



**JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.**

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS  
FOR THE YEARS ENDED  
JUNE 30, 2023 AND 2022



## **TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5 - 6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 11



NEVILLE WAINIO CPAs

5 ARREDONDO AVE  
ST. AUGUSTINE, FLORIDA 32080  
(904) 586-0048 • NEVILLEWAINIO.COM

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Junior Achievement of North Florida, Inc.  
Jacksonville, Florida

### ***Opinion***

We have audited the accompanying financial statements of the Junior Achievement of North Florida, Inc. (a Florida non profit corporation, the "Organization"), which comprise the statement of financial position as of June 30, 2023, 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 the Organization as of June 30, 2023, 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 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Prior Period Financial Statements**

The financial statements of the Organization as of June 30, 2022 were audited by LBW CPAs and Associates, Inc. whose report dated September 27, 2022 expressed an unmodified opinion on those statements.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statement are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 the risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

To the Board of Directors  
Junior Achievement of North Florida, Inc.  
Page Two

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Neville Wainio CPAs*

St. Augustine, Florida  
October 03, 2023

# **JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.**

## **STATEMENTS OF FINANCIAL POSITION FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

	<b>ASSETS</b>			
			2023	2022
			<u>          </u>	<u>          </u>
CURRENT ASSETS:				
Cash and cash equivalents	\$	722,357	\$	1,105,241
Investments		1,020,272		-
Accounts receivable - net		49,150		56,500
Prepaid expenses and other assets		<u>2,972</u>		<u>13,014</u>
TOTAL	\$	<u>1,794,751</u>	\$	<u>1,174,755</u>
	<b>LIABILITIES AND NET ASSETS</b>			
CURRENT LIABILITIES:				
Accounts payable and accrued expenses	\$	97,686	\$	82,373
Deferred revenue		77,400		133,350
Compensated absences		14,334		15,093
Current portion of notes payable		<u>39,109</u>		<u>32,787</u>
Total Current Liabilities		228,529		263,603
NOTES PAYABLE, LESS CURRENT PORTION		<u>509,268</u>		<u>547,839</u>
Total Liabilities		<u>737,797</u>		<u>811,442</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		<u>1,056,954</u>		<u>363,313</u>
TOTAL	\$	<u>1,794,751</u>	\$	<u>1,174,755</u>

The accompanying notes are an integral part of these statements.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

REVENUES AND SUPPORT	<u>2023</u>	<u>2022</u>
Contributions and grants:		
Corporate	\$ 376,469	\$ 277,199
Individuals	64,171	35,503
Foundations	1,137,093	209,033
Governmental	76,775	242,666
In-kind contributions	<u>9,500</u>	<u>5,180</u>
Total contributions and grants	<u>1,664,008</u>	<u>769,581</u>
Special events - net:		
Special events	414,965	435,182
Cost of direct benefit to donors	<u>(107,285)</u>	<u>(108,753)</u>
Total special events - net	<u>307,680</u>	<u>326,429</u>
Other income:		
Board dues	6,281	5,259
Interest income	<u>23,208</u>	<u>247</u>
Total other income	<u>29,489</u>	<u>5,506</u>
Total revenues and support	<u>2,001,177</u>	<u>1,101,516</u>
 EXPENSES		
Program services	799,788	597,426
Management and general	280,603	207,971
Fundraising	<u>227,145</u>	<u>199,464</u>
Total expenses	<u>1,307,536</u>	<u>1,004,861</u>
 CHANGE IN NET ASSETS	693,641	96,655
 NET ASSETS WITHOUT DONOR RESTRICTIONS BEGINNING OF YEAR	<u>363,313</u>	<u>266,658</u>
 NET ASSETS WITHOUT DONOR RESTRICTIONS END OF YEAR	<u><u>\$ 1,056,954</u></u>	<u><u>\$ 363,313</u></u>

The accompanying notes are an integral part of these statements.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	Program Services	Management and General	Fundraising	Total Functional Expenses	Cost of Direct Benefits to Donors	2023 Total Expenses
Salaries and payroll taxes	\$ 410,345	\$ 190,350	\$ 151,756	\$ 752,451	\$ -	\$ 752,451
Employee benefits	59,559	18,550	19,527	97,636	-	97,636
Franchise fees	102,491	27,061	8,873	138,425	-	138,425
Program materials	72,628	-	-	72,628	-	72,628
Fundraising events - special events	-	-	-	-	107,285	107,285
Professional fees	51,433	12,525	13,183	77,141	-	77,141
Occupancy	32,848	10,116	10,649	53,613	-	53,613
Office expense	43,017	13,446	14,152	70,615	-	70,615
Public relations and advertising	8,722	2,717	2,859	14,298	-	14,298
Insurance	3,209	1,000	1,052	5,261	-	5,261
Interest	7,951	2,475	2,608	13,034	-	13,034
Travel	6,562	2,044	2,151	10,757	-	10,757
Depreciation	1,023	319	335	1,677	-	1,677
Total expenses including cost of direct benefit to donors	799,788	280,603	227,145	1,307,536	107,285	1,414,821
Less cost of direct benefit to donors netted against special events revenue on the statement of activities	-	-	-	-	(107,285)	(107,285)
Total Expenses	<u>\$ 799,788</u>	<u>\$ 280,603</u>	<u>\$ 227,145</u>	<u>\$ 1,307,536</u>	<u>\$ -</u>	<u>\$ 1,307,536</u>

The accompanying notes are an integral part of these statements.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	Program Services	Management and General	Fundraising	Total Functional Expenses	Cost of Direct Benefits to Donors	2022 Total Expenses
Salaries and payroll taxes	\$ 304,093	\$ 141,062	\$ 112,461	\$ 557,616	\$ -	\$ 557,616
Employee benefits	30,489	9,496	9,996	49,981	-	49,981
Franchise fees	70,230	18,543	6,080	94,853	-	94,853
Program materials	67,823	-	-	67,823	-	67,823
Fundraising events - indirect	-	-	30,012	30,012	-	30,012
Fundraising events - special events	-	-	-	-	108,753	108,753
Professional fees	35,125	10,941	11,516	57,582	-	57,582
Occupancy	30,416	9,474	9,973	49,863	-	49,863
Office expense	19,190	5,978	6,292	31,460	-	31,460
Public relations and advertising	13,556	4,222	4,444	22,222	-	22,222
Insurance	12,783	3,981	4,191	20,955	-	20,955
Interest	6,833	2,128	2,241	11,202	-	11,202
Travel	5,949	1,853	1,950	9,752	-	9,752
Depreciation	939	293	308	1,540	-	1,540
Total expenses including cost of direct benefit to donors	597,426	207,971	199,464	1,004,861	108,753	1,113,614
Less cost of direct benefit to donors netted against special events revenue on the statement of activities	-	-	-	-	(108,753)	(108,753)
Total Expenses	<u>\$ 597,426</u>	<u>\$ 207,971</u>	<u>\$ 199,464</u>	<u>\$ 1,004,861</u>	<u>\$ -</u>	<u>\$ 1,004,861</u>

The accompanying notes are an integral part of these statements.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 INCREASE (DECREASE) IN CASH

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 693,641	\$ 96,655
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:		
Net realized and unrealized (gain) loss on investments	(16,696)	1,540
Decrease in accounts receivable - net	7,350	4,850
Decrease in prepaid expenses and other assets	674	74,394
Increase in accounts payable and accrued expenses	21,314	20,921
(Decrease) increase in deferred revenue	(55,950)	18,170
(Decrease) increase in compensated absences	(759)	141
Net Cash Provided by Operating Activities	<u>649,574</u>	<u>216,671</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	<u>(1,000,000)</u>	<u>-</u>
Net Cash (Used) By Investing Activities	<u>(1,000,000)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from installment note payable	-	499,900
Principal payments of notes payable	<u>(31,297)</u>	<u>(35,347)</u>
Net Cash (Used) Provided By Financing Activities	<u>(31,297)</u>	<u>464,553</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(381,723)	681,224
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,105,241</u>	<u>424,017</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 723,518</u></u>	<u><u>\$ 1,105,241</u></u>
SUPPLEMENTAL DISCLOSURES:		
Interest paid	<u><u>\$ 13,035</u></u>	<u><u>\$ 11,132</u></u>

The accompanying notes are an integral part of these statements.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

---

### 1. ORGANIZATION

Junior Achievement of North Florida, Inc. (the "Organization") is a nonprofit corporation located in Jacksonville, Florida and is affiliated with a national organization, Junior Achievement USA, Inc. ("JA USA"). The Organization was incorporated in the State of Florida on March 4, 1994 for the purpose of inspiring young people to succeed in a global economy. Its programs foster work-readiness, entrepreneurship, and financial literacy skills, and use experiential learning to inspire students in the community to dream big and reach their potential. The Organization received its charter from JA USA in 1963 under a different name. The Organization has received tax exempt status under section 501(c)(3) of the Internal Revenue code.

The Organization is funded primarily through foundation, corporate, government and individual contributions.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

#### Basis of Presentation

These financial statements are prepared on the accrual basis of accounting and focus on the Organization's resources and activities as a whole. Net assets, revenues, expenses, distributions, gains, and losses are classified based on the existence or absence of donor-imposed or other external restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- The change in net assets with donor restrictions.
- The change in net assets without donor restrictions.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on management's knowledge and experience. Accordingly, actual results may differ from these estimates.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit in banks and invested in liquid assets with maturities of less than three months when acquired. The Organization maintains its cash in bank deposit accounts and savings accounts, which, at times, may exceed federally insured limits.

#### Fair Value Measurements

Authoritative guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques 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). As a basis for considering such assumptions, the three tier fair value hierarchy, which prioritizes the inputs used in measuring fair value are as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

An 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.

Assets and liabilities measured at fair value are based on one or more of the following three valuation techniques noted in authoritative guidance:

- A. Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- B. Cost approach: Amount that would be required to replace the service capacity of an asset (replacement cost).
- C. Income approach: Techniques to convert future amounts to a single present amount based upon market expectations (including present value techniques, option-pricing and excess earnings models).

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

#### Accounts Receivable

At June 30, 2023 and 2022, management determined that all accounts were collectable and therefore no allowance for doubtful accounts was necessary.

#### Revenue and Support with and without Donor Restrictions

Contributions are reported as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donation. When a donor restriction expires, that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are released to net assets without donor restrictions and reported in the statement of activities as nets assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the grant or contribution is received are classified as net assets without donor restrictions.

#### Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll and payroll taxes are allocated based on actual percentages of time spent in each functional area. Expenses not charge to a specific program or supporting function are allocated based on full-time equivalents and include the following: insurance, utilities, telephone, office supplies, employee benefits, postage, certain professional fees, information technology, and interest.

#### General and Administrative

General and administrative includes the functions necessary to maintain an adequate working environment; provide coordination and articulation of the Organization's program strategy; secure proper administrative function of the board of directors, and manage the financial and budgetary responsibilities of the Organization.

#### In-Kind Contributions

Contributed assets are recorded as revenue at their estimated fair value in the period received. Contributed services are recognized and reported at fair value in the period received, if the services received created or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by contributions. No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring a specific expertise. However, many individuals volunteer their time and performance variety of tasks that assist the Organization with specific educational programs and various other assignments.

#### Advertising

The Organization expenses advertising costs as they are incurred.

### 3. MANAGEMENT OF LIQUIDITY

The Organization has financial assets available within one year of the statement of financial position date for general expenditures as follows.

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	\$ 722,357	\$ 1,105,240
Investments	1,020,272	-
Accounts receivable - net	49,150	56,500
Financial assets available within one year	<u>\$ 1,791,779</u>	<u>\$ 1,161,740</u>

The Organization manages their financial assets available within one year in operating and savings accounts.

In addition to the above amounts, the Organization has access to a \$100,000 line of credit at SouthState Bank. At June 30, 2023 and 2022, the Organization had \$100,000 of unused credit available for expenditures.

### 4. INVESTMENTS

Investments consist of the following as of June 30:

	2023		2022	
	Cost	Market Value	Cost	Market Value
Certificate of Deposit	\$ 1,000,000	\$ 1,020,272	\$ -	\$ -
	<u>\$ 1,000,000</u>	<u>\$ 1,020,272</u>	<u>\$ -</u>	<u>\$ -</u>

Income from investments for the years ended June 30 are as follows:

	2023	2022
Interest	\$ 23,208	\$ -
	<u>\$ 23,208</u>	<u>\$ -</u>

### 5. FAIR VALUE MEASUREMENTS

Assets and liabilities remeasured and disclosed at fair value on a recurring basis as of June 30, 2023 and 2022 are set forth in the table below:

	June 30, 2023			
	Level 1	Level 2	Level 3	Fair Value
Certificate of Deposit	\$ 1,020,272	\$ -	\$ -	\$ 1,020,272
	<u>\$ 1,020,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,020,272</u>

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### 5. FAIR VALUE MEASUREMENTS (CONCLUDED)

	June 30, 2022			
	Level 1	Level 2	Level 3	Fair Value
Certificate of Deposit	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

### 6. DEFERRED REVENUE

As of June 30, 2023 and 2022, deferred revenue totaled \$77,400 and \$133,350, respectively. This consisted of revenue for the years ending June 30, 2024 and 2023, respectively. The Golf Classic tournament takes place in September or October each year. Funds are collected in advance. The proceeds have been recorded as a deferred revenue liability on the statement of financial position and will be recognized as revenues after the programs and events occur.

### 7. COMPENSATED ABSENCES

The Organization grants vacation to full-time and part-time employees in recognition of service. Vacation is calculated according to the calendar year. For full-time employees, vacation hours are earned each pay period ranging from 3.08 to 7.69 hours per pay period. Vacation hours earned are determined by years of service. Part-time employees receive 20 hours of annual leave that is pro-rated. No more than 80 hours may be carried over into the new calendar year unless approved by the president of the Organization. In the event that an employee carries over more than 80 hours, he or she is only entitled to be paid for 80 hours if they leave the Organization.

In addition to vacation pay, employees are also entitled to personal and sick leave. Full-time employees receive 16 hours of personal and 40 hours of sick leave each calendar year. Part-time employees receive 8 hours of personal leave and 20 hours of sick leave per calendar year. These hours renew annually on January 1st and are not allowed to be carried over. The Organization does not have an accrued liability for employee personal or sick pay since they are forfeited if not taken by year end.

### 8. LINE OF CREDIT

The Organization maintains a \$100,000 line of credit agreement with SouthState Bank that is secured by all tangible property and due on demand. The interest rate was 5.07% for the years June 30, 2023 and 2022, respectively. The line of credit expires and renews annually in March. At June 30, 2023 and 2022, there were no outstanding balances.

### 9. NOTES PAYABLE

Notes payable consist of the following as of June 30:

	2023	2022
The Organization has an unsecured promissory note for COVID-19 pandemic relief. The note matures in June of 2026 payable in monthly installments of \$1,739. The stated interest rate is 5.99%.	\$ 40,977	\$ 63,226
The Organization has a promissory note that matures in March of 2024. The note is payable in quarterly installments of \$2,500. The loan carries no interest if the payments are made on time.	7,500	17,500
The Organization has an Economic Injury Disaster Loan due August 2051. The loan is payable in monthly, principal and interest at 2.75%. The note is secured assets owned by the Organization.	499,900	499,900
Total of long-term debt	548,377	580,626
Less current portion	(39,109)	(32,787)
	<u>\$ 509,268</u>	<u>\$ 547,839</u>

Annual maturities of notes payable are as follows for the years ending June 30:

2024	\$ 39,109
2025	34,856
2026	13,621
2027	13,769
2028	14,152
Thereafter	432,870
	<u>\$ 548,377</u>

### 10. NET ASSETS

Net assets without donor restrictions encompasses charitable contributions, grants, and fundraising receipts that are available for use for the various activities of the Organization, including the support of program activities and fundraising and charitable activities at the discretion of the Board of directors; operational and administrative functions; and expenses attributed to contributions with donor-imposed restrictions that have been met during the same reporting period.

Net assets with donor restrictions represent gifts that are subject to donor-imposed restrictions to be used for a specific purpose. As of June 30, 2023 and 2022, the Organization had no net assets with donor imposed restrictions.

# JUNIOR ACHIEVEMENT OF NORTH FLORIDA, INC.

## NOTES TO FINANCIAL STATEMENTS

### 11. INCOME TAXES

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In accordance with the applicable provisions of the Internal Revenue Code, the Organization is subject to an excise tax on net investment income, including realized investment gains.

The Organization evaluates its tax positions for any uncertainties based on the technical merits of the position taken. The Organization recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be upheld on examination by taxing authorities.

Currently, the tax years ended June 30, 2022, 2021 and 2020 are open and subject to examination by the Internal Revenue Service. However, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

### 12. IN-KIND CONTRIBUTIONS

The Organization received the following contributions of non financial assets for the years ending June 30:

	2023	2022
Professional services	\$ 6,500	\$ -
Storage unit rental	3,000	3,000
Program facility rental	-	2,000
Program materials	-	180
Total in-kind contributions	<u>\$ 9,500</u>	<u>\$ 5,180</u>

### 13. CONCENTRATIONS OF CREDIT RISK

#### Cash Concentration

The Organization maintains cash balances at various financial institutions. The balances for interest and non interest-bearing accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per customer. At times, deposits may exceed federally insured limits. Cash in excess of insured at June 30, 2023 and 2022 totaled \$197,065 and \$391,700, respectively.

### 14. RELATED PARTY

The Organization is affiliated with a national organization, Junior Achievement USA, Inc. ("JA USA"). The Organization is required to pay JA USA program and support fees that are based on a percentage of contributions and net income from special events. For the years ended June 30, 2023 and 2022, the Organization paid program and support fees totaling \$138,425 and \$94,853, respectively.

The Organization also purchases program materials and supplies from JA USA. For the years ended June 30, 2023 and 2022, the Organization purchased supplies and materials totaling \$13,475 and \$10,472, respectively. As of June 30, 2023 and 2022, the Organization did not have any outstanding payables or receivables with JA USA.

### 15. HEALTH AND WELFARE BENEFITS TRUST AND POSTRETIREMENT BENEFITS PLAN

#### Health and Welfare Benefits Trust

The Organization has a self-funded medical, dental and other benefits plan covering full-time employees of the Organization and their beneficiaries and covered dependents. The plan is accounted for similar to a multi-employer plan. Premiums are paid into the Health and Welfare Plan for each participant by participating employers. Employees of the Organization and employees of Junior

Achievement Areas in the United States can participate in the Health and Welfare Plan. All the assets and liabilities of the Health and Welfare Plan are held in the Junior Achievement USA Health and Welfare Benefits Trust (Benefits Trust). Accordingly, no balances or transactions of the Benefits Trust are recorded in the financial statements of the Organization. The Organization's premium expense for the Health and Welfare Plan for the years ended June 30, 2023 and 2022 was \$63,394 and \$27,379, respectively.

#### Postretirement Benefits Plan

The Health and Welfare Plan also offers healthcare benefits to retired personnel of the participation employers. This created an implicit rate subsidy, which is considered to be a postretirement benefit. Management of the Organization does not believe the implicit rate subsidy amount to be material to the Organization, especially since the Plan is a multi-employer plan. Accordingly, no balances or transactions of the Postretirement Benefits Plan are recorded in the financial statements of the Organization.

### 16. PROFIT SHARING PLAN

Starting on July 1, 2019, the Organization implemented a 401(k) multiple employer profit-sharing plan covering substantially all employees. The Organization's contributions to the plan are determined annually by the Board of Directors. Contributions to the plan totaled \$34,243 and \$22,602 for the years ended June 30, 2023 and 2022, respectively.

### 17. SUBSEQUENT EVENTS

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 3, 2023, the date the financial statements were available to be issued.