
**WASHINGTON ENGLISH
CENTER**

**Financial Statements and
Independent Auditor's Report**

**For the Years Ended
June 30, 2025 and 2024**

LSVG

**CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS**



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Washington English Center

Opinion

We have audited the accompanying financial statements of Washington English Center (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Washington English Center as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Washington English Center 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 Washington English Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 generally

accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Washington English Center'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 Washington English Center'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.

LSWG, P.A.

Rockville, Maryland
September 24, 2025

WASHINGTON ENGLISH CENTER**Statements of Financial Position****June 30,**

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 705,090	\$ 403,581
Grants receivable	39,307	74,065
Other receivables	-	4,112
Prepaid expenses	32,113	3,947
Total Current Assets	776,510	485,705
Property and Equipment - at Cost		
Office equipment	-	16,562
Less: accumulated depreciation	-	(16,560)
Property and Equipment - Net	-	2
Other Assets		
Right of use operating lease assets	3,490,110	20,881
Total Other Assets	3,490,110	20,881
Total Assets	\$ 4,266,620	\$ 506,588
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 29,127	\$ 1,969
Accrued expenses	56,797	44,883
Deferred revenue	31,260	30,174
Operating lease liabilities - current portion	-	20,939
Total Current Liabilities	117,184	97,965
Long-Term Liabilities		
Operating lease liabilities - net of current portion	3,957,682	-
Total Long-Term Liabilities	3,957,682	-
Total Liabilities	4,074,866	97,965
Net Assets		
Without donor restrictions	181,754	378,664
With donor restrictions	10,000	29,959
Total Net Assets	191,754	408,623
Total Liabilities and Net Assets	\$ 4,266,620	\$ 506,588

The accompanying notes are an integral part of these statements.

WASHINGTON ENGLISH CENTER
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2025

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Support and Revenue			
Tuition, net of \$196,135 of scholarships and discounts	\$ 483,584	\$ -	\$ 483,584
Government contributions	169,955	20,000	189,955
Private foundation contributions	186,500	-	186,500
Individual contributions	348,702	10,000	358,702
Corporate contributions	62,750	-	62,750
In-kind contributions	233,570	-	233,570
Fundraising income	174,331	-	174,331
Miscellaneous income	2,028	-	2,028
Interest income	<u>13,202</u>	<u>-</u>	<u>13,202</u>
Total Support and Revenue	1,674,622	30,000	1,704,622
Net assets released from restrictions	<u>49,959</u>	<u>(49,959)</u>	<u>-</u>
Total Support and Revenue	1,724,581	(19,959)	1,704,622
Expenses			
Program services	1,545,320	-	1,545,320
Management and general	183,239	-	183,239
Fundraising	<u>192,930</u>	<u>-</u>	<u>192,930</u>
Total Expenses	<u>1,921,489</u>	<u>-</u>	<u>1,921,489</u>
Other Income (Expenses)			
Loss on disposal of property and equipment	<u>(2)</u>	<u>-</u>	<u>(2)</u>
Changes in Net Assets	(196,910)	(19,959)	(216,869)
Net Assets - Beginning of Year	<u>378,664</u>	<u>29,959</u>	<u>408,623</u>
Net Assets - End of Year	<u><u>\$ 181,754</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 191,754</u></u>

The accompanying notes are an integral part of this statement.

WASHINGTON ENGLISH CENTER
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2024

	<u>Without Donor</u>	<u>With Donor</u>	<u>Total</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
Support and Revenue			
Tuition, net of \$174,342 of scholarships and discounts	\$ 399,392	\$ -	\$ 399,392
Government contributions	203,451	-	203,451
Private foundation contributions	110,500	30,000	140,500
Individual contributions	294,225	5,835	300,060
Corporate contributions	58,480	-	58,480
In-kind contributions	246,647	-	246,647
Fundraising income	108,166	-	108,166
Miscellaneous income	24,809	-	24,809
Interest income	12,822	-	12,822
Total Support and Revenue	1,458,492	35,835	1,494,327
Net assets released from restrictions	7,420	(7,420)	-
Total Support and Revenue	1,465,912	28,415	1,494,327
Expenses			
Program services	1,206,442	-	1,206,442
Management and general	156,310	-	156,310
Fundraising	179,570	-	179,570
Total Expenses	1,542,322	-	1,542,322
Changes in Net Assets	(76,410)	28,415	(47,995)
Net Assets - Beginning of Year	455,074	1,544	456,618
Net Assets - End of Year	<u>\$ 378,664</u>	<u>\$ 29,959</u>	<u>\$ 408,623</u>

The accompanying notes are an integral part of this statement.

WASHINGTON ENGLISH CENTER
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program	Management		
	<u>Services</u>	<u>and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, payroll taxes and benefits	\$ 643,588	\$ 91,231	\$ 153,357	\$ 888,176
Appreciation and ceremonies	4,501	2,864	-	7,365
Bank and credit card fees	19,437	2,755	4,632	26,824
Communications	20,519	5,132	3,786	29,437
Community outreach	6,059	-	-	6,059
Database expenses	-	-	3,170	3,170
Instructional supplies	91,140	-	-	91,140
Insurance	8,274	919	-	9,193
Legal expenses	210,214	17,518	5,839	233,571
Miscellaneous	427	770	1,302	2,499
Operating lease expense and utilities	346,330	38,481	-	384,811
Printing and publications	6,432	330	3,782	10,544
Professional fees	59,266	11,116	-	70,382
Spring event expense	-	-	17,062	17,062
Staff development and travel	3,750	-	-	3,750
Supplies	119,633	12,123	-	131,756
Volunteer expenses	5,750	-	-	5,750
Total Expenses	<u>\$ 1,545,320</u>	<u>\$ 183,239</u>	<u>\$ 192,930</u>	<u>\$ 1,921,489</u>

The accompanying notes are an integral part of this statement.

WASHINGTON ENGLISH CENTER
Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program	Management		
	<u>Services</u>	<u>and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, payroll taxes and benefits	\$ 611,320	\$ 83,160	\$ 142,359	\$ 836,839
Appreciation and ceremonies	2,870	4,243	-	7,113
Bank and credit card fees	15,540	2,114	3,619	21,273
Communications	14,195	3,945	2,198	20,338
Community outreach	6,140	-	-	6,140
Database expenses	-	-	4,298	4,298
Instructional supplies	84,347	-	-	84,347
Insurance	7,647	850	-	8,497
Legal expenses	215,816	24,665	6,166	246,647
Miscellaneous	457	1,179	1,130	2,766
Operating lease expense and utilities	213,625	23,736	-	237,361
Printing and publications	8,204	437	3,032	11,673
Professional fees	13,754	11,400	-	25,154
Spring event expense	-	-	16,768	16,768
Staff development and travel	2,548	-	-	2,548
Supplies	5,229	581	-	5,810
Volunteer expenses	4,750	-	-	4,750
Total Expenses	<u>\$ 1,206,442</u>	<u>\$ 156,310</u>	<u>\$ 179,570</u>	<u>\$ 1,542,322</u>

The accompanying notes are an integral part of this statement.

WASHINGTON ENGLISH CENTER
Statements of Cash Flows
For the Years Ended June 30,

Increase (Decrease) In Cash and Cash Equivalents	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Changes in net assets	\$ (216,869)	\$ (47,995)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization of right of use operating lease assets	353,910	233,394
Loss on disposal of property and equipment	2	-
Net change in current assets and liabilities		
Grants receivable	34,758	(51,044)
Other receivables	4,112	(4,040)
Prepaid expenses	(28,166)	632
Accounts payable	27,158	(1,441)
Accrued expenses	11,914	8,213
Deferred revenue	1,086	21,761
Operating lease liabilities	<u>113,604</u>	<u>(233,624)</u>
Net Cash Provided by (Used in) Operating Activities	<u>301,509</u>	<u>(74,144)</u>
Net increase (decrease) in cash and cash equivalents	301,509	(74,144)
Cash and Cash Equivalents Balance - Beginning of Year	<u>403,581</u>	<u>477,725</u>
Cash and Cash Equivalents Balance - End of Year	<u><u>\$ 705,090</u></u>	<u><u>\$ 403,581</u></u>
Supplemental Information:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>
Supplemental Disclosure of Non-Cash Investing and Financing Activity:		
Operating lease liabilities arising from new right of use operating lease assets	<u><u>\$ 3,701,661</u></u>	<u><u>\$ 8,468</u></u>

The accompanying notes are an integral part of these statements.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

1. Nature of Business

Washington English Center (the “Organization”) was incorporated in January 1998 in the District of Columbia as a non-stock nonprofit corporation. The Organization provides educational services, access to technology, and employment programs to low-income adult immigrants in the Washington, D.C. metropolitan area.

2. Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting, whereby revenue is recognized when earned and expenses when they are incurred.

(b) Cash and Cash Equivalents

The Organization considers cash and cash equivalents to include all highly liquid cash and investments with a maturity of three months or less at acquisition.

(c) Grants and Other Receivables

These receivables are stated at the amount management expects to collect from outstanding balances. Receivables are periodically evaluated for collectability based on past credit history with clients and customers, and their current financial condition. The Organization considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made. All receivables are considered collectible within one year.

(d) Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. The Organization’s policy is to capitalize expenditures for property and equipment in excess of \$1,500. Depreciation is computed on the straight-line method using estimated useful life, varying from three to five years. Leasehold improvements are amortized over the life of the lease. Expenses for maintenance and repairs are charged against income as incurred, and betterments which increase the value or materially extend the useful life of the related assets are capitalized. There was no depreciation expense for the years ended June 30, 2025 and 2024.

(e) Net Assets

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 that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

(e) Net Assets (continued)

Revenues 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 restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

(f) Revenue Recognition

Revenues consist primarily of tuition derived from courses taught by the Organization. Revenues from tuition and fees are recognized pro-rata (on a straight-line basis) over the relevant period attended by the student of the applicable course or program. If a student withdraws from a course, the paid but unearned portion of the student's tuition is refunded for the first two weeks. After that time, a credit for a future semester will be issued. Prepaid tuition is the portion of payments received but not earned and is reflected as deferred revenue in the accompanying Statements of Financial Position as such amounts are expected to be earned within the next year.

The Organization recognizes contributions as revenue when cash, securities or other assets, an unconditional promise to give, or a 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.

(g) Advertising

The Organization expenses advertising costs as incurred. There was no advertising and promotion expenses for the years ended June 30, 2025 and 2024.

(h) Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. The Statements of Functional expenses presents the natural classification detail of expenses by function. Directly identifiable expenses are charged to programs and supporting services. Certain costs have been allocated among the programs and supporting services benefited based on estimated time and effort. They include: salaries, payroll taxes, employee benefits, bank fees, certain professional fees, certain communications expenses, depreciation, technology, web hosting and staff recruitment. Other expenses being allocated based on the estimated square footage include: rent and utilities, office supplies, insurance, telephone and payroll processing fees.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

(i) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Such estimates primarily relate to unsettled transactions and events on the dates of the Statements of Financial Position. Accordingly, actual results could differ from those estimates.

(j) Leases

The Organization previously adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*. This standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the Statements of Financial Position for all leases with a term longer than 12 months. Leases will be classified as finance or operating leases, with the classification affecting the pattern and classification of expense recognition in the Statements of Activities and Changes in Net Assets.

The Organization has chosen to separate lease and non-lease components in determining the ROU asset and lease liability; therefore, charges for common area maintenance (CAM) have not been included with the ROU asset and lease liability on the Statements of Financial Position. In addition, the Organization has applied the practical expedient which allows the use of a risk-free rate to determine the present value of the lease liability. Lastly, the Organization has chosen not to apply Topic 842 to low value assets. Additional information regarding leases is included in Note 8.

3. Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the years ended June 30, 2025 and 2024, the Organization has determined that no income tax is due for its activities. Accordingly, no provision for income tax has been recorded in the accompanying financial statements. The Organization is not considered a private foundation.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by U.S. generally accepted accounting principles. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization believes that the income tax filings will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows. Accordingly, the Organization has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at June 30, 2025 or 2024. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to examinations for years prior to 2021.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

4. Net Assets with Donor Restrictions

Net assets with donor restriction are restricted for the following at June 30:

	<u>2025</u>	<u>2024</u>
Purpose:		
Scholarships for immigrant women	\$ -	\$ 4,959
Time:		
Fiscal year 2025	-	15,000
Fiscal year 2026	10,000	10,000
	<u>\$ 10,000</u>	<u>\$ 29,959</u>

5. Noncash In-Kind Contributions

The Organization's in-kind contributions consisted of the following as of June 30:

	<u>2025</u>	<u>2024</u>	<u>Usage</u>
Legal services	\$ 233,570	\$ 246,647	Program and M & G
	<u>\$ 233,570</u>	<u>\$ 246,647</u>	

These in-kind contributions were valued using the billing rates reported by each vendor which is the rate used for similar services or products. No in-kind contributions were restricted. The Organization does not sell donated gifts in kind and only uses services and goods for its own program or supporting service activities.

The Organization received approximately 47,408 hours of volunteer teacher, tutor and job coach services for the year ended June 30, 2025. These volunteer services were valued at approximately \$2,468,055 based on the average value for a volunteer hour in the District of Columbia.

The Organization received approximately 48,420 hours of volunteer teacher, tutor and job coach services for the year ended June 30, 2024. These volunteer services were valued at approximately \$2,483,982 based on the average value for a volunteer hour in the District of Columbia.

These volunteer teacher and tutor services were not recognized in the financial statements because they do not meet the criteria for recognition under Financial Accounting Standards Board (FASB) Codification Standards.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

6. Concentrations

Credit Risk - Cash and cash equivalents held by the Organization in bank accounts may at times exceed the Federal Deposit Insurance Corporation (FDIC) coverage limit. Money market accounts held by Charles Schwab are not covered by FDIC but are covered by the Securities Investor Protection Corporation (SIPC). At times throughout the year, the cash and cash equivalents balance may exceed the FDIC and SIPC coverage. Management believes the Organization is not exposed to any significant credit risk related to cash and cash equivalents.

7. Revenues from Contracts with Customers

The following table provides information about significant changes in deferred revenue for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Deferred revenue, beginning of year	\$ 30,174	\$ 8,413
Revenue recognized that was included in deferred revenue at beginning of year	(30,174)	(8,413)
Increase in deferred revenue due to cash received during the year	<u>31,260</u>	<u>30,174</u>
Deferred revenue, end of year	<u><u>\$ 31,260</u></u>	<u><u>\$ 30,174</u></u>

8. Lease Commitments

Office Lease - On September 21, 2021, the Organization entered into two subleases for 12,352 square feet of office and classroom space in Washington, D.C. for a term expiring on May 31, 2024. The subleases called for total monthly payments of \$18,000 with 4% annual increases. Also, additional rent of 50% of the amount billed for the lease premises for electricity was due monthly. During fiscal year 2024, the Organization replaced these subleases with license agreements. These license agreements called for total monthly payments of \$18,720 through July 31, 2024. These license agreements were not renewed and terminated in fiscal year 2025.

On September 1, 2024, the Organization entered into a 150 month lease for office space in the District of Columbia. The lease requires a \$115,332 letter of credit for the security deposit and a prepayment of \$38,444, to be applied to the base rent after the first year of rent abatements. The lease calls for monthly payments of \$38,444 with 2.25% annual increases. The client may terminate the lease after the eighth lease year upon proper written notice and with a required termination payment. The first 12 calendar months of this lease are 100% abated by the landlord, during the second and third lease years 50% of the monthly payments are abated and after the fourth lease year the first monthly lease payment will be abated. Also, the lease provided for a \$253,475 move-in allowance. The Organization utilized \$177,434 of the allowance and converted the remaining \$76,041 into additional rent abatements.

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

8. Lease Commitments (continued)

Equipment Leases – The Organization had a 12 month lease for office equipment with minimum monthly lease payments of \$743 that terminated on September 30, 2024.

On August 19, 2024, the Organization entered into a 36 month lease for office equipment with minimum lease payments of \$493.

The operating lease liabilities consists of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Current portion of operating lease liabilities	\$ -	\$ 20,939
Long-term portion of operating lease liabilities	3,957,682	-
Total operating lease liabilities	<u>\$ 3,957,682</u>	<u>\$ 20,939</u>

Office lease expense was \$384,811 and \$237,361, which includes utilities, for the years ended June 30, 2025 and 2024 and is included as a component of “operating lease expense and utilities” on the Statements of Functional Expenses. Copier lease expense was \$6,608 and \$8,754 for the years ended June 30, 2025 and 2024 and is included as a component of “printing and publications” on the Statements of Functional Expenses.

Additional information regarding these leases is summarized below:

Weighted-average remaining lease term	11.64
Weighted-average discount rate	3.87%

Future annual minimum lease payments are as follows at June 30:

2026	\$ 87,959
2027	246,185
2028	411,542
2029	460,353
2030	470,712
Thereafter	<u>3,404,279</u>
Total undiscounted cash flows	5,081,030
Less: present value discount	<u>(1,123,348)</u>
Total lease liabilities	<u>\$ 3,957,682</u>

Washington English Center
Notes to the Financial Statements
For the Years Ended June 30, 2025 and 2024

9. Contingencies

At June 30, 2025 and 2024, the Organization was participating in grants funded by government agencies. These grants, as well as other grants and contracts awarded and completed in the past, are subject to compliance audits by grantors. The amounts, if any, of expenditures, which could be disallowed by the granting agency, cannot be determined at this time. The Organization expects such amounts, if any, to be immaterial.

10. Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general expenditures within one year.

	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash and cash equivalents	\$ 705,090	\$ 403,581
Grants receivable	39,307	74,065
Other receivables	<u>-</u>	<u>4,112</u>
Financial assets, at year-end	744,397	481,758
Less those unavailable for general expenditure within one year, due to:		
With donor restrictions	<u>(10,000)</u>	<u>(29,959)</u>
Financial assets available to meet cash needs for general expenses within one year	<u>\$ 734,397</u>	<u>\$ 451,799</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

11. Subsequent Events

Management has evaluated subsequent events through September 24, 2025, the date that the financial statements were available to be issued. There were no subsequent events to report.

FREDERICK • ROCKVILLE

www.lswgcpa.com
