

**Junior Achievement
of Greater Boston, Inc.**

Financial Statements
and
Independent Auditors' Report
June 30, 2025 and 2024



DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report

To the Board of Directors of
Junior Achievement of Greater Boston, Inc.

Opinion

We have audited the accompanying financial statements of Junior Achievement of Greater Boston, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior Achievement of Greater Boston, Inc. 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Junior Achievement of Greater Boston, Inc. 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 Junior Achievement of Greater Boston, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the 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 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 Junior Achievement of Greater Boston, 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 Greater Boston, 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.

Daniel Dennis & Company LLP

November 20, 2025

Junior Achievement of Greater Boston, Inc.

Statements of Financial Position

June 30, 2025 and 2024

	2025	2024
<i>Assets</i>		
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<i>Current Assets</i>		
Cash	\$ 547,358	\$ 202,321
Accounts receivable	-	19,500
Pledges receivable, net	1,152,505	1,184,499
Prepaid expenses	<u>91,600</u>	<u>9,630</u>
Total current assets	<u>1,791,463</u>	<u>1,415,950</u>
<i>Long Term Assets</i>		
Investments, at fair value	1,338,104	1,165,332
Property and equipment, net	<u>46,684</u>	<u>59,676</u>
Total long term assets	<u>1,384,788</u>	<u>1,225,008</u>
Total assets	<u><u>\$3,176,251</u></u>	<u><u>\$2,640,958</u></u>
<hr/>		
<i>Liabilities and Net Assets</i>		
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<i>Current Liabilities</i>		
Accounts payable and accrued expenses	\$ 274,810	\$ 300,842
Refundable advance	<u>323,547</u>	<u>-</u>
Total liabilities	<u>598,357</u>	<u>300,842</u>
<i>Net Assets</i>		
Net assets without donor restrictions	293,483	667,665
Board designated net assets	<u>807,251</u>	<u>738,980</u>
Total net assets without donor restrictions	1,100,734	1,406,645
Net assets with donor restrictions	<u>1,477,160</u>	<u>933,471</u>
Total net assets	<u>2,577,894</u>	<u>2,340,116</u>
Total liabilities and net assets	<u><u>\$3,176,251</u></u>	<u><u>\$2,640,958</u></u>

See accompanying notes to financial statements.

Junior Achievement of Greater Boston, Inc.
Statements of Activities
For the Years Ended June 30, 2025 and 2024

	<i>2025</i>			<i>2024</i>		
	<i>Net Assets Without Donor Restrictions</i>	<i>Net Assets With Donor Restrictions</i>	<i>Total June 30, 2025</i>	<i>Net Assets Without Donor Restrictions</i>	<i>Net Assets With Donor Restrictions</i>	<i>Total June 30, 2024</i>
<i>Public Support and Revenues</i>						
Contributions:						
Corporations	\$ 565,546	\$ 757,983	\$ 1,323,529	\$ 410,342	\$ 318,463	\$ 728,805
Individuals	277,769	202,457	480,226	366,897	-	366,897
Foundations	<u>485,815</u>	<u>711,000</u>	<u>1,196,815</u>	<u>593,491</u>	<u>507,579</u>	<u>1,101,070</u>
Total contributions	<u>1,329,130</u>	<u>1,671,440</u>	<u>3,000,570</u>	<u>1,370,730</u>	<u>826,042</u>	<u>2,196,772</u>
Special events	301,324	-	301,324	337,913	-	337,913
Less special events expenses	<u>(102,035)</u>	<u>-</u>	<u>(102,035)</u>	<u>(103,640)</u>	<u>-</u>	<u>(103,640)</u>
Net special events income	<u>199,289</u>	<u>-</u>	<u>199,289</u>	<u>234,273</u>	<u>-</u>	<u>234,273</u>
Investment return, net	34,599	7,331	41,930	31,806	5,903	37,709
Unrealized gain on investments	31,909	9,550	41,459	46,657	9,772	56,429
Realized gain on investments	14,613	1,035	15,648	6,988	943	7,931
In-kind contributions	-	-	-	12,744	-	12,744
Other income	17,068	-	17,068	2,310	-	2,310
Net assets released from restriction purpose restrictions	<u>1,145,667</u>	<u>(1,145,667)</u>	<u>-</u>	<u>584,609</u>	<u>(584,609)</u>	<u>-</u>
Total public support and revenues	<u>2,772,275</u>	<u>543,689</u>	<u>3,315,964</u>	<u>2,290,117</u>	<u>258,051</u>	<u>2,548,168</u>
<i>Expenses</i>						
Program expenses	1,842,420	-	1,842,420	1,945,689	-	1,945,689
Management and general expense	565,602	-	565,602	689,478	-	689,478
Fundraising	<u>670,164</u>	<u>-</u>	<u>670,164</u>	<u>593,881</u>	<u>-</u>	<u>593,881</u>
Total expenses	<u>3,078,186</u>	<u>-</u>	<u>3,078,186</u>	<u>3,229,048</u>	<u>-</u>	<u>3,229,048</u>
Change in net assets	<u>(305,911)</u>	<u>543,689</u>	<u>237,778</u>	<u>(938,931)</u>	<u>258,051</u>	<u>(680,880)</u>
Net assets, beginning of year	<u>1,406,645</u>	<u>933,471</u>	<u>2,340,116</u>	<u>2,345,576</u>	<u>675,420</u>	<u>3,020,996</u>
Net assets, end of year	<u>\$ 1,100,734</u>	<u>\$ 1,477,160</u>	<u>\$ 2,577,894</u>	<u>\$ 1,406,645</u>	<u>\$ 933,471</u>	<u>\$ 2,340,116</u>

See accompanying notes to financial statements.

Junior Achievement of Greater Boston, Inc.
Statements of Functional Expenses
For the Years Ended June 30, 2025 and 2024

	<i>2025</i>				<i>2024</i>			
		<i>General and Admini- stration</i>	<i>Fund Raising</i>	<i>Total Expenses</i>		<i>General and Admini- stration</i>	<i>Fund Raising</i>	<i>Total Expenses</i>
	<i>Program</i>				<i>Program</i>			
Salaries and related costs	\$ 907,819	\$ 290,265	\$ 354,655	\$ 1,552,739	\$ 1,122,635	\$ 458,740	\$ 479,854	\$ 2,061,229
Program materials	299,572	-	-	299,572	425,159	-	-	425,159
In-kind rent	64,523	20,631	25,208	110,362	114,610	716	748	116,074
License fee	184,440	60,985	15,180	260,605	67,583	115,060	21,219	203,862
Office	8,150	2,586	3,161	13,897	9,987	4,082	4,269	18,338
Travel, auto and meals	21,733	6,949	8,491	37,173	29,316	11,980	12,530	53,826
Professional fees	-	80,604	138,145	218,749	-	71,789	48,413	120,202
Telephone	5,489	1,755	2,145	9,389	6,170	2,522	2,637	11,329
Insurance	6,572	1,126	1,375	9,073	5,483	1,252	1,310	8,045
Training	6,630	4,793	2,590	14,013	15,080	9,521	6,446	31,047
Public relations	-	-	2,033	2,033	-	-	2,002	2,002
Scholarships	35,998	-	-	35,998	54,000	-	-	54,000
Payroll and bank fees	14,477	4,629	5,655	24,761	20,253	8,277	8,657	37,187
Depreciation	30,085	9,620	11,753	51,458	61,452	-	-	61,452
Bad debt	249,571	79,797	97,499	426,867	8,714	3,561	3,725	16,000
Other	7,361	1,862	2,274	11,497	5,247	1,978	2,071	9,296
Total expenses	<u>\$ 1,842,420</u>	<u>\$ 565,602</u>	<u>\$ 670,164</u>	<u>\$ 3,078,186</u>	<u>\$ 1,945,689</u>	<u>\$ 689,478</u>	<u>\$ 593,881</u>	<u>\$ 3,229,048</u>

See accompanying notes to financial statements.

Junior Achievement of Greater Boston, Inc.

Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024

	2025	2024
<i>Cash Flows from Operating Activities</i>		
Change in net assets	\$ 237,778	\$ (680,880)
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
Depreciation	51,458	61,452
Bad debt	426,867	16,000
Net realized and unrealized gain on investments	57,107	64,360
Changes in operating assets and liabilities:		
Accounts receivable	19,500	(4,500)
Pledges receivable, net	(394,873)	(900)
Prepaid expenses	(81,970)	4,904
Accounts payable and accrued expenses	(26,032)	(67,469)
Deferred revenue	<u>323,547</u>	<u>-</u>
Net cash provided by/(used in) operating activities	<u>613,382</u>	<u>(607,033)</u>
<i>Cash Flows from Investing Activities</i>		
Proceeds from the sale of investments	1,059,704	819,634
Purchase of investments	(1,289,583)	(435,131)
Purchase of equipment	<u>(38,466)</u>	<u>-</u>
Net cash (used in)/provided by investing activities	<u>(268,345)</u>	<u>384,503</u>
Net change in cash	345,037	(222,530)
Cash - beginning of year	<u>202,321</u>	<u>424,851</u>
Cash - end of year	<u>\$ 547,358</u>	<u>\$ 202,321</u>

See accompanying notes to financial statements.

Junior Achievement of Greater Boston, Inc.

Notes to the Financial Statements

June 30, 2025 and 2024

1. *Nature of Organization*

Junior Achievement of Greater Boston, Inc. (the Organization), formally known as Junior Achievement of Northern New England, Inc., is a Massachusetts not-for-profit organization. The Organization is a regional chapter of Junior Achievement USA (JA USA), an international organization. The Organization's mission is to inspire and prepare young people to succeed. The Organization envisions a world where young people have the skillset and the mindset to build thriving communities. Our programs take a "learn-by-doing" approach, building students' self-confidence as they experience curricula focused on the Organization's three pillars of knowledge – entrepreneurship, financial literacy, and workforce readiness. When students participate in the Organization's programs, working together to problem-solve in the context of the economy and the workforce, they build skills that create a platform of self-confidence for pursuing higher education, managing their finances, and navigating a successful career.

The Organization's learning is not restricted to the confines of a classroom, but is instead strengthened by the community and the successful individuals working within it. The Organization's programs are delivered by corporate or community volunteers, allowing students to hear relatable, real-world stories from caring adults, and to visualize a future that might be different from anything they had imagined for themselves. The Organization's curriculum and its network of business volunteers teach young people the skills to help them believe in themselves, dream big, and reach their full potential.

The Organization was founded in 1919 by Theodore Vail, President of American Telephone & Telegraph; Horace Moses, President of Strathmore Paper Company; and Senator Murray Crane of Massachusetts. The Organization's first program, the Junior Achievement Company Program, was offered to high school students on an after-school basis, and allowed them to experience the inner workings of an entrepreneurial endeavor by starting and operating their very own company. This value of free enterprise and creativity has not left the core of the Organization's mission. Today, the Organization remains relevant to students through its broadened scope and expanded activities, providing diverse programs that allow each student to experience the Organization consistently in their educational years. Offering these sequential economic education programs to schools and students at no cost, the Organization provides access to real-world, "life learning" that is often otherwise unavailable to our youth. The demand for the Organization's programs has generated a network of more than 100 offices around the nation. In addition to the U.S., over 100 countries worldwide offer Junior Achievement programs, and its 100 million alumni are a testament to Junior Achievement's global impact.

Incorporated in Boston in 1950 as a regional Junior Achievement organization, the Organization seeks to close the wealth and opportunity gaps for youth in key impact communities (currently Boston, Chelsea, Lawrence, Lowell, Lynn, Quincy and Somerville) by creating middle school to career pathways, igniting youth entrepreneurship and preparing financially savvy youth. The Organization teaches young people to effectively manage their finances, build critical skills for the workforce, develop their entrepreneurial mindset and increase their confidence, all of which prepares them to succeed in our global economy and empowers them to break the cycle of poverty.

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements - *Continued*

June 30, 2025 and 2024

2. *Summary of Significant Accounting Policies*

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting for financial reporting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenue is recorded when earned and expenses are recorded when goods are received or services rendered.

Net Asset Classification

Net assets of the Organization are classified into two categories based on the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Board of Directors has discretionary control over these net assets and may elect to designate such resources for specific purposes. This designation may be removed at the Board's direction.

Net Assets With Donor Restrictions

Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value.

Contributions received with donor imposed specific purpose or time restrictions are recorded as revenue within the net assets with donor restriction class. When a restriction has been satisfied (payment has been made in accordance with the restriction or the time restriction has expired), the net assets with donor restrictions are reclassified to net assets without restrictions and reported in the *Statement of Activities* as net assets released from restrictions. Contributions received with donor-imposed restrictions that do not expire are recorded as revenue within net assets with donor restrictions class.

The Organization receives donated materials and services in support of its programs. Donated materials and services are recorded at fair value. Donated services that (a) create or enhance a nonfinancial asset or (b) require specialized skills, are provided by individuals possessing those skills, and would need to be purchased if they were not donated are recorded as in-kind contributions in the financial statements. Contributed goods are recorded at fair value at the date of donation. See note 11 of the Notes to the Financial Statements. Donated services such as fund-raising, clerical assistance, or other volunteer efforts not requiring specialized skills are not recorded in the financial statements.

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements - *Continued*

June 30, 2025 and 2024

2. *Summary of Significant Accounting Policies - Continued*

Cash and Cash Equivalents

For purposes of the *Statements of Financial Position* and *Statements of Cash Flows*, the Organization defines cash and cash equivalents as short-term, highly liquid investments with initial maturities of three months or less. At June 30, 2025 and 2024, the organization did not hold any cash equivalents.

Refundable Advances

Cash received as payment in advance for participation in special events is recorded as refundable advances and is recognized as revenue when the event occurs.

Inventory

Inventory, consisting of program kits, is stated at the lower-of-cost or market based on the first-in first-out method.

Property and Equipment

The Organization capitalizes as property and equipment all purchases of assets having a useful life of more than one year and a cost greater than \$1,000. Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense while costs of significant renewals and betterments are capitalized. Equipment is depreciated over 5 years and furniture and fixtures over 5-10 years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Promise to Give

Unconditional promises to give are recognized as revenue and receivables in the period in which the promise is made. Unconditional promises to give that are expected to be collected within the next year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in subsequent years are discounted to the present value of their net realizable value. An allowance for uncollectible promises is provided based on management's evaluation of potential uncollectible promises receivable at year-end. Bad debt expense for fiscal years ended June 30, 2025 and 2024 was recorded in the amounts of \$426,867 and \$16,000, respectively. Management has determined that all pledges receivable are collectible as of June 30, 2025 and 2024, therefore, no allowance has been recorded.

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

2. *Summary of Significant Accounting Policies - Continued*

Accounts Receivable

Accounts receivable represent amounts owed to the Organization for special event fees. An allowance for bad debt is provided based on management's evaluation of potential uncollectible accounts receivable at year-end. Management has determined that all accounts receivable are collectible as of June 30, 2025 and 2024; therefore, no allowance has been recorded.

Functional Allocation of Expenses

Expenses are charged directly to programs or general and administrative based on specific identification. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Accordingly, certain costs have been allocated among the programs based on personnel time estimates. The *Statements of Functional Expenses* reports expenses by functional and natural classification.

Fair Value Measurements

FASB *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 Inputs - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs - Quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable, such as models or other valuation methodologies; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments in certificates of deposit are accounted for using the cost method, subject to impairment, and adjusted through the change in net assets for observable price changes.

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

2. *Summary of Significant Accounting Policies - Continued*

Investments and Investment Income

Investments in marketable securities with readily determinable fair values are valued at their fair values in the *Statements of Financial Position*. Investment income earned and unrealized gains/(losses) on unrestricted investments are reported as increases/(decreases) in net assets without donor restrictions, while unrealized gains and losses on permanently restricted investments are recorded as increases/(decreases) in net assets with donor restrictions, on the *Statements of Activities*.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and state income taxes under Chapter 180 of the Massachusetts General Laws. Unrelated business income, of which there was none for the years ended June 30, 2025 and 2024, would be subject to federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

The Organization evaluates tax positions taken or expected to be taken in its tax returns to determine whether the tax positions are *more-likely-than-not* to be sustained by the applicable federal and state authority. Tax positions not deemed to meet the *more-likely-than-not* threshold, along with accrued interest and penalties thereon, would be recorded as an expense in the current year financial statements. The Organization has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its fiscal year 2025 returns and believes they are *more-likely-than-not* to be sustained if examined by federal or state tax authorities. The Organization's 2022 through 2024 tax years remain subject to examination by Federal and state tax authorities.

Reclassifications

Certain 2024 amounts have been reclassified to conform to the 2025 financial statement presentation.

3. *Property and Equipment*

Property and equipment as of June 30, 2025 and 2024 are summarized as follows:

	2025	2024
Furniture and office equipment	\$ 73,747	\$ 43,825
Leasehold Improvements	<u>163,337</u>	<u>156,028</u>
Total	237,084	199,853
Less accumulated depreciation	<u>(190,400)</u>	<u>(140,177)</u>
Property and equipment - net	<u>\$ 46,684</u>	<u>\$ 59,676</u>

Depreciation expense for the years ended June 30, 2025 and 2024 totaled \$51,458 and \$61,452, respectively.

Junior Achievement of Greater Boston, Inc.
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

4. Investments

Investments consist of mutual funds, government securities and certificates of deposits at June 30, 2025 and 2024. Fair value of mutual funds and government securities is based on quoted prices in active markets. Certificate of deposit are reported at cost.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
<i>Description</i>	<i>Level 1</i>	<i>Level 1</i>
Equities	\$ 426,306	\$ 337,987
Fixed Income	395,076	419,344
Alternative	172,296	152,400
Short Government	<u>344,426</u>	<u>255,601</u>
Total	<u>\$ 1,338,104</u>	<u>\$ 1,165,332</u>

5. Conditional Grants

During the year ended June 30, 2024, the Organization received a multiyear conditional promise to give in the amount of \$300,000. As of June 30, 2025 and June 30, 2024, the Organization earned and received \$100,000 for both years. The remaining \$100,000 is conditional upon the Organization meeting certain benchmarks and the grantor approving the release of the remaining funds.

During the year ended June 30, 2024, the Organization received a conditional promise to give in the amount of \$216,000 from JA USA. As of June 30, 2025, the conditions were met and the Organization recognized \$216,000 in revenue.

During the year ended June 30, 2025, the Organization received a conditional promise to give in the amount of \$150,000. As of June 30, 2025, the Organization earned and received \$50,000. The remaining \$100,000 is conditional upon the grantor approving the release of the remaining funds.

6. Endowment

The Organization's endowment consists of one fund established by donors. The endowment also includes an investment fund held without donor restrictions that have been designated for endowment by the Board or Directors of the Organization (the Board). As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Donor restricted endowment funds require the Organization maintain net assets with restriction in perpetuity.

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

6. *Endowment - Continued*

The Board has interpreted the Massachusetts Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the endowment, (b) any accumulations to the Endowment made in accordance with the directions of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

The Organization has adopted investment and spending policies, approved by the Board, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified portfolio of liquid securities, defined as securities that can be transacted quickly and efficiently, with minimal impact on market price. The goal is, net of spending, to grow the aggregate portfolio value of the endowment by at least the rate of inflation, which based on historical trends, is estimated to be 3% per annum over the Organization's investment horizon (5 years), while adhering to the risk parameters established in the investment policy. Actual returns in any given year may vary from this amount.

Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. The Organization has a policy of appropriating for distribution each year any investment earnings in excess of 3% of the fund's total return per annum, which is measured based upon the moving average of the last three year's fund total return measured at the end of the month preceding the budget process. The exact amount spent is determined in the budget process and approved by the Board.

Junior Achievement of Greater Boston, Inc.Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

6. *Endowment - Continued*

A summary of the endowment activity is as follows:

	2025	2024
Endowment net assets - beginning of year	<u>\$ 918,712</u>	<u>\$ 839,281</u>
Investment return:		
Investment income	36,601	30,265
Net appreciation (realized and unrealized)	<u>54,327</u>	<u>54,771</u>
Total investment return	90,928	85,036
Fees	<u>(6,041)</u>	<u>(5,605)</u>
Endowment net assets - end of year	1,003,599	918,712
Less permanently restricted net assets	(100,000)	(100,000)
Less temporarily restricted net assets	<u>(96,348)</u>	<u>(79,732)</u>
Endowment net assets without restriction	<u><u>\$ 807,251</u></u>	<u><u>\$ 738,980</u></u>

7. *Lease Commitments*

During 2022, the Organization entered into an agreement to lease office space under a three-year term that expired in August 2024 with an option to extend the lease for an additional three years. During 2025, the Organization exercised its option to extend the lease for an additional three years through August 2027. Under the terms of the initial lease, the lessor donated the entire rent of \$338,580 to the Organization. Under the terms of the lease extension, the lessor donated the entire rent of \$338,580, discounted to its net present value of \$315,109, to the Organization. Rent expense for the years ended June 30, 2025 and 2024 totaled \$110,362 and \$116,074, respectively, of which \$106,340 and \$112,860 for the years, represented in-kind expense under the lease. The remainder of the lease is included in in-kind contributions pledged receivables on the *Statements of Financial Position* (see Note 8).

8. *Promises to Give*

Unconditional promises to give are estimated to be collected as follows at June 30, 2025 and 2024:

	2025	2024
Within one year	\$ 1,001,298	\$ 1,184,499
In one to five years	<u>169,750</u>	<u>-</u>
Total	1,171,048	1,184,499
Less discount to net present value at rate of 4.79%	<u>(18,543)</u>	<u>-</u>
Net	<u><u>\$ 1,152,505</u></u>	<u><u>\$ 1,184,499</u></u>

Junior Achievement of Greater Boston, Inc.

Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

9. *In-kind Contributions*

In-kind contributions of services and materials to support programs and special events have been recorded at fair value as both revenue and expense in the accompanying *Statements of Activities*. For the years ended June 30, 2025 and 2024, in-kind contributions totaled \$343,447 and \$189,756, respectively. Contributed nonfinancial assets recognized within the *Statements of Financial Position* and *Statements of Activities* include the following:

	2025	2024
In-kind pledge receivable	\$ 227,578	\$ 43,263
Rent	106,340	112,860
Other expense (included in special events)	9,529	20,889
Student donations	<u>-</u>	<u>12,744</u>
	<u>\$ 343,447</u>	<u>\$ 189,756</u>

10. *Concentrations*

Investments

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 investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Receivables

Approximately 43% and 59% of accounts receivables were due from two and three donors at June 30, 2025 and 2024, respectively.

Credit Risk

The Organization's bank account is held at a financial institution that is FDIC insured up to the maximum amount of \$250,000 per depositor. The balance on deposit in this account may exceed this insured limit at times during the fiscal year. The Organization has not experienced any losses in this account, and management believes that the Organization is not exposed to any significant credit risk on cash.

11. *Related Party Transactions*

The Organization pays JA USA an annual license fee calculated as a percentage of revenues generated. License fee expense for the years ended June 30, 2025 and 2024, was \$260,605 and \$203,862, respectively. The Organization also purchases insurance and certain program materials from JA USA. Such purchases for the years ended June 30, 2025 and 2024, amounted to \$19,709 and \$30,561, respectively.

Junior Achievement of Greater Boston, Inc.Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

11. Related Party Transactions - Continued

The Organization made payments to a Junior Achievement affiliate for fees to add 3DE School by Junior Achievement to Albert D. Holland High School of Technology in Boston, Massachusetts. Total payments for the years ended June 30, 2025 and 2024, totaled \$214,287 and \$203,899, respectively.

The Organization also made payments to other Junior Achievement affiliates for conferences and member dues. Fees paid to affiliates for the years ended June 30, 2025 and 2024, totaled \$4,221 and \$3,822, respectively.

Amounts due to JA USA at June 30, 2025 and 2024, totaled zero and \$17,109, respectively.

The Organization received contributions from JA Worldwide at June 30, 2025 and 2024 in the amount of zero and \$4,500, respectively.

The Organization received contributions from JA USA at June 30, 2025 and 2024 in the amount of \$216,000 and \$166,000, respectively.

12. Net Assets with Donor Restrictions

Net assets with donor restrictions for the years ended June 30, 2025 and 2024 were as follows:

	2025	2024
Subject to the passage of time	\$ 282,457	\$ -
Subject to the passage of time and purpose	-	166,000
Perpetual in nature - endowment	100,000	100,000
Subject to expenditure for specified purpose:		
Education Programs	507,055	335,897
JA Innovation Center	167,422	173,579
Specific region	5,000	25,000
Net appreciation on endowment investments	97,648	79,732
Rent	227,578	43,263
Development	80,000	-
Economic Mobility Grant	<u>10,000</u>	<u>10,000</u>
Total net assets with donor restrictions	<u>\$ 1,477,160</u>	<u>\$ 933,471</u>

The Organization has received public gifts with specific donor stipulations requiring that the principal be held in perpetuity and that only a portion of the income therefrom be used for specific program purposes. These resources are, by act of Congress, under the control of the board of directors who are required to maintain and invest the funds.

Junior Achievement of Greater Boston, Inc.Notes to Financial Statements – *Continued*

June 30, 2025 and 2024

12. Net Assets with Donor Restrictions - Continued

Net assets released from net assets with donor restriction for the years ended June 30, 2025 and 2024 were as follows:

	2025	2024
Satisfaction of time and purpose restrictions	\$ 166,000	\$ -
Satisfaction of time restrictions	5,000	-
Satisfaction of purpose restrictions		
Education Programs	565,055	363,962
JA Innovation Center	206,157	105,000
Specific region	2,662	2,787
Rent	130,793	112,860
Development	70,000	-
Total satisfied net assets from restrictions	<u>\$ 1,145,667</u>	<u>\$ 584,609</u>

13. Availability and Liquidity

The table below presents the Organization's financial assets available within one year to meet its general expenditures at June 30, 2025 and 2024.

<i>Financial assets at year end</i>	2025	2024
Cash	\$ 547,358	\$ 202,321
Accounts receivable	-	19,500
Pledges receivable	<u>1,152,505</u>	<u>1,184,499</u>
Total financial assets	1,699,863	1,406,320
<i>Less amounts not available to be used within one year</i>		
Net assets with donor restrictions	<u>(1,477,160)</u>	<u>(933,471)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 222,703</u>	<u>\$ 472,849</u>

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

14. Subsequent Events

The Organization has evaluated subsequent events through November 20, 2025, which is the date the financial statements were available to be issued. No other material subsequent events have occurred since June 30, 2025, that requires recognition or disclosure in these financial statements.