Repair the World, Inc.

Financial Statements

July 31, 2025

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Directors
Repair the World, Inc.

Opinion

We have audited the accompanying financial statements of Repair the World, Inc. (the "Organization") which comprise the statement of financial position as of July 31, 2025, and the related statements of activities, functional expenses and cash flows for the year 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 Repair the World, Inc. as of July 31, 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 for Opinion

We conducted our audit 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 Repair the World, 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 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 Repair the World, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in 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 Repair the World, 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 Repair the World, 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 the Organization's July 31, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 21, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PKF O'Connor Davies, LLP

February 19, 2026

Repair the World, Inc.

Statement of Financial Position
July 31, 2025
(With comparative amounts at July 31, 2024)

	July 31	
	2025	2024
ASSETS		
Cash	$ 4,935,304	$ 544,505
Grants and pledges receivable, net	7,995,860	10,648,264
Investments	3,158,221	-
Prepaid expenses	129,755	135,884
Fixed assets, net	-	-
Security deposits	12,004	17,050
Beneficial interest in assets held by others	-	2,260,447
Right of use asset	62,173	159,553
Total Assets	$16,293,317	$13,765,703
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$ 588,483	$ 760,634
Lease liability	65,421	163,841
Total Liabilities	653,904	924,475
Net Assets (Deficit)		
Without Donor Restrictions		
Operating	(219,465)	703,053
Board-designated - operating and growth funds	3,000,000	1,600,000
Total Without Donor Restrictions	2,780,535	2,303,053
With donor restrictions	12,858,878	10,538,175
Total Net Assets	15,639,413	12,841,228
Total Liabilities and Net Assets	$16,293,317	$13,765,703

See notes to financial statements

Repair the World, Inc.

Statement of Activities
Year Ended July 31, 2025
(With summarized totals for the year ended July 31, 2024)

	Without Donor Restrictions			With Donor Restrictions	Total	
	Operations	Board Designated Operating and Growth Funds	Total		2025	2024
OPERATING						
Public Support and Revenue:						
Contributions	$ 3,633,141	$ -	$ 3,633,141	$ 9,750,959	$ 13,384,100	$ 16,869,981
Program income	132,774	-	132,774	-	132,774	292,005
Donated goods and services	216,495	-	216,495	-	216,495	81,633
Unrealized gain on investments	158,221	-	158,221	-	158,221	21,989
Other income	236,841	-	236,841	-	236,841	48,641
Net assets released from restrictions/board designation	7,430,256	-	7,430,256	(7,430,256)	-	-
Total Public Support and Revenue	11,807,728	-	11,807,728	2,320,703	14,128,431	17,314,249
Expenses						
Program services	7,659,605	-	7,659,605	-	7,659,605	9,591,244
Supporting Services						
Management and general	2,333,717	-	2,333,717	-	2,333,717	1,970,843
Fundraising	1,432,766	-	1,432,766	-	1,432,766	1,911,313
Total Supporting Services	3,766,483	-	3,766,483	-	3,766,483	3,882,156
Total Expenses	11,426,088	-	11,426,088	-	11,426,088	13,473,400
Change in Net Assets from Operations	381,640	-	381,640	2,320,703	2,702,343	3,840,849
NON-OPERATING ACTIVITY						
Gain on beneficial interest in assets held by others	95,842	-	95,842	-	95,842	243,126
Transfer to board designated funds	(1,400,000)	1,400,000	-	-	-	-
	(1,304,158)	1,400,000	95,842	-	95,842	243,126
Change in Net Assets	(922,518)	1,400,000	477,482	2,320,703	2,798,185	4,083,975
NET ASSETS (DEFICIT)						
Beginning of year	703,053	1,600,000	2,303,053	10,538,175	12,841,228	8,757,253
End of year	$ (219,465)	$ 3,000,000	$ 2,780,535	$ 12,858,878	$ 15,639,413	$ 12,841,228

See notes to financial statements

Repair the World, Inc.

Statement of Functional Expenses
Year Ended July 31, 2025
(With summarized totals for the year ended July 31, 2024)

	Program Services				Supporting Services			Total	
	Communities	National Partnerships/ Field Activation	OLAM	Total Program Services	Management and General	Fundraising	Total Supporting Services	2025	2024
Staff and associated costs	$ 2,910,408	$ 1,011,188	$ -	$ 3,921,596	$ 1,551,443	$ 1,254,688	$ 2,806,131	$ 6,727,727	$ 8,462,847
OLAM: fiscally sponsored	-	-	929,846	929,846	-	-	-	929,846	837,387
Grants and partner agreements	-	1,324,023	-	1,324,023	-	-	-	1,324,023	1,006,160
Service Corps	258,789	-	-	258,789	-	-	-	258,789	460,114
Travel and convening	133,010	87,660	-	220,670	115,475	51,439	166,914	387,584	352,656
Outside services	378,596	191,232	-	569,828	287,287	69,240	356,527	926,355	1,172,163
Office, hospitality and other	198,641	55,322	-	253,963	259,140	39,496	298,636	552,599	645,754
Occupancy	142,086	-	-	142,086	9,779	-	9,779	151,865	301,609
Technology	23,548	15,256	-	38,804	110,593	17,903	128,496	167,300	232,635
Bad debt expense	-	-	-	-	-	-	-	-	1,862
Depreciation	-	-	-	-	-	-	-	-	213
Total	$ 4,045,078	$ 2,684,681	$ 929,846	$ 7,659,605	$ 2,333,717	$ 1,432,766	$ 3,766,483	$ 11,426,088	$ 13,473,400

See notes to financial statements

Repair the World, Inc.

Statement of Cash Flows
Year Ended July 31, 2025
(With comparative amounts for the year ended July 31, 2024)

	Year Ended July 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,798,185	$ 4,083,975
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	-	213
Bad debt expense	-	1,862
Change in discount to present value	(207,776)	160,135
Unrealized gain on investments	(158,221)	(21,989)
Change in fair value of beneficial interest held by others	(95,842)	(243,126)
Non-cash lease expense	100,554	130,609
Changes in operating assets and liabilities		
Grants and pledges receivable	2,860,180	(6,917,735)
Prepaid expenses	6,129	6,793
Security deposits	5,046	-
Accounts payable and accrued expenses	(172,151)	130,194
Grants payable	-	(23,755)
Payments on lease liability	(101,594)	(129,506)
Net Cash from Operating Activities	5,034,510	(2,822,330)
CASH FLOWS FROM INVESTING ACTIVITIES		
Withdrawals from beneficial interest in assets held by others	2,356,289	2,900,000
Proceeds from sale of investments	-	72,181
Purchase of investments	(3,000,000)	-
Net Cash from Investing Activities	(643,711)	2,972,181
Change in Cash	4,390,799	149,851
Cash, Beginning of Year	544,505	394,654
Cash, End of Year	$ 4,935,304	$ 544,505
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ -	$ 8,575

See notes to financial statements

Repair the World, Inc.

Notes to Financial Statements
July 31, 2025

1. Organization and Tax Status

Organization

Repair the World, Inc.'s (the "Organization") mission is to mobilize Jews and their communities to take action to pursue a just world, igniting a lifelong commitment to service. The Organization believes service in support of social change is vital to a flourishing Jewish community and an inspired Jewish life. By 2026, the Organization will inspire and catalyze one million acts of service toward repairing the world.

The Organization mobilizes tens of thousands of individuals to volunteer in tackling pressing local needs each year, grounded in Jewish values and in deep partnership with local nonprofits addressing community needs like food justice, education justice, housing and homelessness, criminal justice, and more. The Organization's key programming includes:

a. Communities: The Organization's direct service programs build thriving Jewish communities across the country through Jewish service and learning that meet pressing local needs, connects young adults to Jewish life, and build bridges across lines of difference. In 2025 the Organization mobilized acts of service and learning reaching participants through its programs. This included direct programming across 9 cities.

b. National Partnerships/Field Activation: The Organization strengthens the Jewish service movement by partnering with over sixty Jewish Service Alliance organizations, expanding meaningful Jewish service through customized partnerships with organizations like Hillel International, Moishe House, and the American Jewish Joint Distribution Committee ("JDC") Entwine. The Organization supports Jewish communities across the country in prioritizing impactful service and learning grounded in Jewish values.

c. OLAM: The Organization has a fiscal sponsorship agreement with OLAM Beyahad ("OLAM"), an Israeli nonprofit organization in good standing with the Israeli registrar of Amutot. OLAM is a network of Jewish and Israeli organizations working in the fields of global service, international development and humanitarian aid. Inspired by Jewish values and committed to high ethical standards, OLAM convenes and mobilizes leaders and organizations to take meaningful action in support of the world's most vulnerable people.

Tax Status

The Organization is a not-for-profit organization and has been notified by the Internal Revenue Service that they are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which 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. Accordingly, actual results could differ from those estimates.

Net Asset Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets are classified as with or without donor restrictions.

Net assets without donor restrictions include funds having no restrictions as to time or purpose imposed by the donors and are currently available at the discretion of the Organization for use in its programs and general operations.

Net assets with donor restrictions are those that will be met either by actions of the Organization or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Concentration of Credit Risk and Other

Financial instruments that potentially subject the Organization to concentrations of credit and market risk consist principally of receivables which are expected to be collected in the normal course of business and cash on deposit with financial institutions. Deposits held at financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. Investment holdings are insured by the Securities Investor Protection Corporation ("SIPC") up to $500,000 ($250,000 for cash holdings). At times balances may exceed the FDIC and/or the SIPC limit.

Approximately 59% and 61% of the Organization's total contributions were received from six donors and one donor during the years ended July 31, 2025 and 2024. The amount due from these donors was $6,175,000 and $6,425,000 as of July 31, 2025 and 2024.

Fair Value Measurements

Accounting standards have established a fair value hierarchy, giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted, quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

2. Summary of Significant Accounting Policies *(continued)*

Fair Value Measurements (continued)

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

All of the Organization's investments are categorized as Level 1 investments as of July 31, 2025.

Investment Income Recognition

Investments are stated at fair value based on quoted prices in active markets. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Grants and Pledges Receivable

Unconditional promises to give are recorded at net realizable value if expected to be received in less than one year, or at fair value using a risk-adjusted discount rate if expected to be received in greater than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

An allowance for doubtful accounts is established for amounts where there exists doubt as to whether an amount will be fully collectible. The determination of this allowance is an estimate based on the Organization's historical experience, review of account balances and expectations relative to collections. Management did not record an allowance for doubtful accounts as of July 31, 2025 and 2024.

Fixed Assets

Fixed assets consist of leasehold improvements and computer equipment and are capitalized in the year acquired and are carried at cost, if purchased, or at fair value, if donated. The Organization's policy for capitalization is limited to goods purchased for $5,000 or more for a single item, or $7,500 for capital projects consisting of multiple items above $1,500 that have estimated useful lives of three to five years.

Depreciation and amortization are computed over the estimated useful life of the assets or the life of the lease using the straight-line method. Maintenance and repairs, which neither materially add to the value of the asset nor appreciably prolong its life, are charged to expense as incurred.

2. Summary of Significant Accounting Policies *(continued)*

Beneficial Interest in Assets Held by Others and Board-Designated Funds

The Board Designated Operating Reserve Fund was created in February 2021 to ensure there are available resources should the need arise. The boards intention was to maintain a minimum of 2 months' worth of cash on hand in the Reserve Fund. Funds were only to be utilized for operations with the approval of the Board in accordance with the Board approved Operating Reserve policy. During 2022 the Board of Directors established a Board Designated Strategic Growth Fund. During 2022, the Organization transferred $8,000,000, of which $7,655,000 was board designated, to the Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties ("JCF").

During 2022, the Organization established two funds with JCF and named itself as a beneficiary. The Organization granted variance power to JCF, which allows JCF with 30-day notice to the Organization, to modify any condition or restriction on its distributions for any specified charitable purpose, or to any specified organization if, in the sole judgment of JCF's Board of Directors such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes or needs served by JCF. The funds are to be held and invested by JCF for the benefit of the Organization and are to be reported at fair value in the statement of financial position with distributions and changes in fair value recognized in the statement of activities.

In December 2024, the Organization's Board of Directors approved the transfer of all funds to another financial Institution (See Note 3). Activities of the board designated operating and growth funds were as follows for the years ended July 31, 2025 and 2024

	Operating Reserve Fund	Strategic Growth Fund	Total
Balance, August 1, 2023	$ 3,000,000	$ 1,155,000	$ 4,155,000
Transfers to Operations	(1,400,000)	(1,155,000)	(2,555,000)
Balance, July 31, 2024	1,600,000	-	1,600,000
Transfer from Operations	1,400,000	-	1,400,000
Balance, July 31, 2025	$ 3,000,000	$ -	$ 3,000,000

In addition, the Board Designated Capital Fund was created to hold all current and future fixed assets.

2. Summary of Significant Accounting Policies *(continued)*

Revenue Recognition

Contributions

The Organization follows the requirements of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recognized at the time a contribution becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

Contributions may be subject to conditions, which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met. Conditional pledges that have not been recognized total $6,392,500 and $1,060,000 at July 31, 2025 and 2024. These pledges are conditioned upon the Organization providing specific deliverables over the course of a 5-year period.

Program Income

Program income falls under FASB ASC 606 and is recognized over the period program services are provided. Fees received in advance of performing services are recorded as deferred income and will be recognized as income in the period earned.

Donated Goods and Services

The Organization uses donated goods (gifts) received in support of its programs. The Organization received donated advertising services valued at approximately $64,000 and $62,000 for the years ended July 31, 2025, and 2024. These donated goods and services were valued based on usual and customary rates of the vendor or actual costs incurred by the donor. There are no associated donor restrictions, and these services are reflected as management and general expenses.

The Organization received donated legal services valued at approximately $152,000 and $20,000 for the years ended July 31, 2025, and 2024. The valuation was based on hourly rates of the legal firm providing services. There are no associated donor restrictions, and these services are reflected as management and general expenses.

Advertising

Advertising costs are expensed as incurred. Advertising expenses totaled approximately $84,000 and $89,000 for the years ended July 31, 2025 and 2024.

2. Summary of Significant Accounting Policies *(continued)*

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program or supporting services are allocated directly according to their natural expenditure classification; these expenses include direct service in communities, national partnerships/field activation or for the work of the fiscally sponsored organization, OLAM.

Costs that are common to several functions are allocated among the program and supporting services based on time and effort records and estimates made by the Organization's management; these include staff and associated costs, outside services and office, hospitality and other expenses.

Leases

The Organization has a lease for office space and determines if an arrangement is a lease at inception. The operating lease is included in operating lease right-of-use asset ("ROU asset") and lease liability on the accompanying statement of financial position.

ROU asset represents the right to use an underlying asset for the lease term and lease liability represents the obligation to make lease payments arising from the lease. Operating lease ROU asset and liability are recognized at the lease commencement date based on the present value of lease payments over the lease term. When a lease does not provide an implicit borrowing rate, the Organization uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend the lease and it is reasonably certain that the Organization will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for the lease payments is recognized on a straight-line basis of the lease term.

The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Uncertain Tax Positions

The Organization recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organization had taken no uncertain tax positions that require financial statement recognition or disclosure.

The Organization is no longer subject to examinations by the applicable tax jurisdictions for periods prior to fiscal 2022.

2. Summary of Significant Accounting Policies *(continued)*

Summarized Comparative Information

The statement of activities includes certain prior year summarized information in total, which does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements as of and for the year ended July 31, 2024, from which the summarized information was derived.

Subsequent Events Evaluation by Management

The Organization evaluated events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluation was performed through February 19, 2026 the date these financial statements were available for issuance.

3. Investments

Investments are summarized as follows at July 31, 2025:

Mutual funds - cash	$ 1,017,481
Mutual funds - equity	1,632,933
Mutual funds - fixed income	507,807
	$ 3,158,221

4. Beneficial Interest in Assets Held by Others

The fair value of the beneficial interest in assets held by others is based on the fair value of fund investments as reported by the custodian and is considered to be a Level 3 measurement.

Below is a reconciliation of the beginning and ending balance of the beneficial interest in assets held by others measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended July 31, 2025 and 2024:

Balance, August 1, 2023	$ 4,967,513
Transfers out	(2,950,192)
Investment return	243,126
Balance, July 31, 2024	2,260,447
Transfers out	(2,356,289)
Investment return	95,842
Balance, July 31, 2025	$ -

5. Grants and Pledges Receivable

The Organization received unconditional contributions which have been recorded net of a present value discount rate ranging from 1.37% to 5.57% at July 31, 2025 and 2024 as follows:

	2025	2024
Due in two or more years	$ 65,000	$ 3,775,000
Less discount to present value	(3,049)	(210,825)
	61,951	3,564,175
Due in one year or less	7,933,909	7,084,089
Total Grants and Pledges Receivable	$ 7,995,860	$ 10,648,264

6. Fixed Assets

Fixed assets consist of the following at July 31:

	2025	2024
Furniture, equipment and leasehold improvements	$ 1,015,089	$ 1,015,089
Computer equipment	192,041	192,041
	1,207,130	1,207,130
Less: accumulated depreciation and amortization	1,207,130	1,207,130
	$ -	$ -

7. Line of Credit

The Organization has a line of credit arrangement (the “line”) with a financial institution to borrow up to $1,000,000, which was scheduled to expire on June 12, 2025. In July 2025, the Organization renewed the line with a borrowing rate of 8.636% per annum, with the outstanding balance to be repaid on or before the current expiration date of June 3, 2026. There was no balance outstanding as of July 31, 2025 and 2024.

8. Net Assets With Donor Restrictions

The following schedule summarizes the activity of net assets with donor restrictions:

	Balance at August 1, 2024	Contributions	Releases	Balance at July 31, 2025
Program/Purpose				
Communities Operations	$ 1,540,301	$ 968,245	$ (1,208,495)	$ 1,300,051
Service Corps	231,657	175,000	(222,214)	184,443
National Capacity Building	362,000	1,095,000	(718,705)	738,295
National Partnerships/Field Activation	1,000,000	913,000	(1,000,000)	913,000
OLAM	315,489	634,089	(617,115)	332,463
Total Program Restrictions	3,449,447	3,785,334	(3,766,529)	3,468,252
Time restrictions	7,088,728	5,965,625	(3,663,727)	9,390,626
Total	$ 10,538,175	$ 9,750,959	$ (7,430,256)	$ 12,858,878

	Balance at August 1, 2023	Contributions	Releases	Balance at July 31, 2024
Program/Purpose				
Communities Operations	$ 586,001	$ 1,529,883	$ (575,583)	$ 1,540,301
Service Corps	1,226,973	202,215	(1,197,531)	231,657
National Capacity Building	750,000	362,000	(750,000)	362,000
National Partnerships/Field Activation	1,803,638	-	(803,638)	1,000,000
OLAM	185,515	947,559	(817,585)	315,489
Total Program Restrictions	4,552,127	3,041,657	(4,144,337)	3,449,447
Time restrictions	116,693	7,088,728	(116,693)	7,088,728
Total	$ 4,668,820	$ 10,130,385	$ (4,261,030)	$ 10,538,175

9. Commitments and Contingencies

Operating Leases

The Organization has offices in several cities including New York City, Atlanta, Miami, Detroit, Chicago, Boston and Los Angeles under non-cancelable leases that expire on various dates through July 2026.

The components of occupancy expense on the accompanying statement of functional expenses for the years ended July 31, 2025 and 2024 are shown below:

	2025	2024
Lease Expense		
Operating lease cost	$ 100,554	$ 130,609
Variable lease cost	51,311	171,000
	$ 151,865	$ 301,609

9. Commitments and Contingencies *(continued)*

Operating Leases (continued)

Lease information as of and for the years ended July 31 are shown below:

	2025	2024
Right-of-use asset	$ 62,173	$ 159,553
Lease liability	65,421	163,841
Cash paid for amounts included in the measurement of operating lease liabilities	101,594	129,506
Weighted Average:		
Discount rate	2.83%	2.83%
Remaining lease term in years	1.00	2.00

ROU asset is net of $364,854 and $264,300 accumulated amortization at July 31, 2025 and 2024.

Future minimum rental payments under the lease arrangements are as follows:

Year Ending July 31	
2026	$ 66,364
Less Imputed Interest	(943)
Total Operating Lease Liability	$ 65,421

Professional Employer Organization

The Organization has a year-to-year contract with a Professional Employer Organization ("PEO") for leased employees. The PEO provides comprehensive human resource services to the Organization and is responsible for personnel, administrative, and benefits management functions, as well as payroll processing. Since the PEO is the employer of record for all employees assigned to the Organization, employees are included in the PEO's quarterly payroll tax findings.

General Litigation

The Organization is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the Organization. Events could occur that would change this estimate materially in the near term.

10. 401(k) Plan

The Organization has a retirement plan under IRS Section 401(k) through the co-employer for all leased employees. All eligible employees (as defined by the plan) may elect to defer a portion of their salary and contribute to this plan up to statutory amounts. The employer can provide a discretionary match to eligible employees. The Organization contributed approximately $184,000 and $192,000 during the years ended July 31, 2025 and 2024.

11. Liquidity and Availability of Financial Resources

The Organization receives significant contributions and promises to give with and without donor restrictions. It considers contributions restricted for the strategic growth initiative, which is ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Contributions for programs other than the strategic growth initiative are not considered available for general expenditures.

The following reflects the Organization's financial assets at July 31:

	2025	2024
Financial Assets:		
Cash	$ 4,935,304	$ 544,505
Grants and pledges receivable, net	7,995,860	10,648,264
Investments	3,158,221	-
Beneficial interest in assets held by others	-	2,260,447
Total Financial Assets	16,089,385	13,453,216
Less:		
Board-designated - operating and growth funds	(3,000,000)	(1,600,000)
Donor restricted for time and purpose	(12,858,878)	(10,538,175)
	(15,858,878)	(12,138,175)
Add next years release of donor restrictions	7,933,909	6,763,175
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 8,164,416	$ 8,078,216

The Organization's working capital and cash flows have fluctuated during the year attributable to the payouts of grants, which are staggered throughout the fiscal year. To manage liquidity, the Organization maintains a line of credit of $1,000,000 with a bank that is drawn upon as needed during the year to manage short-term cash flow needs.

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