

# Clean the World Foundation

Years Ended  
December 31,  
2023 and 2022

Financial  
Statements

**Rehmann**

# CLEAN THE WORLD FOUNDATION

## Table of Contents

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements for the Years Ended December 31, 2023 and 2022</b>	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8

## INDEPENDENT AUDITORS' REPORT

January 23, 2025

Board of Directors  
Clean the World Foundation  
Orlando, Florida

### ***Disclaimer of Opinion on the 2023 Financial Statements***

We were engaged to audit the financial statements of ***Clean the World Foundation***, (the "Organization"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the 2023 financial statements.

We do not express an opinion on the accompanying 2023 financial statements of ***Clean the World Foundation***. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on the 2023 Financial Statements* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2023 financial statements.

### ***Basis for Disclaimer of Opinion on the 2023 Financial Statements***

We were not engaged as auditors of ***Clean the World Foundation***, until after December 31, 2023 and, therefore, did not observe the counting of physical inventories at the end of the year. As a result, we were unable to satisfy ourselves by other auditing procedures, the existence of undistributed hygiene products inventory, stated in the accompanying statement of financial position at \$1,197,235 as of December 31, 2023.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 the 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



***Auditors' Responsibilities for the Audit of the 2023 Financial Statements***

Our responsibility is to conduct an audit of ***Clean the World Foundation's*** financial statements in accordance with auditing standards generally accepted in the United States of America and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

***Predecessor Auditors***

The financial statements of ***Clean the World Foundation***, as of and for the year ended December 31, 2022, were audited by other auditors whose report dated March 28, 2024 expressed an unmodified opinion on those financial statements.

*Rehmann Johnson LLC*

# CLEAN THE WORLD FOUNDATION

## Statements of Financial Position

	December 31	
	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 344,996	\$ 420,443
Contributions receivable	954,379	2,849,912
Related party receivable	185,638	4,677
Undistributed hygiene products inventory	1,197,235	1,371,320
Other assets	112,769	27,000
<b>Total current assets</b>	<b>2,795,017</b>	<b>4,673,352</b>
Net property and equipment	34,970	48,934
<b>Total assets</b>	<b>\$ 2,829,987</b>	<b>\$ 4,722,286</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and other accrued expenses	\$ 706,640	\$ 1,932,306
Deferred revenue	-	111,831
<b>Total liabilities (all current)</b>	<b>706,640</b>	<b>2,044,137</b>
<b>Net assets</b>		
Without donor restrictions	1,168,742	2,376,073
With donor restrictions	954,605	302,076
<b>Total net assets</b>	<b>2,123,347</b>	<b>2,678,149</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,829,987</b>	<b>\$ 4,722,286</b>

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

# CLEAN THE WORLD FOUNDATION

## Statements of Activities

	Year Ended December 31, 2023			Year Ended December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and support</b>						
Contributions	\$ 993,112	\$ 835,000	\$ 1,828,112	\$ 1,227,988	\$ 575,000	\$ 1,802,988
Donated hygiene products revenue	720,704	-	720,704	1,192,614	-	1,192,614
Hygiene kit distribution fees	1,446,432	-	1,446,432	1,425,921	-	1,425,921
Program revenue	1,688,436	-	1,688,436	1,842,789	-	1,842,789
Distribution administration fees	99,125	-	99,125	57,110	-	57,110
Gain on debt forgiveness	-	-	-	81,815	-	81,815
Other income	69,774	-	69,774	249,547	-	249,547
Net assets released from restriction	182,471	(182,471)	-	1,309,691	(1,309,691)	-
<b>Total revenue and support</b>	<b>5,200,054</b>	<b>652,529</b>	<b>5,852,583</b>	<b>7,387,475</b>	<b>(734,691)</b>	<b>6,652,784</b>
<b>Operating expenses</b>						
Program expenses						
Recycling and distribution	2,977,555	-	2,977,555	1,932,111	-	1,932,111
Awareness and education	2,069,155	-	2,069,155	2,483,336	-	2,483,336
Total program expenses	5,046,710	-	5,046,710	4,415,447	-	4,415,447
Management and general	846,563	-	846,563	452,996	-	452,996
Fundraising and development	514,112	-	514,112	429,885	-	429,885
<b>Total operating expenses</b>	<b>6,407,385</b>	<b>-</b>	<b>6,407,385</b>	<b>5,298,328</b>	<b>-</b>	<b>5,298,328</b>
<b>Change in net assets</b>	<b>(1,207,331)</b>	<b>652,529</b>	<b>(554,802)</b>	<b>2,089,147</b>	<b>(734,691)</b>	<b>1,354,456</b>
Net assets, beginning of year	2,376,073	302,076	2,678,149	286,926	1,036,767	1,323,693
<b>Net assets, end of year</b>	<b>\$ 1,168,742</b>	<b>\$ 954,605</b>	<b>\$ 2,123,347</b>	<b>\$ 2,376,073</b>	<b>\$ 302,076</b>	<b>\$ 2,678,149</b>

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

## CLEAN THE WORLD FOUNDATION

### Statement of Functional Expenses

Year Ended December 31, 2023

	Program Services			Supporting Services		Total Supporting Services	Total Expenses
	Recycling and Distribution	Awareness and Education	Total Program Services	Management and General	Fundraising and Development		
Advertising and promotion	\$ 25,298	\$ 48,000	\$ 73,298	\$ -	\$ 15	\$ 15	\$ 73,313
Contracted services	-	1,403,735	1,403,735	-	-	-	1,403,735
Depreciation	-	13,964	13,964	-	-	-	13,964
Grants	-	65,805	65,805	-	-	-	65,805
Equipment	-	634	634	-	-	-	634
Facilities	223,890	18,240	242,130	63,055	-	63,055	305,185
Filing Fees	-	-	-	6,070	-	6,070	6,070
Bank fees and other fees	-	-	-	36,365	111	36,476	36,476
Logistics	239,188	52,351	291,539	-	-	-	291,539
Materials	950,128	-	950,128	20,135	69	20,204	970,332
Personnel	66,094	174,977	241,071	2,414	462,656	465,070	706,141
Postage	-	-	-	630	-	630	630
Printing	-	-	-	2,099	1,205	3,304	3,304
Professional fees	125	282,577	282,702	623,827	-	623,827	906,529
Remanufacturing fees	203,831	-	203,831	-	-	-	203,831
Transportation	-	8,872	8,872	91,968	50,056	142,024	150,896
<b>Total expenses, excluding donated hygiene products distributed</b>	<b>1,708,554</b>	<b>2,069,155</b>	<b>3,777,709</b>	<b>846,563</b>	<b>514,112</b>	<b>1,360,675</b>	<b>5,138,384</b>
Donated hygiene products distributed	1,269,001	-	1,269,001	-	-	-	1,269,001
<b>Total expenses</b>	<b>\$ 2,977,555</b>	<b>\$ 2,069,155</b>	<b>\$ 5,046,710</b>	<b>\$ 846,563</b>	<b>\$ 514,112</b>	<b>\$ 1,360,675</b>	<b>\$ 6,407,385</b>

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

## CLEAN THE WORLD FOUNDATION

### Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services			Supporting Services			Total Expenses
	Recycling and Distribution	Awareness and Education	Total Program Services	Management and General	Fundraising and Development	Total Supporting Services	
Advertising and promotion	\$ -	\$ -	\$ -	\$ 72,000	\$ -	\$ 72,000	\$ 72,000
Contracted services	-	1,463,660	1,463,660	-	-	-	1,463,660
Depreciation	1,766	13,964	15,730	-	-	-	15,730
Grants	-	76,945	76,945	-	-	-	76,945
Equipment	1,373	18,759	20,132	-	-	-	20,132
Facilities	197,854	308,608	506,462	55,412	-	55,412	561,874
Filing Fees	-	-	-	4,162	-	4,162	4,162
Bank fees and other fees	-	-	-	16,080	-	16,080	16,080
Logistics	172,085	135,238	307,323	-	-	-	307,323
Materials	797,382	-	797,382	28,256	-	28,256	825,638
Personnel	43,489	355,549	399,038	-	429,885	429,885	828,923
Postage	-	-	-	952	-	952	952
Printing	-	39	39	20,174	-	20,174	20,213
Professional fees	-	62,999	62,999	210,569	-	210,569	273,568
Remanufacturing fees	133,109	-	133,109	-	-	-	133,109
Transportation	-	47,575	47,575	45,391	-	45,391	92,966
<b>Total expenses, excluding donated hygiene products distributed</b>	<b>1,347,058</b>	<b>2,483,336</b>	<b>3,830,394</b>	<b>452,996</b>	<b>429,885</b>	<b>882,881</b>	<b>4,713,275</b>
Donated hygiene products distributed	585,053	-	585,053	-	-	-	585,053
<b>Total expenses</b>	<b>\$ 1,932,111</b>	<b>\$ 2,483,336</b>	<b>\$ 4,415,447</b>	<b>\$ 452,996</b>	<b>\$ 429,885</b>	<b>\$ 882,881</b>	<b>\$ 5,298,328</b>

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



# CLEAN THE WORLD FOUNDATION

## Statements of Cash Flows

	Year Ended December 31	
	2023	2022
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (554,802)	\$ 1,354,456
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	13,964	15,730
Donated hygiene products revenue	(720,704)	(1,192,614)
Donated hygiene products distributed	1,269,001	585,053
Paycheck Protection Program grant income	-	(81,815)
Changes in operating assets and liabilities which provided (used) cash		
Contributions receivable	1,895,533	(2,465,828)
Related party receivable	(180,961)	-
Undistributed hygiene products	(374,212)	150,924
Deferred revenue	(111,831)	111,831
Accounts payable and other accrued expenses	(1,225,666)	1,305,088
Other assets	(85,769)	-
<b>Change in cash from operating activities</b>	<b>(75,447)</b>	<b>(217,175)</b>
<b>Change in cash from financing activities</b>		
Purchases of property and equipment	-	(7,542)
<b>Net change in cash</b>	<b>(75,447)</b>	<b>(224,717)</b>
Cash, beginning of year	420,443	645,160
<b>Cash, end of year</b>	<b>\$ 344,996</b>	<b>\$ 420,443</b>

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

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### 1. NATURE OF THE ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Business*

**Clean the World Foundation**, (the "Organization") collects hygiene products such as discarded soaps, shampoos, conditioners, lotions, and gels from hospitality partners and manufacturers, and recycles and distributes the products domestically and internationally for humanitarian aid both directly and through partnering nonprofit organizations. This process takes place primarily at two recycling operations centers in Orlando, Florida and Las Vegas, Nevada. Support for providing these services is obtained from both public and private sector contributions as well as administrative fees paid by partnering nonprofit organizations and fees collected for hygiene kits.

The Organization is also dedicated to working towards universal access to water, sanitation, and hygiene (WASH), by focusing on outcome-based programs to improve the quality of life for vulnerable populations around the world. Programs emphasize a local needs-based approach, focusing on education, local ownership and accountability, and community engagement, along with rigorous monitoring and evaluation to gauge progress. The goal is to have the programmatic impact sustained locally, without dependence on ongoing aid. The Organization is one of just a few dozen organizations named to the United Nations Global WASH Cluster playing an active leadership role in global WASH issues.

#### *Basis of Presentation*

These financial statements have been prepared in accordance with accounting principles general accepted in the United States of America ("GAAP") to focus on the Organization as a whole and to present transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of transaction into two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

Net assets and revenue, support and gains or losses are classified based on the existence or absence of donor-imposed restrictions.

- *Without donor restrictions* - net assets that are available for use in general operations and not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. There are no board designated net assets at December 31, 2023 or 2022.
- *With donor restrictions* - net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time or both.

Revenue and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassification between the applicable classes of net assets.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### *Cash*

Cash consist of demand deposits in banks. The Organization maintains its deposits in amounts which, at times, may exceed federally insured limits, in two financial institutions. Management does not believe the Organization is exposed to any significant interest rate or other financial risk as a result of these deposits.

### *Contributions and Allowance for Uncollectible Contributions*

Contributions, including unconditional promises to give, are recognized as support in the period received. Contributions of assets other than cash are recorded at their estimated fair value. Contributions are included in the captions program revenue, donated hygiene products revenue and contributions in the accompanying statement of activities. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the risk adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Contributions receivable at December 31, 2023 and 2022, are due within one year. Management determined the discount for these contributions is not significant. The allowance for uncollectible contributions is based on an analysis of specific accounts. At December 31, 2023 and 2022, management determined an allowance for uncollectible contributions is not necessary.

Conditional promises - that is, those with measurable performance or other barriers and a right of return - are not recognized until the conditions on which they depend have been yet. There were no conditional promises outstanding at December 31, 2023 or 2022.

### *Undistributed Hygiene Products Inventory*

At times, the Organization receives support through donations of materials and supplies. These amounts are recorded at their estimated fair value at the date they are collected from hospitality partners (Note 5). The Organization estimates the fair value of materials and supplies on the basis of an estimated price per pound. Purchased materials are stated at the lower of cost, determined using the first-in, first-out method ("FIFO"), or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation.

### *Property, Equipment and Depreciation*

The Organization records property and equipment additions over \$2,500 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight line method over the estimated useful lives of the assets ranging from 5 to 7 years. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### *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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, support, and expenses, during the reporting year. Actual results could differ from those estimates. Significant estimates include but are not limited to valuation of in-kind donations related to undistributed hygiene products.

### *Revenue from Contracts with Customers*

Hygiene kit distribution fees are received from Clean the World Global, LLC f/k/a Clean the World Ventures, Inc. ("Global") for soap, bottles, toothbrushes, and other supplies provided to Global for hygiene kit building events (Note 6). Fees are collected and revenue is recognized at the time of each hygiene kit building event.

Distribution administration fees are received from partnering organizations for supplying the logistics of distribution and delivery for hygiene products provided by the Organization. Fees are billed and revenue is recognized at the time of distribution for each shipment of hygiene products.

### *Deferred Revenue*

Payments received from customers in advance are considered contract liabilities and are recorded as deferred revenue on the statements of financial position. Deferred revenue from contracts with customers was as follows for the years ended December 31:

	2023	2022
Deferred revenue, beginning of the year	\$ 111,831	\$ -
Deferred revenue, end of the year	\$ -	\$ 111,831

### *Functional Allocation of Expenses*

The costs of programs and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Direct expenses, which can be clearly defined as incurred for a specific program are charged to that program. Natural expenses attributable to more than one functional expense category are allocated using a reasonable cost allocation method. Compensation and related employee benefits have been allocated to programs and support services based on estimated time and effort. Other expenses are allocated based on estimates of usage.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### *Leases*

Management determines whether an arrangement contains a lease at the arrangement's inception. If a lease is determined to exist, its related term is assessed at lease commencement, once the underlying asset is made available by the lessor for the Organization's use. The Organization's assessment of the lease term reflects the non-cancellable period of the lease, inclusive of any rent-free periods and/or periods covered by early-termination options for which the Organization is not considered reasonably certain of exercising, as well as periods covered by renewal options for which it is considered reasonably certain of exercising. Management also determines lease classification as either operating or finance at lease commencement, which governs the pattern of expense recognition and the presentation thereof reflected in the statement of activities over the lease term.

For leases with a lease term exceeding 12 months, a lease liability is recorded on the Organization's statement of financial position at lease commencement reflecting the present value of its fixed payment obligations over such term. A corresponding right-of-use ("ROU") asset equal to the initial lease liability is also recorded, increased by any prepaid rent and/or initial direct costs incurred in connection with execution of the lease, and reduced by any lease incentives received. The Organization includes fixed payment obligations related to non-lease components in the measurement of ROU assets and lease liabilities, as it elects to account for lease and non-lease components together as a single lease component. Variable lease payments are not included in the measurement of ROU assets and lease liabilities.

For leases with a lease term of 12 months or less (referred to as a "short-term lease"), any fixed lease payments are recognized on a straight-line basis over such term and are not recognized on the statements of financial position. Variable lease cost, if any, is recognized as incurred for all leases. Net short term lease cost on these short-term leases was approximately \$305,000 and \$530,000 for 2023 and 2022, respectively.

### *Tax-Exempt Status*

The Organization is recognized as a nonprofit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is organized under the laws of the State of Florida as a nonprofit organization and is exempt from state and local income taxes. The Organization evaluates uncertain income tax positions which would impact its nontaxable status or result in unrelated business income tax, and believes there are no uncertain income tax positions of significance that are required to be recorded or disclosed in these financial statements.

Management analyzed the Organization's income tax filing positions in the federal and state jurisdictions where they are required to file income tax returns, for all open tax years in these jurisdictions, to identify potential uncertain tax positions. Management has concluded that there are no significant uncertain tax positions requiring recognition in the Organization's financial statements. Generally, the Organization is no longer subject to income tax examinations for years prior to fiscal 2020.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### *Advertising Costs*

The Organization advertises its mission primarily through maintaining an internet presence and print media distributed to potential partner hospitality businesses. Advertising costs are expensed as incurred and were approximately \$73,000 and \$72,000 for the years ended December 31, 2023 and 2022, respectively.

### *Reclassification*

Certain amounts as reported in the 2022 financial statements have been reclassified to conform with the 2023 presentation.

### *Subsequent Events*

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2023, the most recent statement of financial position presented herein, through January 23, 2025, the date these financial statements were available to be issued.

## 2. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	2023	2022
Office equipment	\$ 24,820	\$ 24,820
Building	97,749	97,749
Total property and equipment	122,569	122,569
Less accumulated depreciation	87,599	73,635
<b>Property and equipment, net</b>	<b><u>\$ 34,970</u></b>	<b><u>\$ 48,934</u></b>

Depreciation expense totaled \$13,964 and \$15,730 for the years ended December 31, 2023 and 2022, respectively.

## 3. PAYCHECK PROTECTION PROGRAM LOAN

On May 14, 2021, the Organization applied for and was approved for a Paycheck Protection Program (PPP) Loan for \$81,815 under the Paycheck Protection Program (PPP Loan) created as part of the relief efforts related to COVID-19 pandemic and administered by the Small Business Administration. The Organization applied for and was granted forgiveness of the full amount on September 19, 2022. During 2022, the Organization received forgiveness for the principal amount of \$81,815. Therefore, the Organization recognized a gain on debt forgiveness of \$81,815 on the 2022 statement of activities.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### 4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2023	2022
Subject to expenditure for specified purpose		
Drop by Drop Program	\$ 87,938	\$ 68,743
Fresh Start (MHU) Program	116,667	233,333
Hygiene-kit building events	750,000	-
<b>Total net assets with donor restrictions</b>	<b>\$ 954,605</b>	<b>\$ 302,076</b>

#### *Net Assets Released from Restrictions*

Net assets released from restrictions were as follows for the years ended December 31:

	2023	2022
Satisfaction of purpose restrictions		
Drop by Drop Program	\$ 65,805	\$ 74,453
Fresh Start (MHU) Program	116,666	1,106,667
Location specific programs	-	128,571
<b>Total net assets released from donor restrictions</b>	<b>\$ 182,471</b>	<b>\$ 1,309,691</b>

The Drop by Drop Program is a partnership with Las Vegas Sands Corporation designed to support initiatives centered around water conservation and environmental sustainability through investments in innovative water stewardship projects. The Fresh Start Program provides mobile showers and bathroom facilities to those experiencing homelessness, as well as, provides connections to other services to help rebuild.

### 5. IN-KIND CONTRIBUTIONS OF HYGIENE PRODUCTS

The Organization received in-kind contributions of recyclable hygiene products from partner hospitality organizations and manufacturers during the years ended December 31, 2023 and 2022 totaling \$720,704 and \$1,192,613, respectively. These products were used or will be used in the recycling and distribution program.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

The Organization had undistributed hygiene products at December 31:

2023	Pounds	Estimated Price Per Pound	Total
Soap	371,477	0.96002	\$ 356,624
NGO soap	2,120	26.45021	56,074
Mixed unsorted soap	79,376	0.57600	45,721
Materials	47,069	0.15984	7,523
Socks	218,975	0.75000	164,231
Total donated hygiene products			630,174
Purchased boxes and materials			567,061
<b>Total</b>			<b>\$ 1,197,235</b>

  

2022	Pounds	Estimated Price Per Pound	Total
Soap	823,742	0.96	\$ 790,792
NGO soap	968	26.48	25,633
Mixed unsorted soap	267,896	0.58	155,380
Materials	33,328	0.08	2,666
Socks	272,000	0.75	204,000
Total donated hygiene products			1,178,471
Purchased boxes and materials			192,849
<b>Total</b>			<b>\$ 1,371,320</b>

Estimated price per pound is based on US wholesale prices of identical or similar products.



# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### 6. RELATED PARTY TRANSACTIONS

The Organization has a contract with Global which expires December 31, 2026, under which Global provides legal, human resources, accounting, information technology, marketing, and hygiene product remanufacturing services, as well as access to offices and warehousing facilities. Global bills the Organization on a monthly basis based on the labor requirements to fulfill the mission of the Organization. Fees charged to the Organization for these services totaled approximately \$2,426,000 and \$1,863,000 for the years ended December 31, 2023 and 2022, respectively, which are included in program expenses on the statements of activities. Global also occasionally pays certain vendors on behalf of the Organization, for which it is reimbursed. The Organization had an outstanding payable balance to Global totaling \$240,084 and \$1,709,635 at December 31, 2023 and 2022, respectively, which is included in accounts payable and other accrued expenses on the statements of financial position. The Chairman of the board of directors of the Organization is the majority owner of Global.

Revenue from Global including contributions and hygiene kit distribution fees was approximately \$2,361,000 and \$1,812,000 for the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023 and 2022, the Organization had receivables from Global of \$185,638 and \$4,677, respectively.

Total revenue received from Global represents 31% and 27% of total revenue received during years ended December 31, 2023 and 2022, respectively.

### 7. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31:

	2023	2022
Cash	\$ 344,996	\$ 420,443
Contributions receivable	954,379	2,849,912
Related party receivable	185,638	4,677
Total	1,485,013	3,275,032
Less net assets with restrictions	(954,605)	(302,076)
<b>Total financial assets available for general use within one year</b>	<b>\$ 530,408</b>	<b>\$ 2,972,956</b>

The Organization regularly monitors the availability of resources required to meet its operating needs, while striving to maximize its available funds. The Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

# CLEAN THE WORLD FOUNDATION

## Notes to Financial Statements

### 8. RETIREMENT PLAN

During 2022, Global adopted a 401(k) retirement plan (the "Plan") for employees of both Global and the Organization. Employees are eligible for participation in the Plan after reaching 18 years of age and upon completing 3 months of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain Internal Revenue Code limitations. The Organization may make a discretionary match contribution of up to 50% of the first 6% of the employee's wages. There were no contributions made to the Plan in 2023 or 2022.

