

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Audited Financial Statements

August 31, 2024

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Audited Financial Statements

August 31, 2024

C O N T E N T S

	Page
Independent Auditor's Report	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-15

Independent Auditor's Report

To the Board of Directors of
The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Opinion

We have audited the accompanying financial statements of The New York Opportunity Network, Inc. d/b/a The Opportunity Network, which comprise the statement of financial position as of August 31, 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of The Opportunity Network as of August 31, 2024, and the changes in 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Opportunity Network and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Opportunity Network's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Opportunity Network'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 Opportunity Network'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 Opportunity Network's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 19, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sax CPAs LLP

New York, NY
February 21, 2025

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Statement of Financial Position

At August 31, 2024
(With comparative totals at August 31, 2023)

	August 31,	
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 9,142,543	\$ 2,875,819
Contributions receivable, net	2,022,515	3,418,050
Program income receivable	33,000	-
Prepaid expenses and other assets	626,813	560,661
Investment annuity contracts	-	1,092,376
Property and equipment, net	53,978	66,681
Operating lease right-of-use asset	871,249	1,278,030
Security deposit	28,000	28,000
TOTAL ASSETS	\$ 12,778,098	\$ 9,319,617
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 530,288	\$ 465,318
Deferred revenue	8,000	65,250
Operating lease liability	879,249	1,278,030
Total liabilities	1,417,537	1,808,598
NET ASSETS		
Without donor restrictions	8,388,169	2,658,191
With donor restrictions	2,972,392	4,852,828
Total net assets	11,360,561	7,511,019
TOTAL LIABILITIES AND NET ASSETS	\$ 12,778,098	\$ 9,319,617

The attached notes and auditor's report are an integral part of these financial statements.

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Statement of Activities

For the Year Ended August 31, 2024
(With comparative totals for the year ended August 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 8/31/24	Total 8/31/23
PUBLIC SUPPORT AND REVENUE				
Contributions	\$ 11,798,433	\$ 1,577,650	\$ 13,376,083	\$ 6,232,464
Special events income (net of expenses with a direct benefit to donor)	3,173,752	-	3,173,752	3,758,249
Program income	551,149	-	551,149	824,849
In-kind contributions	179,978	-	179,978	292,230
Interest and other income	242,841	-	242,841	48,426
Net assets released from restrictions	3,458,086	(3,458,086)	-	-
Total public support and revenue	<u>19,404,239</u>	<u>(1,880,436)</u>	<u>17,523,803</u>	<u>11,156,218</u>
 EXPENSES				
Program services	9,915,447	-	9,915,447	8,858,246
Supporting services:				
Management and general	1,695,756	-	1,695,756	1,479,766
Fundraising	2,102,346	-	2,102,346	1,989,142
Total supporting services	<u>3,798,102</u>	<u>-</u>	<u>3,798,102</u>	<u>3,468,908</u>
Total expenses	<u>13,713,549</u>	<u>-</u>	<u>13,713,549</u>	<u>12,327,154</u>
 Change in net assets from operations	<u>5,690,690</u>	<u>(1,880,436)</u>	<u>3,810,254</u>	<u>(1,170,936)</u>
 NON-OPERATING ACTIVITIES				
Change in cash surrender value of annuity contract	39,288	-	39,288	41,218
Total non-operating activities	<u>39,288</u>	<u>-</u>	<u>39,288</u>	<u>41,218</u>
 Change in net assets	5,729,978	(1,880,436)	3,849,542	(1,129,718)
 NET ASSETS, beginning of year	<u>2,658,191</u>	<u>4,852,828</u>	<u>7,511,019</u>	<u>8,640,737</u>
 NET ASSETS, end of year	<u><u>\$ 8,388,169</u></u>	<u><u>\$ 2,972,392</u></u>	<u><u>\$ 11,360,561</u></u>	<u><u>\$ 7,511,019</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Statement of Functional Expenses

For the Year Ended August 31, 2024
(With comparative totals for the year ended August 31, 2023)

	Program Services			Supporting Services				
		Career						
	OppNet	Fluency	Total	Management		Total	Total	Total
	Fellows	Partnerships	Program	and	Fundraising	Supporting	Expenses	Expenses
		& OppIgnited	Services	General		Services	8/31/24	8/31/23
Salaries	\$ 4,003,459	\$ 1,543,615	\$ 5,547,074	\$ 761,600	\$ 1,120,465	\$ 1,882,065	\$ 7,429,139	\$ 6,496,461
Payroll taxes and benefits	1,008,959	389,025	1,397,984	191,940	282,382	474,322	1,872,306	1,604,683
Professional fees	632,713	59,243	691,956	301,795	212,884	514,679	1,206,635	1,194,889
Student activities (including in-kind)	1,083,681	136,988	1,220,669	-	-	-	1,220,669	953,542
Communications and public relations	-	-	-	5,653	-	5,653	5,653	7,419
Special event expenses (including in-kind)	-	-	-	-	712,122	712,122	712,122	830,027
Rent expense	314,088	31,864	345,952	91,040	18,208	109,248	455,200	423,996
Travel, meetings, and conferences	16,263	56,523	72,786	28,289	12,949	41,238	114,024	118,741
Supplies and office expenses	49,136	67,468	116,604	39,833	12,029	51,862	168,466	225,130
Dues and filing fees	3,105	6,475	9,580	41,710	2,144	43,854	53,434	58,583
Equipment and software subscriptions	156,979	228,657	385,636	13,679	42,456	56,135	441,771	481,302
Insurance	27,255	2,765	30,020	7,900	1,580	9,480	39,500	34,270
Staff development and recruitment	26,926	40,698	67,624	125,029	2,707	127,736	195,360	168,858
Bank and credit card processing fees	-	-	-	49,508	-	49,508	49,508	49,656
Bad debt	-	-	-	30,000	-	30,000	30,000	10,665
Depreciation	26,839	2,723	29,562	7,780	1,556	9,336	38,898	48,713
Total expenses	7,349,403	2,566,044	9,915,447	1,695,756	2,421,482	4,117,238	14,032,685	12,706,935
Less: special event expenses with a direct benefit to donor	-	-	-	-	(319,136)	(319,136)	(319,136)	(379,781)
Total expenses for statement of activities	\$ 7,349,403	\$ 2,566,044	\$ 9,915,447	\$ 1,695,756	\$ 2,102,346	\$ 3,798,102	\$ 13,713,549	\$ 12,327,154

The attached notes and auditor's report are an integral part of these financial statements.

**The New York Opportunity Network, Inc.
d/b/a The Opportunity Network**

Statement of Cash Flows

For the Year Ended August 31, 2024
(With comparative totals for the year ended August 31, 2023)

	August 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,849,542	\$ (1,129,718)
Adjustments to reconcile change in net assets to net cash provided by/(used for) operating activities:		
Depreciation	38,898	48,713
Change in cash surrender value of annuity contract	(39,288)	(41,218)
Change in operating lease right-of-use asset and liability	8,000	-
Changes in assets and liabilities:		
Contributions receivable	1,395,535	431,503
Program income receivable	(33,000)	-
Prepaid expenses and other assets	(66,152)	(118,350)
Accounts payable and accrued expenses	64,970	207,941
Deferred revenue	(57,250)	41,250
Total adjustments	<u>1,311,713</u>	<u>569,839</u>
Net cash provided by/(used for) operating activities	<u>5,161,255</u>	<u>(559,879)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(26,195)	(41,455)
Distributions of cash surrender value of annuity contracts	1,131,664	-
Net cash provided by/(used for) investing activities	<u>1,105,469</u>	<u>(41,455)</u>
Net increase/(decrease) in cash and cash equivalents	6,266,724	(601,334)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	<u>2,875,819</u>	<u>3,477,153</u>
CASH AND CASH EQUIVALENTS, <i>end of year</i>	<u>\$ 9,142,543</u>	<u>\$ 2,875,819</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
No interest or taxes were paid.		

The attached notes and auditor's report are an integral part of these financial statements.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 1 - Organization

The New York Opportunity Network, Inc. d/b/a The Opportunity Network is a New York not-for-profit corporation whose primary purpose is to develop future leaders by introducing talented, low-income high school students to college access and career development opportunities through relationships with professionals and private sector organizations. The Opportunity Network firmly believes that the students' unique interaction with executives, intensive network training, course work in careers, robust internships, and college counseling, can and do, change the course of their futures. The Opportunity Network's revenue is primarily from contributions and program service income.

The Opportunity Network accomplishes its mission through the following programs:

- **OppNet Fellows** - The OppNet Fellows program is an intensive six-year experience for students beginning the summer after 10th grade that cultivates their passions and skills to persist through college and launch the careers of their choice upon graduation.

Anchored in our proprietary Career Fluency® curriculum, which articulates the necessary skills and mindsets for college and career readiness, OppNet's Fellows program integrates individualized college guidance, robust networking opportunities for professional and personal growth, multi-industry career exposure, experiential learning for college success, and five summers of skill-building paid internships and enrichment programs.

- **Career Fluency Partnerships and OppIgnited** - This program is an immersive capacity-building program for schools and youth-serving organizations across the country looking to accelerate postsecondary and workforce readiness for their students. Through tailored integration of the Career Fluency® curriculum, the Partnerships team designs a unique strategy for each Partner organization to reach their desired goals and amplify student outcomes.

The Opportunity Network has been notified by the Internal Revenue Service that it is 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).

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting and Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting, which is the process of recording revenue and expenses when earned or incurred rather than received or paid.

The financial statements are presented in accordance with the provision of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958 - *Presentation of Financial Statement of Not-For-Profit Entities*.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 2 - Summary of Significant Accounting Policies - Continued

a. Basis of Accounting and Presentation - Continued

FASB ASC 958 requires The Opportunity Network to report information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets without Donor Restrictions* - represents those resources for which there are no restrictions by donors as to their use.
- *Net Assets with Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

b. Recently Adopted Accounting Standards

On September 1, 2023, The Opportunity Network adopted the FASB's Accounting Standards Update ("ASU") 2016-13, *Financial Instruments-Credit Losses* ("Topic 326"). Financial assets, which potentially subject The Opportunity Network to credit losses, consisted of program income receivable reflected on the statement of financial position. Expected losses are recorded to an allowance for credit losses valuation account that is net against the corresponding asset to present the net amount expected to be collected on the financial asset. The credit loss allowance is determined through analysis of the financial assets and assessments of risk that are based on historical trends and evaluation of the impact of current and projected economic conditions. Based on the analysis performed on the open accounts receivable aging and detail analysis of the customers, The Opportunity Network did not record an allowance for credit losses as of August 31, 2024. The impact of the adoption was not considered material to the financial statements and primarily results in new/enhanced disclosures only.

c. Revenue Recognition

The Opportunity Network follows the requirements of FASB 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 are 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. Contributions and grants expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 2 - Significant Accounting Policies - Continued

c. Revenue Recognition - Continued

The Opportunity Network follows the requirements of FASB ASC 606 for recognizing revenue from contracts with customers. The Opportunity Network receives program income for providing intern training, networking, and professional development workshops, which falls under FASB ASC 606 and is included in the statement of activities.

Revenue from training and workshops is recognized when at the point in time that the service is provided, and the performance obligation is complete. Fees that have not been collected at year end are reflected as program income receivable. Amounts collected in advance are treated as deferred revenue.

Receivables are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for credit loss exists as of August 31, 2024.

d. Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to The Opportunity Network's ongoing services. Nonoperating activities are limited to the change in the cash surrender value of The Opportunity Network's investment in an annuity contract.

e. Cash and Cash Equivalents

All liquid investments with an initial maturity of three months or less are considered to be cash and cash equivalents.

f. Concentration of Credit Risk

Financial instruments, which potentially subject The Opportunity Network to a concentration of credit risk consist of cash accounts with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. At year end, a significant portion of the funds is not insured by the Federal Deposit Insurance Corporation ("FDIC") or related entity; however, management feels they have little risk and has not suffered losses from the default of any financial institution.

During 2024, The Opportunity Network received a contribution in the amount of \$10,000,000 from one donor. This amounted to 57% of the total support and revenue received for the year ended August 31, 2024.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 2 - Significant Accounting Policies - Continued

g. Property and Equipment

Property and equipment that The Opportunity Network retains title to, exceeds a dollar threshold of \$1,000 and which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation is recorded using the straight-line method over the assets estimated useful life.

Computers and equipment are depreciated over three years and leasehold improvements are amortized over the lesser of the lease term or useful life of the improvements.

h. Leases

The Opportunity Network adopted FASB ASC Topic 842 ("ASC 842"). ASC 842 requires lessees to recognize most leases on their statement of financial position as a right-of-use ("ROU") asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. ASC 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. ASC 842 retains a distinction between finance leases and operating leases, with classification affecting the pattern of expense recognition in the statement of activities.

The Opportunity Network made an accounting policy election available under ASC 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, The Opportunity Network made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable, they will be incurred.

The Opportunity Network has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle, and equipment asset classes. The non-lease components typically represent additional services transferred to The Opportunity Network, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 2 - Significant Accounting Policies - Continued

i. In-kind Contributions

Donated marketable securities and other non-cash donations are recognized as contributions at their estimated fair values at the date of donation. Contributions of services that create or enhance non-financial assets, or require specialized skills, are performed by those who possess those skills, and would typically have been purchased if they had not been donated are also recognized at fair value.

Many individuals volunteer their time and perform a variety of services to assist with specific assistance programs, campaign solicitation, and various committee assignments. No amounts have been reflected in the financial statements for these types of donated services because they do not meet the criteria for recognition as outlined above.

j. Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

k. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of The Opportunity Network.

Salaries were allocated based on time and effort. Payroll taxes and benefits were allocated using salaries as the basis. The following costs were allocated based on usage by square foot:

- Rent expense
- Insurance
- Depreciation

All other expenses have been charged directly to the applicable program or supporting services.

l. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with The Opportunity Network's financial statements for the year ended August 31, 2023, from which the summarized information was derived.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 2 - Significant Accounting Policies - Continued

m. Accounting for Uncertainty of Income Taxes

Management does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending August 31, 2021 and later are subject to examination by applicable taxing authorities.

Note 3 - Contributions Receivable

Contributions receivable are expected to be collected in the following periods:

Year ending:

August 31, 2025	\$ 1,791,015
August 31, 2026	250,000
Total	<u>2,041,015</u>
Less: present value discount (3.9%)	(18,500)
Total contributions receivable	<u><u>\$ 2,022,515</u></u>

Note 4 - Investments in Annuity Contract

The Opportunity Network holds an annuity contract, where they are the primary beneficiary of 100% of the policy as a death benefit if the annuitant (the "Founder") dies prior to the annuity date. The contract is reported as an asset on the statement of financial position at its cash surrender value, which was \$1,092,376 as of August 31, 2023. During the year ended August 31, 2024, the contracts were surrendered and distributions on the cash surrender value totaling \$1,131,664 were made to The Opportunity Network. There were no balances held in annuity contracts at August 31, 2024.

Note 5 - Property and Equipment

Property and equipment consist of the following:

	August 31,	
	2024	2023
Leasehold improvements	\$ 391,527	\$ 391,527
Computer and equipment	266,955	240,760
	<u>658,482</u>	<u>632,287</u>
Less: accumulated depreciation	(604,504)	(565,606)
Total property and equipment, net	<u><u>\$ 53,978</u></u>	<u><u>\$ 66,681</u></u>

Note 6 - Operating Lease Right-of-Use ("ROU") Asset and Operating Lease Liability

The Opportunity Network evaluated current contracts to determine which met the criteria of a lease. On September 1, 2023, The Opportunity Network entered into a non-cancelable agreement to lease office space in New York, NY. The lease expires on August 31, 2026 and has been determined to be an operating lease.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 6 - Operating Lease Right-of-Use ("ROU") Asset and Operating Lease Liability - Continued

The ROU assets represent The Opportunity Network's right to use the underlying asset for the lease term, and the lease liabilities represent The Opportunity Network's obligation to make lease payments arising from this lease. The ROU assets and lease liabilities were calculated based on the present value of future lease payments over the lease terms. The Opportunity Network has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted average discount rate applied to calculate lease liabilities as of August 31, 2024 was 4.57%. The weighted average lease term as of August 31, 2024 was two years.

For the years ended August 31, 2024 and 2023, total operating lease cost was \$437,986 and \$388,731, respectively. There were no short-term lease costs during the year ended August 31, 2024 and 2023.

Cash paid for operating leases for the years ended August 31, 2024 and 2023 was \$447,200 and \$424,000, respectively. There were no noncash investing and financing transactions related to leasing.

The future minimum lease payments under the operating lease as of August 31, 2024 are as follows:

Year ending:

August 31, 2025	\$ 455,200
August 31, 2026	463,200
Total lease payments	<u>918,400</u>
Less: present value discount	<u>(39,151)</u>
Total lease liability at August 31, 2024	<u><u>\$ 879,249</u></u>

Note 7 - Net Assets with Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

	August 31, 2024			
	Balance 9/1/23	Contributions	Released from Restrictions	Balance 8/31/24
Program restrictions:				
Fellows Program	\$ 2,459,101	\$ 1,108,750	\$ (1,822,230)	\$ 1,745,621
Other	710,659	100,000	(456,488)	354,171
Total program restrictions	<u>3,169,760</u>	<u>1,208,750</u>	<u>(2,278,718)</u>	<u>2,099,792</u>
Time restrictions	1,683,068	368,900	(1,179,368)	872,600
Total	<u><u>\$ 4,852,828</u></u>	<u><u>\$ 1,577,650</u></u>	<u><u>\$ (3,458,086)</u></u>	<u><u>\$ 2,972,392</u></u>

The New York Opportunity Network, Inc.
d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 7 - Net Assets with Donor Restrictions - Continued

August 31, 2023				
	Balance 9/1/22	Contributions	Released from Restrictions	Balance 8/31/23
Program restrictions:				
Fellows Program	\$ 3,617,331	\$ 1,405,000	\$ (2,563,230)	\$ 2,459,101
Capacity Building	297,246	-	(297,246)	-
Other	23,702	1,062,000	(375,043)	710,659
Total program restrictions	3,938,279	2,467,000	(3,235,519)	3,169,760
Time restrictions	1,383,188	1,685,100	(1,385,220)	1,683,068
Total	<u>\$ 5,321,467</u>	<u>\$ 4,152,100</u>	<u>\$ (4,620,739)</u>	<u>\$ 4,852,828</u>

Note 8 - Special Events

A summary of special events activity from the annual benefit and other events is as follows:

			August 31,
			2024 2023
Gross revenue	\$ 3,492,888	\$ 4,138,030	
Less: expenses with a direct benefit to donor	(319,136)	(379,781)	
	3,173,752	3,758,249	
Less: other event expenses	(392,986)	(450,246)	
Net proceeds from events	<u>\$ 2,780,766</u>	<u>\$ 3,308,003</u>	

Note 9 - In-Kind Contributions

In-kind contributions have been allocated as follows

August 31, 2024				
	Programs	Management and General	Fundraising	Total
Student activities	\$ 132,601	\$ -	\$ -	\$ 132,601
Special event expenses	-	-	47,377	47,377
Total	<u>\$ 132,601</u>	<u>\$ -</u>	<u>\$ 47,377</u>	<u>\$ 179,978</u>

August 31, 2023				
	Programs	Management and General	Fundraising	Total
Student activities	\$ 152,133	\$ -	\$ -	\$ 152,133
Special event expenses	-	-	140,097	140,097
Total	<u>\$ 152,133</u>	<u>\$ -</u>	<u>\$ 140,097</u>	<u>\$ 292,230</u>

These valuations are based on fair market value on the basis of recent comparable prices for similar goods and services in the New York City metropolitan area. There are no associated donor restrictions.

The New York Opportunity Network, Inc. d/b/a The Opportunity Network

Notes to Financial Statements

August 31, 2024

Note 10 - Retirement Plan

The Opportunity Network administers a retirement plan under section 401(k) of the Internal Revenue Code. The plan offers employees an opportunity to contribute pre-tax dollars up to statutory limits. All full-time employees who have been working for at least one year are eligible. The employer match was \$164,000 in 2024 and \$132,000 in 2023, and these contributions are vested upon three years of service.

Note 11 - Availability and Liquidity

The Opportunity Network maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, The Opportunity Network operates its programs within a board approved budget and relies on contributions and program income to fund its operations and program activities.

The following reflects The Opportunity Network's financial assets at August 31, 2024 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:

Cash and cash equivalents	\$ 9,142,543
Contributions receivable due within one year, net	1,791,015
Program receivable	<u>33,000</u>

Total financial assets	\$ 10,966,558
------------------------	---------------

Less amounts not available for general expenditures:

Donor restricted contributions-purpose and time restrictions	<u>(2,099,792)</u>
--	--------------------

Financial assets available within one year to meet
cash needs for general expenditures

<u>\$ 8,866,766</u>

Note 12 - Subsequent Events

Subsequent events have been evaluated through February 21, 2025, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment or disclosure to the financial statements.