



*FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT*

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023



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**FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
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INDEPENDENT AUDITORS' REPORT



To the Board of Directors of
Experience Camps
Westport, Connecticut

Opinion

We have audited the financial statements of Experience Camps (hereinafter the "Organization," a not-for-profit corporation), which comprise the statements of financial position as of September 30, 2024 and 2023, 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 Organization as of September 30, 2024 and 2023, 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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. 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. 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 Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audits 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 auditors' 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 Organization'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 Organization'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Cerini & Associates LLP

Bohemia, New York
February 21, 2025

EXPERIENCE CAMPS

STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30,

2024

2023

ASSETS

Current Assets:

Cash and cash equivalents.....	\$	663,699	\$	764,656
Investments.....		4,175,814		4,570,397
Accounts receivable.....		209,915		5,031
Donations receivable.....		16,610		5,574
Current portion of pledges receivable.....		392,977		268,112
Prepaid expenses.....		37,383		7,903

TOTAL CURRENT ASSETS 5,496,398 5,621,673

Right-of-use asset, net of accumulated amortization.....		37,581		68,066
Board-designated cash equivalents and investments.....		1,007,650		-
Pledges receivable, net current portion and present value discount.....		142,733		116,723
Security deposits.....		2,500		2,500
Property and equipment, net of accumulated depreciation and amortization.....		825		1,725

TOTAL ASSETS \$ 6,687,687 \$ 5,810,687

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses.....	\$	224,668	\$	263,078
Current portion of operating lease liability.....		32,891		30,315

TOTAL CURRENT LIABILITIES 257,559 293,393

Operating lease liability, net of current portion.....		5,673		38,563
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TOTAL LIABILITIES 263,232 331,956

Net Assets:

Net assets without donor restrictions:

Board-designated.....		1,007,650		-
Undesignated.....		4,883,255		5,090,646

TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS 5,890,905 5,090,646

Net assets with donor restrictions.....		533,550		388,085
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TOTAL NET ASSETS 6,424,455 5,478,731

TOTAL LIABILITIES AND NET ASSETS \$ 6,687,687 \$ 5,810,687

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

EXPERIENCE CAMPS**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Donations.....	\$ 2,322,619	\$ 161,750	\$ 2,484,369
Grants.....	128,412	937,500	1,065,912
Special events, net direct costs of \$374,971.....	840,391	-	840,391
In-kind donations.....	415,852	-	415,852
Net investment gain.....	847,886	-	847,886
Employee retention credit income.....	205,238	-	205,238
Other income.....	1,573	-	1,573
Net assets released from restrictions.....	953,785	(953,785)	-
TOTAL SUPPORT AND REVENUE	5,715,756	145,465	5,861,221
EXPENSES:			
Program services.....	3,702,104	-	3,702,104
Supporting services:			
Management and general.....	214,569	-	214,569
Fundraising.....	998,824	-	998,824
TOTAL SUPPORTING SERVICES	1,213,393	-	1,213,393
TOTAL EXPENSES	4,915,497	-	4,915,497
Change in net assets.....	800,259	145,465	945,724
Net assets, beginning of year.....	5,090,646	388,085	5,478,731
Net assets, end of year.....	<u>\$ 5,890,905</u>	<u>\$ 533,550</u>	<u>\$ 6,424,455</u>

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

EXPERIENCE CAMPS

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Donations.....	\$ 2,031,654	\$ 302,210	\$ 2,333,864
Grants.....	325,650	303,574	629,224
Special events, net direct costs of \$265,160.....	688,484	-	688,484
In-kind donations.....	475,562	-	475,562
Net investment loss.....	400,926	-	400,926
Other income.....	1,400	-	1,400
Net assets released from restrictions.....	606,078	(606,078)	-
TOTAL SUPPORT AND REVENUE	4,529,754	(294)	4,529,460
EXPENSES:			
Program services.....	3,351,770	-	3,351,770
Supporting services:			
Management and general.....	174,989	-	174,989
Fundraising.....	770,230	-	770,230
TOTAL SUPPORTING SERVICES	945,219	-	945,219
TOTAL EXPENSES	4,296,989	-	4,296,989
Change in net assets.....	232,765	(294)	232,471
Net assets, beginning of year.....	4,857,881	388,379	5,246,260
Net assets, end of year.....	\$ 5,090,646	\$ 388,085	\$ 5,478,731

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

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries.....	\$ 1,555,785	\$ 58,905	\$ 560,698	\$ 619,603	\$ 2,175,388
Payroll taxes and fringe benefits.....	292,282	10,252	94,088	104,340	396,622
Professional fees.....	125,161	90,857	186,294	277,151	402,312
Office expenses.....	35,036	18,139	10,054	28,193	63,229
Rent	22,422	3,737	11,211	14,948	37,370
Travel and meetings.....	123,087	7,477	33,150	40,627	163,714
Marketing.....	155,100	-	3,431	3,431	158,531
Insurance.....	40,009	4,898	758	5,656	45,665
Fees and subscriptions.....	26,377	19,254	98,690	117,944	144,321
Camp expenses.....	1,159,712	-	-	-	1,159,712
Camp travel.....	166,683	-	-	-	166,683
Bad debt expense.....	-	1,050	-	1,050	1,050
Amortization expense.....	450	-	450	450	900
TOTAL EXPENSES	\$ 3,702,104	\$ 214,569	\$ 998,824	\$ 1,213,393	\$ 4,915,497

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

		Supporting Services			Total Supporting Services	Total Expenses
		Program Services	Management and General	Fundraising		
Salaries.....	\$	1,374,415	\$ 49,468	\$ 363,667	\$ 413,135	\$ 1,787,550
Payroll taxes and fringe benefits.....		238,854	5,929	67,360	73,289	312,143
Professional fees.....		122,823	72,976	204,712	277,688	400,511
Office expenses.....		34,396	12,560	8,170	20,730	55,126
Rent		21,971	3,933	11,148	15,081	37,052
Travel and meetings.....		136,385	4,335	18,080	22,415	158,800
Marketing.....		2,249	-	1,456	1,456	3,705
Insurance.....		35,736	4,481	1,169	5,650	41,386
Fees and subscriptions.....		19,466	21,307	94,018	115,325	134,791
Camp expenses.....		1,223,213	-	-	-	1,223,213
Camp travel.....		141,812	-	-	-	141,812
Bad debt expense.....		-	-	-	-	-
Amortization expense.....		450	-	450	450	900
TOTAL EXPENSES	\$	3,351,770	\$ 174,989	\$ 770,230	\$ 945,219	\$ 4,296,989

EXPERIENCE CAMPS

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30,

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets.....	\$ 945,724	\$ 232,471
<u>Adjustment to reconcile change in net assets to net cash</u> <u>(used in)/provided by operating activities:</u>		
Amortization expense.....	900	900
Net unrealized gain on investments.....	(689,290)	(262,434)
Bad debt expense.....	1,050	-
Right-of-use asset.....	30,485	(68,066)
<u>Changes in operating assets and liabilities:</u>		
Accounts receivable.....	(204,884)	(5,002)
Donations receivable.....	(12,086)	10,877
Pledges receivable.....	(150,875)	3,544
Prepaid expenses.....	(29,480)	25,118
Accounts payable and accrued expenses.....	(38,410)	5,443
Operating lease liability.....	(30,314)	68,878
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(177,180)	11,729
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments.....	(1,211,331)	(2,101,557)
Sales of investments.....	1,315,075	1,876,076
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	103,744	(225,481)
Net change in cash and cash equivalents.....	(73,436)	(213,752)
Cash and cash equivalents, beginning of year.....	764,656	978,408
Cash and cash equivalents, end of year.....	<u>\$ 691,220</u>	<u>\$ 764,656</u>
COMPONENTS OF CASH AND CASH EQUIVALENTS ON THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents.....	\$ 663,699	\$ 764,656
Board-designated cash equivalents.....	27,521	-
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 691,220</u>	<u>\$ 764,656</u>

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Experience Camps (hereinafter, the "Organization") is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization

The Organization is a 501(c)(3) national not-for-profit that delivers year-round support for children and teens who have experienced the death of a parent, sibling, or primary caregiver.

An estimated six million children in the U.S. will experience the death of a parent, sibling, or primary caregiver by the time they turn 18. Grieving young people are more likely to endure mental health challenges, poor academic performance, and negative long-term physical and financial outcomes than their non-grieving peers. Left unaddressed, childhood grief can undermine a child's future. But with the appropriate interventions and an ecosystem of support around them, it can lead to remarkable resilience.

The Organization's goals are to make grief support programs accessible to a larger population of grieving children (particularly children of color), educate the public about the importance of talking about and addressing grief among children, and gain insights into how children are impacted by grief. Since 2009, the Organization has transformed the lives of thousands of children by reframing the experience of their grief and empowering them with the confidence, skills, and support to move forward. The programs are designed to help kids rediscover childhood, develop coping skills, and establish bonds with others who understand what it's like to lose someone so important to them. The Organization was incorporated in the State of Maine in 2007. Its mission is to give grieving children experiences that change their lives forever.

The Organization's program services include the following major components:

Summer Camp: The Organization provides young people with week-long, no-cost overnight camps that are clinically informed. These camps provide a space where children can experience the joy of childhood while learning to navigate their feelings with others who have experienced grief firsthand.

The Organization's camp program meets kids at the intersection of grief and play. It starts with the foundation of summer camp, which encourages collaboration, self-esteem, and new experiences through sports, time outside in nature, and socializing in a tech-free environment. A clinically-informed peer-support model is woven throughout the camp experience. Clinical activities are grounded in modern grief theories like the dual-process model (oscillating between confronting and avoiding loss), which occurs as campers move between traditional camp activities - such as dance parties and soccer games - and reflective moments of grief.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Organization's oldest campers are invited to join the Leaders in Training program. Campers participate in a two-year program that starts after their sophomore year of high school and gradually applies increasing degrees of life lessons, character development, grief processing, and leadership goals. The Organization's emerging leaders mentor younger campers, model empathy and resilience, and learn that even during the complexity of their teen years - when it can feel like nobody understands - they are not alone.

Community: The Organization has leveraged over 15 years of experience—and hundreds of thousands of hours spent supporting grieving kids—to develop expert-driven digital content that reaches millions of children year-round. The Organization meets children where they are—whether in schools and communities, on state-of-the-art gaming platforms like Minecraft and Roblox, or through its growing GRIEF SUCKS streaming platform. With innovative programs like ExperienceCraft, Grief Quest, and engaging content on YouTube and TikTok, the Organization is expanding virtual experiences that normalize grief and provide meaningful support. Over the next three years, the Organization aims to grow its online reach by 25% annually, increase partnerships with community-based organizations, professional sports event activations, and celebrities and influencers to develop clinically based programs and grief-based content, and pilot new in-person and virtual events to deepen community connections for children and caregivers.

Culture: The Organization is committed to creating a more grief-sensitive society by elevating childhood grief as a critical public health issue. By amplifying the voices of grieving children and providing accessible resources, the Organization strives to reduce their isolation and foster greater understanding. With a rapidly growing social media presence — including a TikTok community of over 180,000 followers — the Organization engages influencers, collaborates with brands, and drives national conversations, as highlighted by features on The View and PEOPLE magazine, and participation in global platforms such as SXSW. Additionally, the Organization is strengthening its leadership in research, advocacy, and education to identify and address gaps in grief support.

Throughout all of its program components, the Organization prioritizes addressing the racial grief gap. Studies have shown that by age 10, Black and Brown children are two times more likely to have dealt with the death of their father and three times more likely to have dealt with the death of their mother. Additionally, 65% of all children experiencing COVID-associated orphanhood or the death of their primary caregiver are of a racial or ethnic minority. The Organization continues to enhance its recruitment and outreach efforts in communities of color who frequently do not have access to grief support services and continues to ensure an inclusive environment at camp.

The Organization's principal source of revenue is money contributed by the general public.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements

During the year ended September 30, 2024, the Organization was required to adopt Accounting Standards Codification ("ASC") 326, *Measurement of Credit Losses on Financial Instruments*, for all assets held at amortized cost basis. Under this new accounting approach, the pronouncement requires organizations to record an estimate of all expected future credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. Adoption of this ASC did not have a material impact on the Organization's financial statements

During the year ended September 30, 2023, the Organization retrospectively adopted ASC Topic 842, *Leases*, for all material, long-term operating leases. Under this accounting pronouncement, an entity is required to recognize right-of-use assets and lease liabilities calculated based on the present values of the lease payments not yet paid, discounted using appropriate discount rates at the lease commencement dates, for all long-term leases. The right-of-use assets are initially equal to the lease liabilities plus any initial direct costs and prepaid lease payments, less any lease incentives received. Under this approach, amortization of right-of-use assets is charged to rent expense, which is recorded on the straight-line basis over the term of each lease.

Income Tax Status

The Organization is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and is publicly supported, as described in section 509(a). Donors may deduct contributions made to the Organization within the requirements of the Internal Revenue Code.

The Organization evaluated its activities for uncertain tax positions and has determined that there were no uncertain tax positions for the years ended September 30, 2024 and 2023.

The Organization files an IRS Form 990 and respective state and local tax returns. These tax returns are subject to review and examination by federal, State, and local taxing authorities. The Organization has determined that it has registered in all states where it is required to be registered.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when incurred.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. The Organization's board may designate net assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by action of the Organization and/or the passage of time. When a restriction expires, 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 restrictions. Other donor restrictions can be perpetual in nature, whereby the donors may stipulate the funds be maintained in perpetuity.

Revenue Recognition

All donations and grants are considered available for the general program of the Organization, unless specifically restricted by the donor. The Organization reports all monetary gifts as support with donor restrictions if they are received with donor stipulations that limit their use or are subject to time restrictions.

Donations are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All donor restricted donations are reported as increases in net assets with donor restrictions depending on the nature of the restriction. A donor restriction expires when stipulated time restriction ends or when a purpose restriction is accomplished.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at net present value of their estimated future cash flows. The discount on the amount is computed at the date of the pledges, using the 2-year U.S. Treasury rate applicable to the years in which the promises are expected to be received. For the years ended September 30, 2024 and 2023, the interest rates used were 3.66% and 5.03%, respectively. Amortization of the discount is recognized as part of donation revenue.

Special Events

The Organization holds special events to provide additional support for its mission. Revenue is recorded in accordance with ASU 2014-09, *Revenue from Contracts with Customers* ("ASC 606"). Revenue from these events is recorded when the performance obligations are met at points in time as events are held. Costs incurred for which donors receive a direct benefit, exchange transactions, have been offset against the revenue earned in the statements of activities. Other costs related to the event for which the donors do not receive a direct benefit are included within fundraising costs in the statements of functional expenses.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The special events revenues and direct expenses were as follows for the years ended September 30,:

	2024	2023
Special event revenue.....	\$ 1,215,362	\$ 953,644
Less: cost of direct benefits to donors	(374,971)	(265,160)
Special event revenue, net	<u>\$ 840,391</u>	<u>\$ 688,484</u>

The above special event revenue and expenses include in-kind contributions totaling \$115,480 and \$124,638 for the years ended September 30, 2024, and 2023, respectively.

In-Kind Donations

The Organization recognizes contributions of materials at their estimated fair value at the date of donation. The Organization reports gifts of equipment and other nonmonetary contributions as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

Donated services are defined as services that require specialized skills that would otherwise have been purchased by the Organization. No amounts have been reflected in the financial statements for donated services of volunteers because they do not meet the criteria for recognition in the financial statements under accounting principles generally accepted in the United States of America.

A vital component of the Organization's work with children struggling with grief is its network of 647 and 518 volunteers for the years ended September 30, 2024 and 2023, respectively. Volunteer participation ranges from single-day events to week-long camps. Including all programs, the total volunteer hours listed were 45,060 and 20,720 for the years ended September 30, 2024 and 2023, respectively. The value of these hours is substantial, based on the hourly earnings provided by the Bureau of Labor Statistics. The Organization's volunteers receive training and are closely supervised in their counseling activities. Similar services in Maine are valued at \$15.00 per hour as of September 30, 2024 and 2023. At this rate, the total value estimated for these services for the years ended September 30, 2024 and 2023 were \$675,900 and \$310,800, respectively. Given the education and credentials of the volunteers, the actual value is significantly higher. However, these donated services do not meet the criteria under generally accepted accounting principles to be recorded as donated services.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In-kind donations received by the Organization consisted of the following for the years ended September 30,:

	2024	2023
Marketing and advertising.....	\$ 153,323	\$ -
Camp rental.....	145,983	146,437
Camp supplies	88,080	300,016
Legal professional fees.....	18,296	12,609
Camp professional fees.....	5,725	16,500
Meetings expense	4,445	-
Total in-kind donations	<u>\$ 415,852</u>	<u>\$ 475,562</u>

The in-kind donation amounts of \$415,852 and \$475,562 for the years ended September 30, 2024 and 2023, respectively, exclude in-kind contributions for special events totaling \$115,480 and \$124,638.

The above in-kind donations are reported on the statements of functional expenses as camp expenses and professional fees and allocated amongst the program and supporting services. Additionally, special event income and direct expenses includes \$115,480 and \$124,638 for the years ended September 30, 2024 and 2023, respectively, for donated auction items, raffle items, and food and beverage. The fair values of all the in-kind donations were estimated based on the price the Organization would have paid to purchase these services and supplies, if they were not donated. There are no donor-imposed restrictions on the in-kind donations.

Use of Estimates

The presentation 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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments (including money market accounts) with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents are insured up to \$250,000 by the Federal Deposit Insurance Corporation (the "FDIC"). The Securities Investors Protection Corporation ("SIPC") insures the money market fund up to \$500,000. At times cash and cash equivalent amounts may be in excess of these amounts. The Organization maintains its cash and cash equivalents at financial institutions it believes to be of high quality and creditworthiness.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

The Organization maintains its investments in financial institutions that are insured by SIPC limits. The Organization has not experienced any counterparty credit losses and believes that it is not exposed to any significant credit risk.

Fair Value Measurements

Investments are stated at fair value. Fair value is defined 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. A fair value hierarchy has been established for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable inputs to be used when available. The fair value hierarchy is categorized into three levels (see Note 2).

Property and Equipment

The Organization records property and equipment at cost, or if received by donation, at estimated fair value at the time such items are received. Property and equipment with a cost or fair value in excess of \$1,000 with a useful life in excess of one year are capitalized. Major repairs and replacements that extend the useful life of property are similarly capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Vehicles, furniture, fixtures, and equipment are depreciated using the straight-line method over their useful lives which range from five to ten years. Leasehold improvements are amortized over the shorter of the remaining life of the lease or the actual asset life.

For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from accounts, and any related gain or loss is reflected in income for the period. The Organization's property and equipment consists of computers with estimated useful lives of three years.

Accounts Receivable

Receivables are stated at the amount management expects to collect from outstanding balances. The Organization considers receivables past due or delinquent when payments have not been received in a timely manner, and receivables are written off when management deems the possibility of collecting amounts due as completely unlikely. The Organization closely monitors outstanding balances for all receivables and adheres to a standard set of protocols for collection activities to be undertaken at certain times based upon delinquency status. Receivables were written off during the year ended September 30, 2024 as bad debt expense of \$1,050. No receivables were written off during the year ended September 30, 2023. The Organization considers all receivables to be collectible and no allowance for doubtful accounts was required.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Organization, through its various campaigns, had entered into agreements with its donors involving future nonreciprocal transfers of cash. The agreements are recorded as pledges receivable if the agreement is, in substance, an unconditional promise to give. The long-term pledges receivable are shown at present value using a discount rate of 3.66% and 5.03% for the years ended September 30, 2024 and 2023, respectively. The discount on the pledges were \$7,267 and \$8,977 as of September 30, 2024 and 2023, respectively.

Pledges receivable consisted of the following as of September 30,:

	2024	2023
Gross pledges receivable	\$ 542,977	\$ 393,812
Less: discount to net present value	(7,267)	(8,977)
Net pledges receivable.....	<u>\$ 535,710</u>	<u>\$ 384,835</u>
Amounts due in:	2024	2023
Less than one year	\$ 392,977	\$ 268,112
Two or more years.....	150,000	125,700
Gross pledges receivable	<u>\$ 542,977</u>	<u>\$ 393,812</u>

Functional Allocation of Expenses

The statements of functional expenses present expenses by program and supporting service function, and by natural classification. Functional expenses have been allocated between program services and supporting services based upon actual costs and percentage of personnel time devoted to each area. Certain overhead costs have been allocated based upon analysis of aggregate charges within each functional area.

Events Occurring After Report Date

The Organization has evaluated events and transactions that occurred between October 1, 2024 and February 21, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements and has determined that no material events or transactions have occurred that would warrant additional disclosures in the financial statements.

NOTE 2 - INVESTMENTS

The Organization presents investments in the statements of financial position at fair value. A fair value hierarchy has been established based upon the observability of inputs to the evaluation of an asset or liability as of the measurement date. The three-level valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value levels (Level 1, 2, and 3):

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 2 - INVESTMENTS (continued)

- *Level 1* - Level 1 investments are valued using observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date.
- *Level 2* - Level 2 investments are valued using observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities.
- *Level 3* - Level 3 investments are valued using valuations that are derived from techniques in which one or more of the significant inputs are unobservable (including assumptions about risk). Because Level 3 fair values, by their nature, contain unobservable market inputs as there is no observable market for these assets and liabilities, considerable judgment is used to determine the Level 3 fair values. Level 3 fair values represent the Organization's best estimate of an amount that could be realized in a current market exchange absent actual market exchanges.

During the year ended September 30, 2024, the investment amount of \$5,155,943 includes the investment amount of \$4,175,814 and the investment portion of the Board-designated cash equivalents and investments of \$980,129 on the statements of financial position. As there were no Board-designated investments in the prior year, all investments were represented on the investments line of the statements of financial position for the year ended September 30, 2023.

The following table presents information about the Organization's investments measured at fair value on a recurring basis as of September 30, 2024, and indicates the fair value hierarchy of the valuation techniques used.

	Level 1	Level 2	Total
Mutual funds.....	\$ 555,728	\$ -	\$ 555,728
Equities.....	2,231,436	-	2,231,436
Fixed income.....	1,756,467	-	1,756,467
Alternative investments.....	-	612,312	612,312
Total.....	\$ 4,543,631	\$ 612,312	\$ 5,155,943

The following table presents information about the Organization's investments measured at fair value on a recurring basis as of September 30, 2023, and indicates the fair value hierarchy of the valuation techniques used.

	Level 1	Level 2	Total
Mutual funds.....	\$ 983,123	\$ -	\$ 983,123
Equities.....	1,806,530	-	1,806,530
Fixed income.....	1,568,939	-	1,568,939
Alternative investments.....	-	211,805	211,805
Total.....	\$ 4,358,592	\$ 211,805	\$ 4,570,397

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 2 - INVESTMENTS (continued)

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investment securities will occur and that such changes could affect amounts reported in the accompanying statements of financial position.

NOTE 3 - NET ASSETS

Board-Designated Endowment

During the year ended September 30, 2024, the Board of Directors voted to designate a portion of the Organization's investments as board-designated. The designated investments are comprised of the Organization's Legacy Funds. The spending policy on these funds is to be limited to 5% of the market value. Board-designated net assets are invested in cash equivalents, equities and mutual funds.

The following schedule summarizes the changes to board designated net assets for the year ended September 30, 2024:

Board-designated net assets, beginning of year.....	\$	-
Additions		879,543
Allocated investment income		167,697
Releases		(39,590)
Board-designated net assets, end of year.....	\$	<u>1,007,650</u>

Net Assets With Donor Restrictions

The Organization's net assets with donor restrictions activity as of and for the year ended September 30, 2024 was as follows:

	Balance at September 30, 2023		Additions	Releases	Balance at September 30, 2024	
Time restrictions	\$	180,651	\$	600,000	\$	(353,922)
Camp		157,210		-		(107,210)
Learning Management System		48,224		-		(23,224)
Miscellaneous purpose restrictions....		2,000		499,250		(469,429)
Total net assets with donor restrictions	\$	388,085	\$	1,099,250	\$	(953,785)
					\$	<u>533,550</u>

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - NET ASSETS (continued)

The Organization's net assets with donor restrictions activity as of and for the year ended September 30, 2023 was as follows:

	Balance at September 30, 2022	Additions	Releases	Balance at September 30, 2023
Time restrictions.....	\$ 340,404	\$ 208,825	\$ (368,578)	\$ 180,651
Camp.....	-	257,210	(100,000)	157,210
Learning Management System.....	-	73,224	(25,000)	48,224
Miscellaneous purpose restrictions	47,975	66,525	(112,500)	2,000
Total net assets with donor restrictions.....	\$ 388,379	\$ 605,784	\$ (606,078)	\$ 388,085

NOTE 4 - LEASE COMMITMENTS

The Organization entered into a three-year operating lease agreement for office space in Westport, Connecticut that commenced in December of 2022, and ends in November of 2025. Monthly base rent pursuant to the lease is \$2,679.

Operating lease costs incurred during the years ended September 30, 2024 and 2023, inclusive of right-of-use asset amortization, totaled \$32,891 and \$32,084, respectively, and are included as part of rent expense in the accompanying statements of functional expenses.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities for the years ending September 30,:

2025.....	\$ 33,941
2026.....	5,685
Total.....	39,626
Less: present value discount.....	(1,062)
Present value.....	\$ 38,564

The remaining lease term (in months) and discount rate for the above-mentioned lease were as follows for the year ended September 30, 2024:

Remaining lease term	14
Discount rate	5.03%

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 5 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at September 30,:

	2024	2023
Cash and cash equivalents	\$ 663,699	\$ 764,656
Investments	4,175,814	4,570,397
Board-designated investments appropriated for spending in the following year	40,155	-
Accounts receivable	209,915	5,031
Donations receivable	16,610	5,574
Pledges receivable	535,710	384,835
Total financial assets	<u>5,641,903</u>	<u>5,730,493</u>
Less:		
Long-term pledges receivable	(142,733)	(116,723)
Legacy funds	<u>-</u>	<u>(791,798)</u>
Total financial assets available to meet general expenditures over the next twelve months	<u>\$ 5,499,170</u>	<u>\$ 4,821,972</u>

The Organization's goal in general is to maintain financial assets to meet ninety days of operating expenses (approximately \$1,212,000).

The investment amount of \$4,175,814 is not expected to be utilized in fiscal year 2025, except for the spending policy amount of \$208,266. This amount was calculated using a 5% spending policy rate applied to the average market value of these funds over the previous 12 quarters, with the last quarter ending on June 30, 2024. This approach aims to provide a stable and predictable stream of funding while preserving the long-term value of these funds. These investments remain available if necessary and are not classified as board-designated. Legacy funds are held in readily available investment accounts, but are intended for the long-term use of the Organization, and as such, are deducted from financial assets available within one year. However, should the need arise, these funds are available to the Organization.