a recurring basis as of December 31, 2025 and 2024. All investments of the Foundation are Level 1.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Cash and Cash Equivalents - Cash includes money market funds valued at cost plus accrued interest, which approximates fair value.

Note 3 - Continued

Equity and Fixed Income Funds - Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares at year end.

Exchange-Traded Funds (ETF) - Valued at the closing price reported on the active market on which the securities are traded.

Investments are presented on the statements of financial position and consisted of the following as of December 31:

	Investments	University Fund Investments	AFM Scholarship Fund Investments	Endowment Investments	2025 Total
Equity funds	$ -	$ 3,919,308	$ 79,309	$ 9,302,530	$ 13,301,147
ETF funds	1,348,813				1,348,813
Fixed income	1,342,130	2,062,223	42,248	4,901,093	8,347,694
Cash and cash equivalents		2,092,214	11,224	2,320,499	4,423,937
Total Investments	**$ 2,690,943**	**$ 8,073,745**	**$ 132,781**	**$ 16,524,122**	**$ 27,421,591**

	Investments	University Fund Investments	AFM Scholarship Fund Investments	Endowment Investments	2024 Total
Equity funds	$ -	$ 2,845,090	$ 88,740	$ 6,898,122	$ 9,831,952
ETF funds	1,298,151				1,298,151
Fixed income	1,305,046	1,618,264	53,054	3,949,971	6,926,335
Cash and cash equivalents		2,794,739	7,695	3,673,540	6,475,974
Total Investments	**$ 2,603,197**	**$ 7,258,093**	**$ 149,489**	**$14,521,633**	**$24,532,412**

Note 4 - Notes Receivable

In prior years, the Foundation entered into two loan agreements totaling $1,500,000 whereby the capital raised from the issuance of the Unsecured Student Housing Revenue Notes, discussed in Note 5, was loaned to the University. The loan proceeds were used by the University to build a dormitory.

The notes receivable are considered below-market rate notes. As such, when the note proceeds were advanced, the Foundation recorded a grant to the University and a note discount for the difference between the stated rate of 4.35% and the estimated market rate of 7.36%. The notes receivables are both due April 30, 2030.

Note 4 - Continued

	2025	2024
Principal receivable	$ 615,385	$ 730,769
Less-		
Unamortized discount	(53,535)	(72,307)
Total Notes Receivable, Net	**$ 561,850**	**$ 658,462**

Minimum future principal payments on the loans are as follows:

For the Year Ending December 31,	
2026	$ 115,385
2027	115,385
2028	115,385
2029	115,385
2030	115,385
Thereafter	38,460
	615,385
Total remaining unamortized discount	(53,535)
	$ 561,850

Notes receivable are stated at the amount the Foundation expects to collect. The Foundation has determined that based upon historical credit loss rates and the relationship between the Foundation and the University, adjusted for current economic conditions, that an allowance for credit losses would not be material. As such, the Foundation has not recorded an allowance for credit losses at December 31, 2025 and 2024.

Note 5 - Loans Payable

In a prior year, the Foundation launched a project that raised funds to build housing on the University's campus and allowed more students to have full access to the Ashesi education experience. The Foundation solicited and collected funds from investors through the issuance of Unsecured Student Housing Revenue Notes (loans).

The loans have a 15-year term and pay interest at a 4% annual rate. As described in Note 4, the Foundation loaned the capital raised from the issuance of these loans to the University to use the note proceeds to build a dormitory at the University. Repayment of the investor loans will be dependent upon the Foundation's receipt of repayment of the note between the Foundation and the University.

The loans payable are considered below-market rate loans. As such, when the loan proceeds are advanced, the Foundation records support and a loan discount for the difference between the stated rate of 4% and the estimated market rate of 7.36%. The loans are reported in the statements of financial position net of unamortized discounts. The discount on the loans is amortized to interest expense over the lives of the loans.

Note 5 - Continued

Loans payable consisted of the following as of December 31:

	2025	2024
Unsecured note of $200,000 issued December 31, 2013, with interest only payments due annually in 2014 and 2015 and principal and interest payments to be paid annually beginning 2016 through the amended maturity in 2029.	$ 61,538	$ 76,923
Six unsecured notes totaling $850,000 issued April 30, 2014, with interest only payments due annually in 2015 and 2016 and principal and interest payments to be paid annually beginning 2017 through the amended maturity in 2030. One note in the amount of $50,000 was repaid in 2024, with five notes remaining open as of December 31, 2025.	307,692	369,231
Unsecured note of $500,000 issued April 30, 2015, with interest only payments due annually in 2016 and 2017 and principal and interest payments to be paid annually beginning 2018 through the amended maturity in 2031.	230,769	269,231
	599,999	715,385
Total remaining unamortized discount	(46,860)	(65,328)
Total Loans Payable, Net	**$ 553,139**	**$ 650,057**

Minimum future principal payments on the loans are as follows:

For the Year Ending December 31,	
2026	$ 115,385
2027	115,385
2028	115,385
2029	115,385
2030	100,000
Thereafter	38,459
	599,999
Total remaining unamortized discount	(46,860)
	$ 553,139

Note 6 - Net Assets Without Donor Restrictions

The Board of Directors of the Foundation has designated certain otherwise unrestricted net assets as follows as of December 31:

	2025	2024
Foundation Operating Reserve	$ 1,400,000	$ 1,400,000
Board-designated for use by the University-		
University Critical Needs Reserve	200,000	500,000
University Capital and Equipment		20,001
University Presidential Leadership Fund		4,500
University Scholarships	322,348	1,300,554
University Faculty Development and Research	15,732	289,294
University General Programs and Support		240,550
	538,080	2,354,899
Unrestricted, nondesignated	284,064	17,124
Total Net Assets Without Donor Restrictions	**$ 2,222,144**	**$ 3,772,023**

To ensure financial assets are sufficient to meet Foundation cash needs for the year, the Board has designated a Foundation Operating Reserve to be available for use by the Foundation for operating expenses included in the board-approved budget if there is a shortfall of available funds. The target amount of the Foundation Operating Reserve is 100% of the Foundation's personnel and operations expenses for one calendar year.

Note 7 - Net Assets With Donor Restrictions

Net assets with donor restrictions were as follows as of December 31:

	2025	2024
Subject to expenditure for specific purposes-		
AFM Scholarship Fund	$ 121,595	$ 149,489
Entrepreneurship Center	155,000	445,000
Faculty Development and Research	421,149	91,438
Scholarships	1,850,136	1,648,110
University Programs	6,917	393,188
University Capital Fund		23,896
Unamortized discount on loans payable	46,861	65,328
Available for future periods	92,996	93,924
	2,694,654	2,910,373
Endowments-		
Subject to endowment spending policy and appropriation:		
Ashesi Future Innovators Endowment	468,631	457,672
Dr. Victor and Mary Pappoe Scholarship Endowment	329,315	228,836
Doug and Maria Bayer Scholarship Endowment	109,996	77,982
Emmanual Kofi Effah Osei Scholarship	29,351	28,911
Fred and Vera Orthlieb Scholarship	102,784	101,845
Jan Stenbeck Scholarship	602,852	590,687
Kofi Tawiah Good Citizenship Scholar Award	1,224,873	1,192,672
Ofori/Laing Family Scholarship Endowment	114,282	107,449
Patrick Awuah Professorial Chair Endowment	1,166,357	1,046,286
Chair for Law with Public Policy	1,069,194	950,000
Scholars for Impact Scholarship Fund	4,774,012	4,179,987
Scholarship Endowment	97,036	94,833
Margot and Thomas Pritzker Chair Endowed Fund	336,272	
Kobby Amoah Named Scholarship Fund	25,220	
Lewis and Rosebud Roberts Named Scholarship Fund	19,962	
Gail and John Gaustad Scholarship Fund	19,000	
Bonner Family Endowed Research Fund	95,000	
University Priorities Endowment	5,939,985	5,464,473
	16,524,122	14,521,633
Pledges for endowments-		
Pledges to Doug and Maria Bayer Scholarship Endowment		23,750
Pledges to Patrick Awuah Professorial Chair Endowment	78,375	78,372
Pledges to Margot and Thomas Pritzker Endowment	633,334	
Pledges to Lewis and Rosebud Roberts Named Scholarship Fund	76,000	
Pledges to Gail and John Gaustad Scholarship Fund	76,000	
Pledges to Kobby Amoah Named Scholarship Fund	71,250	
	934,959	102,122
Total Net Assets With Donor Restrictions	**$ 20,153,735**	**$ 17,534,128**

Note 7 - Continued

Releases from net assets during the year ended December 31, 2025 and 2024 consisted of $2,713,816 for purpose and $19,396 for time and $3,238,217 for purpose and $298,256 for time, respectively.

Note 8 - Endowments

The Foundation's endowment fund was established in November 2009 and consists of funds that are donor-restricted for student scholarships, research, faculty support, and University priorities. The Board has adopted an Endowment Investment and Spending Policy in an attempt to provide a predictable stream of funding for programs supported by the endowment, while seeking to maintain the purchasing power of endowed assets and honor the donors' desired restrictions.

The Foundation's investment policy guidelines and performance of invested assets are reviewed by the Foundation's Finance Committee no less than annually. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

Interpretation of Relevant Law - The Foundation has reviewed the Washington State Prudent Management of Institutional Funds Act (PMIFA) and has determined that 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, is appropriate. As a result of this interpretation, the Foundation classifies as perpetually restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment and (c) accumulations to the endowment, as applicable, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with PMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the foundation and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investment;
- Other resources of the Foundation; and
- The investment policies of the Foundation.

Note 8 - Continued

Change in endowment funds, not including uncollected pledges, consisted of the following for the year ended December 31, 2025:

	Accumulated Unspent Earnings	Corpus	Total
Endowment net assets as of January 1, 2024	$ 601,881	$ 9,218,250	$ 9,820,131
Contributions		2,101,734	2,101,734
Collection on pledges for endowments		2,061,750	2,061,750
Endowment investment return, net	845,218		845,218
Appropriations	(307,200)		(307,200)
Endowment Net Assets as of December 31, 2024	**1,139,899**	**13,381,734**	**14,521,633**
Contributions		251,750	251,750
Collection on pledges for endowments		340,416	340,416
Endowment investment return, net	1,837,437		1,837,437
Appropriations	(427,114)		(427,114)
Endowment Net Assets as of December 31, 2025	**$ 2,550,222**	**$ 13,973,900**	**$ 16,524,122**

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 PMIFA requires the Foundation to retain as a fund of perpetual duration. There were no deficiencies of this nature for the year ended December 31, 2025 or 2024.

Return Objectives and Risk Parameters - The Foundation has adopted investment policies for endowment assets that focus on long-term results. At a minimum, these policies attempt to provide a predictable stream of funding to programs supported by The Foundation, while seeking to maintain the purchasing power of the endowment assets. Under the policy, the endowment assets are invested in a manner that is intended to produce maximum long-term total returns consistent with reasonable risk to principal for their asset category.

Strategies Employed for Achieving Objectives - To satisfy its long-term total return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation and current yield.

Note 8 - Continued

To enhance return and reduce risk, the endowment portfolio is composed of diversified assets, including equities and fixed-income investments. The equities are intended to provide current income, growth of income, and appreciation of principal. The fixed-income investments are intended to provide a predictable and reliable source of interest income while reducing the volatility of the portfolio.

The current allocation ratio goal is 0% - 30% cash, 30% - 70% equities, and 30% - 70% fixed income. The Foundation's investment policy guidelines are reviewed and reconfirmed or revised on at least an annual basis. Performance of the Foundation's investments is reviewed on a regular basis by the Finance Committee.

Spending Policy and How the Investment Objectives Relate to Spending Policy - At the Foundation's first Board meeting of each fiscal year after the Finance Committee has prepared the endowment analysis, the Finance Committee will recommend to the Board Spending Rates and distribution for the upcoming academic year.

The approved Spending Rate will be applied to the average of the market value of all endowment funds for the preceding 12 quarters. To honor individual endowment agreements for four-year scholarships, the Finance Committee can approve endowment spending in line with current tuition rates and evaluate the frequency of four-year scholarships to maintain endowment principal.

Note 9 - Related Party Transactions

Ashesi University - The University was founded in 2002 by Patrick Awuah, a Ghanaian who chose to return to Ghana after a successful career in the U.S. software industry. He believed that for Africa to move forward, it needed a new kind of university, one that focused on quality, ethics, and personal empowerment.

The University aims to be a catalyst for change not only in the lives of the students but in the manner education is conducted in Ghana and other parts of Africa. The University has built an impressive track record over the past twenty-three years and is widely considered the highest quality private university in the country. The University's curriculum combines a liberal arts core that emphasizes critical thinking, communication skills, and ethics, with in-depth major programs in Business Administration, Computer Science, Management Information Systems, and Engineering.

The University is the only university in Ghana to feature a student honor code which places responsibility for reporting exam malpractice on the students. Relationships with top universities around the world help ensure that the University's classes are meeting global standards.

Top Ghanaian and international companies actively recruit students from the University. On average, 90% (unaudited) of Ashesi graduates receive job offers, enter graduate school, or launch a business within six months (unaudited) of starting their search. In addition to academic quality, the University is committed to diversity in its classrooms and offers scholarships to women and students from disadvantaged backgrounds.

The President of the Foundation also currently serves as the President of the University. The Foundation is the sole member of the University, however, does not have control, and therefore the financial statements of the University are not consolidated with the Foundation.

Note 9 - Continued

Related party transactions with the University include the following:

Grants - As stated in Note 1, the Foundation accomplishes its mission of providing educational opportunities in Ghana by providing operating, program, scholarship, and capital support to the University. During the years ended December 31, 2025 and 2024, $4,922,118 and $3,694,608, respectively (of which $88,701 and $58,500 was prepaid as of the years ended December 31, 2025 and 2024, respectively), cash grants were provided to the University.

Notes Receivable - The Foundation loans funds to the University as described in Note 4.

Donations Sent Directly to Ashesi University - Ashesi University Foundation and Ashesi University both have staff who cultivate and solicit gifts. On occasion, a donor or grantor who has been working with Foundation staff to develop their gift may prefer to make their gift directly to the University. Those gifts are acknowledged in the Foundation's reports because they resulted from Foundation efforts. However, they are not included in the Foundation's financial statements.

Ashesi University Fund - The Foundation created a new support structure for the University based on the interest of the University in diversifying and investing certain of its assets into securities and other investment instruments made available within the United States. To that end, the Foundation created an investment account, the University Fund (the Fund), and has set up a corresponding liability, Funds held for the benefit of Ashesi University. The University has sent funds to the Foundation for deposit into the Fund. The transfer of funds is governed by the University Fund Transfer Agreement and the management of the Fund is governed by the University Fund Investment Management Agreement. As of December 31, 2025 and 2024 the fair market value of the Fund investments and corresponding liability total $8,073,745 and $7,258,093, respectively.

Ashesi University Foundation Canada - The Ashesi University Foundation Canada (AUFC) is a Canadian charity established to contribute to the Ashesi mission of educating a new generation of ethical, entrepreneurial leaders in Africa.

AUFC was launched in 2021 with an initial donation from a private foundation. Through its current programming, AUFC will provide scholarships, enable original research, and empower entrepreneurs. It will also drive the growth of the Education Collaborative-an education initiative focused on deepening collaboration within African higher education to transform education outcomes for the continent's young people and influence education policies broadly. AUFC will be working closely with both the Ashesi University Foundation in the US and Ashesi University in Ghana. While AUFC is hiring staff and getting established, Foundation staff are providing administrative support. The costs associated with this administrative support are reimbursed to the Foundation and is governed by a contract between the two institutions. These administrative costs totaled $15,169 in 2025 and $14,216 in 2024, of which $1,222 and $2,781 was due from AUFC as of December 31, 2025 and 2024, respectively.

The Foundation was the sole member of AUFC until September 2023 when the University was added as a second member. As a result, control became split evenly between the Foundation and the University.

Note 9 - Continued

Loans Payable - The Foundation has loans payable (as described in Note 5) with three members of the Board of Directors totaling $442,308 and $523,077 at December 31, 2025 and 2024, respectively.

Note 10 - Retirement Plan

During 2019, the Foundation adopted a retirement savings plan (the Plan) under section 401(k) of the Internal Revenue Code. Employees are eligible to participate in the Plan after three consecutive months of employment in which they complete at least 240 hours of service. Eligible employees may contribute pre-tax or post-tax (Roth) compensation deferrals to the Plan. The Plan also provides for discretionary employer contributions which are fully vested after three years of service. The employer contribution consisted of 3% of employee compensation plus a 4.5% match of employee contributions. Employer contributions to the Plan totaled $49,794 and $47,880 for the years ended December 31, 2025 and 2024, respectively.

Note 11 - Liquidity

The Foundation maintains funds with donor restrictions for grants to the University as well as funds designated by the Board of Directors for use by the University. As described in Note 6, the operating reserve totaled $1,400,000 at December 31, 2025 and 2024, and those funds are included in the total below of financial assets available to meet cash needs for general expenditures within one year.

As part of its liquidity management plan, the Foundation invests cash in excess of daily requirements in a U.S. Treasury money fund.

Note 11 - Continued

Financial assets available for general expenditure within one year at December 31 were as follows:

	2025	2024
Cash and cash equivalents	$ 995,464	$ 3,372,447
Promises to give, total	1,969,097	621,207
Interest and other receivables	37,725	57,755
Notes receivable, total	561,850	658,462
Investments	2,690,943	2,603,197
University Fund investments	8,073,745	7,258,093
AFM Scholarship Fund investments	132,781	149,489
Endowment investments	16,524,122	14,521,633
Total financial assets	30,985,727	29,242,283
Financial assets not available for general expenditure-		
Notes receivable in more than one year	(446,465)	(543,077)
Funds held for the benefit of Ashesi University	(8,073,745)	(7,258,093)
Donor-imposed restrictions-		
Subject to expenditure for specific purposes	(2,694,654)	(2,910,373)
Endowments	(17,459,081)	(14,623,755)
Net financial assets after donor-imposed restrictions	2,311,782	3,906,985
Internal designations-		
University Critical Needs Reserve	(200,000)	(500,000)
University Capital and Equipment		(20,001)
University Presidential Leadership Fund		(4,500)
University Faculty Development and Research	(15,732)	(289,294)
University General Programs and Support		(240,550)
University Scholarships	(322,348)	(1,300,554)
	$ 1,773,702	**$ 1,552,086**