

**JUNIOR ACHIEVEMENT OF
CENTRAL UPSTATE NEW YORK, INC.**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2025 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED JUNE 30, 2024
AND
INDEPENDENT AUDITORS' REPORT

**JUNIOR ACHIEVEMENT OF
CENTRAL UPSTATE NEW YORK, INC.**

June 30, 2025 with Comparative
Totals for the Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Junior Achievement of Central Upstate New York, Inc.

Opinion

We have audited the financial statements of Junior Achievement of Central Upstate New York, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Junior Achievement of Central Upstate New York, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit 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 Audit of the Financial Statements section of our report. We are required to be independent of Junior Achievement of Central Upstate New York, Inc. 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 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 Junior Achievement of Central Upstate New York, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 judgement 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 Junior Achievement of Central Upstate New York, Inc.'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 Junior Achievement of Central Upstate New York, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Junior Achievement of Central Upstate New York, Inc.'s June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 16, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Davie Kaplan, CPA, P.C.

Rochester, NY

October 7, 2025

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Statement of Financial Position as of June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Current assets		
Cash	\$ 658,487	\$ 743,108
Pledges receivable	234,642	817,430
Investments	482,330	439,470
Prepaid expenses	25,555	12,763
	<u>1,401,014</u>	<u>2,012,771</u>
 Property and equipment		
Furniture and equipment	277,602	244,284
Leasehold improvements	<u>2,174,697</u>	<u>2,157,713</u>
	2,452,299	2,401,997
Less: Accumulated depreciation	<u>379,277</u>	<u>162,496</u>
	<u>2,073,022</u>	<u>2,239,501</u>
 Other assets		
Long-term pledges receivable	80,000	258,334
Operating lease right-of-use asset	<u>1,746,408</u>	<u>1,807,858</u>
	<u>1,826,408</u>	<u>2,066,192</u>
	 <u>\$ 5,300,444</u>	 <u>\$ 6,318,464</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

LIABILITIES AND NET ASSETS

	<u>2025</u>	<u>2024</u>
Current liabilities		
Accounts payable	\$ 8,258	\$ 7,040
Accrued expenses and other liabilities	10,825	825
Line of credit	133,003	695,800
Current portion of operating lease liability	29,583	25,888
Deferred revenue	104,595	311,941
	<u>286,264</u>	<u>1,041,494</u>
 Long-term liabilities		
Operating lease liability, net of current portion	<u>1,840,016</u>	<u>1,869,599</u>
 Net assets		
Net assets without donor restrictions		
Board designated	482,330	439,470
Undesignated	2,691,834	2,967,901
	<u>3,174,164</u>	<u>3,407,371</u>
	 <u>\$ 5,300,444</u>	 <u>\$ 6,318,464</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Statement of Activities and Changes in Net Assets for the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total <u>2025</u>	Total <u>2024</u>
Revenue, gains, and other support				
Contributions				
Corporate	\$ 205,775	\$ 196,693	\$ 402,468	\$ 575,720
Foundations	92,959	180,000	272,959	118,717
Individual	<u>93,280</u>	<u>28,600</u>	<u>121,880</u>	<u>138,271</u>
Total contributions	392,014	405,293	797,307	832,708
Governmental	114,435	-	114,435	278,525
In-kind revenue	157,892	-	157,892	247,328
Interest	451	-	451	353
Investment income realized	14,919	-	14,919	12,659
Other	11,033	-	11,033	11,818
Special events (net of related expenses, 2025 - \$97,578, 2024 - \$126,092)	166,465	-	166,465	205,708
Net assets released from restriction	405,293	(405,293)	-	-
Unrealized gain on investments	<u>27,941</u>	<u>-</u>	<u>27,941</u>	<u>26,170</u>
	<u>1,290,443</u>	<u>-</u>	<u>1,290,443</u>	<u>1,615,269</u>
Expenses				
Program	1,246,455	-	1,246,455	899,977
Fund raising	179,535	-	179,535	198,317
Management and general	<u>97,660</u>	<u>-</u>	<u>97,660</u>	<u>62,226</u>
	<u>1,523,650</u>	<u>-</u>	<u>1,523,650</u>	<u>1,160,520</u>
Total change in net assets	(233,207)	-	(233,207)	454,749
Net assets, beginning of year	<u>3,407,371</u>	<u>-</u>	<u>3,407,371</u>	<u>2,952,622</u>
Net assets, end of year	<u>\$ 3,174,164</u>	<u>\$ -</u>	<u>\$ 3,174,164</u>	<u>\$ 3,407,371</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Statement of Functional Expenses for the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

	<u>Program</u>	<u>Fund Raising</u>	<u>Management and General</u>
Salaries	\$ 544,504	\$ 82,046	\$ 23,522
Rent and utilities	124,892	22,571	3,009
In-kind special events	99,238	30,757	124
Employee benefits and payroll taxes	63,021	12,155	2,091
Discovery center	68,974	-	-
Supplies and materials	64,503	70	70
Interest	-	-	44,648
Junior Achievement program and support fees	35,491	3,132	3,132
Outside services	20,522	4,140	4,227
Miscellaneous	16,391	-	-
401K expense	9,323	878	768
Conferences	7,133	-	-
Insurance	5,043	911	122
Recognition and public relations	245	4,758	-
Repairs and maintenance	1,503	751	751
Travel	993	-	-
Telephone	276	18	12
Postage and freight	139	6	9
NYS grant	-	-	-
Relocation	-	-	-
Total expenses before depreciation	<u>1,062,191</u>	<u>162,193</u>	<u>82,485</u>
Depreciation	<u>184,264</u>	<u>17,342</u>	<u>15,175</u>
Total	<u>\$ 1,246,455</u>	<u>\$ 179,535</u>	<u>\$ 97,660</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

.....June 30.....

Total <u>2025</u>	Total <u>2024</u>
\$ 650,072	\$ 512,268
150,472	160,047
130,119	80,950
77,267	61,489
68,974	36,806
64,643	36,786
44,648	28,585
41,755	58,382
28,889	22,254
16,391	12,821
10,969	7,905
7,133	2,016
6,076	4,524
5,003	5,652
3,005	2,927
993	990
306	674
154	377
-	9,136
-	1,600
<u>1,306,869</u>	<u>1,046,189</u>
<u>216,781</u>	<u>114,331</u>
<u>\$ 1,523,650</u>	<u>\$ 1,160,520</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Statement of Cash Flows for the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ (233,207)	\$ 454,749
Adjustments to reconcile change in net assets to net cash flows provided by operating activities		
Depreciation expense	216,781	114,331
Donated property and equipment	-	(166,378)
Unrealized gain on investments	<u>(27,941)</u>	<u>(26,170)</u>
	(44,367)	376,532
Increase (decrease) in cash due to changes in operating assets and liabilities		
Pledges receivable	582,788	(35,584)
Long-term pledges receivable	178,334	41,634
Prepaid expenses	(12,792)	5,559
Accounts payable	1,218	(165,112)
Accrued expenses and other liabilities	10,000	-
Operating lease	35,562	(14,925)
Deferred revenue	<u>(207,346)</u>	<u>37,691</u>
	<u>543,397</u>	<u>245,795</u>
Cash flows from investing activities		
Dividend reinvestment	(14,919)	(12,659)
Cash paid for purchase of property and equipment	<u>(50,302)</u>	<u>(1,069,767)</u>
	<u>(65,221)</u>	<u>(1,082,426)</u>
Cash flows from financing activities		
Net change in line of credit	<u>(562,797)</u>	<u>695,800</u>
Net decrease in cash	(84,621)	(140,831)
Cash, beginning of year	<u>743,108</u>	<u>883,939</u>
Cash, end of year	<u>\$ 658,487</u>	<u>\$ 743,108</u>

The accompanying Notes to Financial Statements
are an integral part of these statements.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

1. Description of Organization

Junior Achievement of Central Upstate New York, Inc. (the Organization) operates as a licensee of Junior Achievement USA. As a licensee, the Organization incurs program and support fees due to Junior Achievement USA (JA USA) throughout the year. The Organization's purpose is to prepare and inspire youth to succeed in a global economy. The Organization's primary sources of support are derived from businesses, foundations, individuals and schools in the greater Rochester, Syracuse, and Southern Tier regions of New York.

2. Summary of Significant Accounting Policies

Basis of accounting

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Financial statement presentation

The financial statements are presented in accordance with FASB Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under ASU 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets and changes therein are classified and reported as follows:

Without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

With donor restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions and/or the passage of time or net assets subject to donor-imposed stipulations that will be maintained permanently.

Pledges and pledges receivable

Contributions are recognized when the donor makes a pledge to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

2. Summary of Significant Accounting Policies (Continued)

Pledges and pledges receivable (Continued)

The Organization uses an expected credit loss model for valuing doubtful pledge receivables, which is based on a consideration of a broad range of reasonable and supportable information, including historical experience, a review of the status of existing receivables, trends and possible future changes impacting collection

The Organization considers pledges receivable to be fully collectible; accordingly, no allowance for doubtful pledges is required. If amounts become uncollectible, they will be charged to operations when that determination is made. As of June 30, 2025 and 2024, there were no credit losses or allowances required for the Organization.

As of July 1, 2023, pledges receivable, allowance for credit losses and deferred revenue were \$781,846, \$-0- and \$274,250, respectively.

Contributed materials, services, and property

The Organization records various types of in-kind contributions, including contributed tangible assets and services. The contributions of tangible assets are recognized at the date of the contribution and are recorded at fair market value. Contributed services are recognized if the services received either create or enhance long-lived assets, or require specialized skills that are provided by individuals possessing those skills that typically would need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are recorded by the gross method, with offsetting amounts included in expenses.

Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

The Organization maintains cash at financial institutions which may exceed federally insured amounts at times.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met, either by passage of time or by use, in the reporting period in which the income and gains are recognized.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

2. Summary of Significant Accounting Policies (Continued)

Investments (Continued)

The Organization accounts for investments in accordance with FASB ASC Topic 820, *Fair Value Measurements and Disclosures*. FASB ASC Topic 820 includes a fair value hierarchy that is intended to increase consistency and comparability in fair value measurements and related disclosures. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources, while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions.

The fair value hierarchy consists of the following three levels:

- | | |
|----------|--|
| Level 1: | Inputs are quoted prices in active markets for identical assets or liabilities. |
| Level 2: | Inputs are quoted prices for similar assets in markets that are not active, inputs other than quoted prices that are observable and market corroborated inputs which are derived principally from or corroborated by observable market data. |
| Level 3: | Inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable. |

Property and equipment

Property and equipment are stated at cost. Expenditures for maintenance, repairs and renewals of relatively minor items are charged to operations as incurred. Replacements of significant items are capitalized. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method or declining balance methods over the estimated useful lives of the related assets which range from five to seven years. Leasehold improvements are capitalized when incurred and depreciated when placed into service. Maintenance and repairs are charged to operations as incurred. Significant improvements or renewals are capitalized. The Organization capitalizes property and equipment purchases greater than \$1,000.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

2. Summary of Significant Accounting Policies (Continued)

Leases

The Organization recognizes leases under FASB ASC Topic 842, Leases. When an arrangement or obligation is initially established, the Organization determines if this arrangement or obligation is a lease.

Operating leases with durations of greater than 12 months are included as an operating lease right-of-use (ROU) asset, with a related current and long-term liability in the accompanying statement of financial position. ROU assets represent the right to use an underlying asset under the agreed upon terms of an operating lease, with the related liabilities representing the Organization's obligation for lease payments under these same terms. Operating lease ROU assets and liabilities are recognized at the commencement date of the operating lease based on the present value of its payment obligations under the agreed upon terms. If the Organization's lease agreement does not provide an implicit rate, the Organization will make a determination to use either the incremental borrowing rate or the risk free rate based on the information available at the commencement date of the operating lease in determining the present value of its payment obligations.

The Organization's accounting policy for operating leases with a lease term of 12 months or less are not included in the accompanying statement of financial position with expenses being recognized as incurred.

Lease expense is recognized on a straight-line basis based on the cumulative operating lease payments over the agreed upon term. Variable lease payments are expensed in the period incurred.

Contributions

All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Donor restricted contributions are reported as increases in net assets with donor restrictions. Contributions which have restrictions satisfied in the same period they are received are recorded as increases in net assets without donor restrictions. The Organization records special events revenue equal to the cost of direct benefits to donors and contribution revenue for the difference.

Deferred revenue

The Organization receives sponsorships in advance from donors for future fundraising events that provide a reciprocal transfer to the donor. These sponsorships are recorded as a liability until the special event has been completed.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

2. Summary of Significant Accounting Policies (Continued)

Functional allocation of expenses

The costs of providing program services, fund raising and management and general functions have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated based upon management estimates. Certain expenses have been allocated solely to program or fund raising based on the type of expense. Other expenses are charged to program and fund raising based on a ratio which is based on the number of staff as well as an estimate of time and effort in each department.

Income taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and application of state law.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2025 and 2024.

The Organization files its Form 990 in the U.S. federal jurisdiction and the office of the state's attorney general for the State of New York. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before June 30, 2022.

Retirement plan

In September 2022, the Organization implemented a 401(k) multiple employer retirement plan covering substantially all employees. The Organization has the option to make discretionary matching contributions to their employees. For the year ended June 30, 2025, discretionary matching contributions and plan fees amounted to \$9,869 and \$1,100, respectively. For the year ended June 30, 2024, discretionary matching contributions and plan fees amounted to \$7,185 and \$720, respectively.

The maximum contribution an employee may make each year is subject to statutory limits.

Recognition and public relation costs

Recognition and public relation costs are expensed as incurred.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

2. Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.

Management's review of subsequent events

The Organization evaluated events occurring between the end of the most recent fiscal year and October 7, 2025, the date the financial statements were available to be issued.

3. Comparative Totals for the Year Ended June 30, 2024

The totals presented for the year ended June 30, 2024 are for comparative purposes only and are not intended to be a full and complete disclosure.

4. Investments

The Organization's investment strategy is to maintain two funds: a board designated fund (the Board Designated Fund) used to achieve long-term objectives, and a short-term fund used for operations (the Operating Fund), collectively referred to as the Funds.

The Board Designated Fund is to be invested with the objective of preserving the long-term, real purchasing power of assets while providing a modest annual distribution to provide perpetual financial support to the Organization. The Operating Fund is to be invested with the objective of remaining relatively liquid, preserving principal and providing working capital for the Organization.

As of June 30, 2025, the Operating Fund has not been funded. Investments are recorded at fair value based on quoted prices in active markets. The Board Designated Fund consists of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Investments:		
Mutual funds	<u>\$ 482,330</u>	<u>\$ 439,470</u>

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

4. Investments (Continued)

All of the Organization's investments are measured using Level 1 inputs (Note 2). There were no transfers between categories and no changes in valuation methods during the years ended June 30, 2025 and 2024.

Investment income consists of the following:

	<u>2025</u>	<u>2024</u>
Dividends	\$ 14,919	\$ 12,659
Unrealized gain on investments	<u>27,941</u>	<u>26,170</u>
	<u>\$ 42,860</u>	<u>\$ 38,829</u>

5. Property and Equipment

Property and equipment consists of the following:

	<u>2025</u>	<u>2024</u>
Office equipment	\$ 108,642	\$ 75,584
Furniture and fixtures	<u>168,960</u>	<u>168,700</u>
Furniture and equipment	277,602	244,284
Leasehold improvements	<u>2,174,697</u>	<u>2,157,713</u>
	2,452,299	2,401,997
Less: Accumulated depreciation	<u>379,277</u>	<u>162,496</u>
	<u>\$ 2,073,022</u>	<u>\$ 2,239,501</u>

6. Lines of Credit

In March, 2023, the Organization opened a new working capital line of credit with Five Star Bank in the amount of \$50,000. The line of credit accrues interest at the prime rate of interest plus 0.25% per annum, is due on demand and renewable annually. The line of credit is secured by substantially all of the assets of the Organization. The outstanding balance on the line is \$-0- at June 30, 2025 and 2024.

In March, 2023, the Organization opened a new committed revolving line of credit with Five Star Bank in the amount of \$1,400,000, expiring June 1, 2026. The line of credit accrues interest at 7.88% per annum. The line of credit availability is reviewed and adjusted on a quarterly basis. The line of credit is secured by substantially all of the assets of the Organization. The outstanding balance on the line is \$133,003 and \$695,800 as of June 30, 2025 and 2024, respectively. As of the audit report date, the outstanding balance on this line of credit has been paid in full.

The prime rate as of June 30, 2025 is 7.50%.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
with Comparative Totals for the Year Ended June 30, 2024

7. Net Assets with Donor Restrictions

The Organization has actively been raising funds in connection with the creation of the JA Discovery Center to house JA Finance Park and JA BizTown programs in Rochester, New York. For the years ended June 30, 2025 and 2024, the Organization received large donations that were restricted to funding the purchase of property and equipment that relate to the Discovery Center. Depreciation commenced in connection with the opening of the Discovery Center in January, 2024.

During the year ended June 30, 2025, \$405,293 of contributions with donor restrictions were released from restriction by the Board. During the year ended June 30, 2024, there were \$2,162,527 of contributions with donor restrictions that were released from restriction by the Board.

8. Contributed Materials, Services, and Property

Contributed materials, services, and property consists of the following:

	<u>2025</u>	<u>2024</u>
Gift cards	\$ 6,200	\$ 3,490
RMSC tickets	-	8,200
Student event promotional products	74,558	-
Audio and visual services	53,134	48,260
Furniture	-	166,378
Wine	2,000	-
Flowers	1,000	-
Advertisements	<u>21,000</u>	<u>21,000</u>
	<u>\$ 157,892</u>	<u>\$ 247,328</u>

9. Commitments

Junior Achievement USA program and support fees

The Organization is required to pay program and support fees under a program which applies certain rates to the prior fiscal year's qualifying contributions.

The program and support fee incurred to Junior Achievement USA was \$41,755 and \$58,382 for the years ended June 30, 2025 and 2024, respectively.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
For the Year Ended June 30, 2025
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9. Commitments (Continued)

Lease Commitment

The Organization has a lease agreement that began in March 2023, with varying rental payments that increase throughout the life of the lease. The lease is set to expire on March 1, 2043.

The following is a schedule of future minimum lease payments under operating leases together with the present value of the net minimum lease payments as of June 30, 2025:

<u>Year</u>	<u>Amount</u>
2026	\$ 120,257
2027	149,910
2028	151,145
2029	154,850
2030	154,850
Thereafter	<u>2,066,013</u>
Total minimum lease payments	2,797,025
Less: Present value discount (4.75%)	<u>927,426</u>
Present value of minimum lease payments	1,869,599
Less: Current portion of operating lease liability	<u>29,583</u>
Operating lease liability, net of current portion	<u>\$ 1,840,016</u>

Total rent expense amounted to \$150,472 and \$160,047 for the years ended June 30, 2025 and 2024, respectively.

10. Related Parties

As of June 30, 2025 and 2024, the Organization had receivables from members of its Board of \$10,290 and \$26,615, respectively. The Organization recognized contributions revenue of \$66,935 and \$136,889 for the years ended June 30, 2025 and 2024, respectively, from its Board.

For program and support fees paid to Junior Achievement USA, refer to **Commitments**.

JUNIOR ACHIEVEMENT OF CENTRAL UPSTATE NEW YORK, INC.

Notes to Financial Statements
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11. Liquidity

As of June 30, 2025, the Organization had \$1,375,459 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$658,487, pledges receivable of \$234,642 and the Board Designated Fund investments of \$482,330. As of June 30, 2024, the Organization had \$2,000,008 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$743,108, pledges receivable of \$817,430 and the Board Designated Fund investments of \$439,470. None of the financial assets were subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

The Organization has a goal to maintain financial assets, which consist of cash, receivables, and Board Designated Fund investments on hand to meet six months of estimated normal operating expenses, which are approximately \$614,000. Normal operating expenses include certain fundraising and development efforts for the JA Discovery Center. Capital expenditures related to any potential construction of the JA Discovery Center site are expected to be funded primarily from donor restricted contributions and are excluded from normal operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization also has lines of credit, which it could draw upon in the event of an unanticipated liquidity need (see **Lines of Credit**).

The following reflects the Organization's financial assets (total assets, less nonfinancial assets such as prepaid expenses and property and equipment as of June 30, 2025 and 2024, reduced by amounts not for general use because of contractual or restrictions within one year of this date):

	<u>2025</u>	<u>2024</u>
Total assets	\$ 5,300,444	\$ 6,318,464
Less: Non-financial assets:		
Net property and equipment	(2,073,022)	(2,239,501)
Long-term pledges	(80,000)	(258,334)
Operating lease right-of-use asset	(1,746,408)	(1,807,858)
Prepaid expenses	<u>(25,555)</u>	<u>(12,763)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,375,459</u>	<u>\$ 2,000,008</u>