

Young Voices

Financial Statements
and Independent Auditor's Report

May 31, 2025 and 2024

Young Voices

Financial Statements
May 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Young Voices

Opinion

We have audited the accompanying financial statements of Young Voices, which comprise the statements of financial position as of May 31, 2025 and 2024; the related statements of activities, functional expenses, and cash flows for the years 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 Young Voices as of May 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Young Voices and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

Responsibilities of Management for the Financial Statements (continued)

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 Young Voices' 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

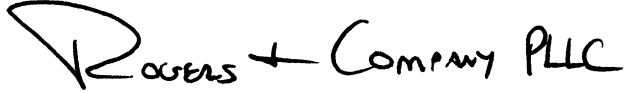
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Young Voices' 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 Young Voices' ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

Handwritten signature of Rogers + Company PLLC in black ink.

Vienna, Virginia
September 2, 2025

Young Voices

Statements of Financial Position May 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 1,326,866	\$ 1,079,736
Accounts receivable	1,700	-
Contributions receivable	68,500	171,000
Prepaid expenses	12,821	13,440
Total assets	<u>\$ 1,409,887</u>	<u>\$ 1,264,176</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 20,002	\$ 10,350
Refundable advances	-	21,200
Total liabilities	<u>20,002</u>	<u>31,550</u>
Net Assets		
Without donor restrictions	1,232,379	1,061,626
With donor restrictions	157,506	171,000
Total net assets	<u>1,389,885</u>	<u>1,232,626</u>
Total liabilities and net assets	<u>\$ 1,409,887</u>	<u>\$ 1,264,176</u>

See accompanying notes.

Young Voices

Statement of Activities For the Year Ended May 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions:			
Corporations	\$ 864,000	\$ 46,327	\$ 910,327
Foundations	357,950	120,000	477,950
Individuals	53,405	28,757	82,162
Nonprofits	55,999	30,000	85,999
DAF – Individuals	360,320	15,000	375,320
DAF – Foundations	160,000	53,000	213,000
Investment income	39,767	-	39,767
In-kind contributions	122,288	-	122,288
Other income	4,295	-	4,295
Released from restrictions	306,578	(306,578)	-
	<u>2,324,602</u>	<u>(13,494)</u>	<u>2,311,108</u>
Expenses			
Program services	1,667,907	-	1,667,907
Supporting services:			
Management and general	137,784	-	137,784
Fundraising	348,158	-	348,158
	<u>485,942</u>	<u>-</u>	<u>485,942</u>
Total supporting services	<u>485,942</u>	<u>-</u>	<u>485,942</u>
Total expenses	<u>2,153,849</u>	<u>-</u>	<u>2,153,849</u>
Change in Net Assets	170,753	(13,494)	157,259
Net Assets, beginning of year	<u>1,061,626</u>	<u>171,000</u>	<u>1,232,626</u>
Net Assets, end of year	<u><u>\$ 1,232,379</u></u>	<u><u>\$ 157,506</u></u>	<u><u>\$ 1,389,885</u></u>

See accompanying notes.

Young Voices

Statement of Activities For the Year Ended May 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions:			
Corporations	\$ 745,500	\$ 110,000	\$ 855,500
Foundations	314,593	180,750	495,343
Individuals	67,344	31,567	98,911
Nonprofits	215,879	21,000	236,879
DAF – Individuals	128,250	-	128,250
DAF – Foundations	158,500	-	158,500
Investment income	44,273	-	44,273
In-kind contributions	101,099	-	101,099
Other income	8,968	-	8,968
Released from restrictions	322,433	(322,433)	-
Total revenue and support	2,106,839	20,884	2,127,723
Expenses			
Program services	1,552,799	-	1,552,799
Supporting services:			
Management and general	212,757	-	212,757
Fundraising	223,359	-	223,359
Total supporting services	436,116	-	436,116
Total expenses	1,988,915	-	1,988,915
Change in Net Assets	117,924	20,884	138,808
Net Assets, beginning of year	943,702	150,116	1,093,818
Net Assets, end of year	\$ 1,061,626	\$ 171,000	\$ 1,232,626

See accompanying notes.

Young Voices

Statement of Functional Expenses For the Year Ended May 31, 2025

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 690,649	\$ 70,905	\$ 193,797	\$ 264,702	\$ 955,351
Employee benefits	77,728	3,563	10,195	13,758	91,486
Payroll taxes	60,913	6,952	16,578	23,530	84,443
Awards	6,000	-	-	-	6,000
Meetings	122,498	-	16,250	16,250	138,748
Office expenses	5,863	4,513	1,697	6,210	12,073
Other services	266,210	-	-	-	266,210
Travel	191,818	-	19,106	19,106	210,924
Website subscriptions	61,477	21,794	28,753	50,547	112,024
Finance	-	28,278	-	28,278	28,278
Insurance	2,141	1,779	727	2,506	4,647
In-kind contributions	122,288	-	-	-	122,288
Advertising	8,153	-	1,347	1,347	9,500
Fundraising	-	-	59,708	59,708	59,708
Rent	52,169	-	-	-	52,169
Legal	-	-	-	-	-
Total Expenses	\$ 1,667,907	\$ 137,784	\$ 348,158	\$ 485,942	\$ 2,153,849

See accompanying notes.

Young Voices

Statement of Functional Expenses For the Year Ended May 31, 2024

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 647,642	\$ 98,269	\$ 137,885	\$ 236,154	\$ 883,796
Employee benefits	75,318	5,814	7,413	13,227	88,545
Payroll taxes	54,750	30,017	11,270	41,287	96,037
Awards	23,500	-	-	-	23,500
Meetings	110,864	-	6,231	6,231	117,095
Office expenses	8,978	4,091	996	5,087	14,065
Other services	209,446	-	-	-	209,446
Travel	199,030	-	15,834	15,834	214,864
Website subscriptions	54,156	45,138	15,451	60,589	114,745
Finance	-	27,036	-	27,036	27,036
Insurance	1,529	2,213	589	2,802	4,331
In-kind contributions	101,099	-	-	-	101,099
Advertising	9,925	-	1,259	1,259	11,184
Fundraising	-	-	26,431	26,431	26,431
Rent	56,562	-	-	-	56,562
Legal	-	179	-	179	179
Total Expenses	\$ 1,552,799	\$ 212,757	\$ 223,359	\$ 436,116	\$ 1,988,915

See accompanying notes.

Young Voices

Statements of Cash Flows For the Years Ended May 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ 157,259	\$ 138,808
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,700)	-
Contributions receivable	102,500	(20,884)
Prepaid expenses	619	-
Increase (decrease) in:		
Accounts payable	9,652	(14,899)
Refundable advances	(21,200)	21,200
Net cash provided by operating activities	247,130	124,225
Net Increase in Cash and Cash Equivalents	247,130	124,225
Cash and Cash Equivalents, beginning of year	1,079,736	955,511
Cash and Cash Equivalents, end of year	<u>\$ 1,326,866</u>	<u>\$ 1,079,736</u>

See accompanying notes.

Young Voices

Notes to Financial Statements May 31, 2025 and 2024

1. Nature of Operations

Young Voices is a nonprofit organization that was incorporated in 2016 under the laws of the District of Columbia. The primary mission of Young Voices is to cultivate the next generation of thought leaders for liberty in policy, journalism, and academia. Young Voices achieves this mission by providing writing training, editing, and media placement services to aspiring change makers under 35.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

Young Voices' financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash Equivalents

Young Voices considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase. Excluded from this definition of cash equivalents are amounts held for investments.

Young Voices

Notes to Financial Statements May 31, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

Accounts Receivable

Accounts receivable are recorded at net realizable value and are all due within one year. Accounts receivable are presented net of an allowance for credit losses resulting from the inability of customers to make required payments. The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. However, Young Voices has historically had insignificant write-offs due to bad debts.

Contributions Receivable

Contributions receivable represent unconditional amounts committed to Young Voices. Management determines the allowance for doubtful accounts based upon review of outstanding receivables, historical collection information, and existing economic conditions. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Management believes that all contributions receivable are collectible at May 31, 2025 and 2024, and accordingly, no allowance for uncollectible accounts has been established.

Refundable Advances

Advances received from grantors prior to incurring the costs are recorded as refundable advances in the accompanying statements of financial position.

Leases

Young Voices records a right-of-use asset and lease liability for its operating lease at the lease commencement date. The right-of-use asset is amortized over the shorter of the lease term or the economic life of leased asset. The associated lease liability represents the net present value of the future amounts due under the lease, calculated using a risk-free rate of return selected based on the term of the lease. For real estate leases, non-lease components are separated from the lease components for accounting purposes. Young Voices does not apply the recognition requirements under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 842, *Leases*, to short-term leases and membership agreements.

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Notes to Financial Statements May 31, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

Advertising Costs

Advertising costs are expensed as incurred.

Revenue Recognition

Contributions that are nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Young Voices reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated funds to one of Young Voices' programs or to a future year. When a donor 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 and reported in the statements of activities as net assets released from restrictions.

In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and would have been purchased if not donated, are reflected in the accompanying statements of activities as in-kind contributions. Young Voices receives in-kind contributions in the form of donated advertisements and donated professional services. In-kind contributions are recognized as revenue and expenses in the accompanying statements of activities at their estimated fair value, as provided by the donor, at the date of receipt.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

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

Young Voices

Notes to Financial Statements May 31, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

Subsequent Events

In preparing these financial statements, Young Voices has evaluated events and transactions for potential recognition or disclosure through September 2, 2025, the date the financial statements were available to be issued.

3. Liquidity and Availability

Young Voices strives to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management periodically reviews Young Voices' liquid asset needs and adjusts the cash and cash equivalents balance as necessary. Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at May 31:

	2025	2024
Cash and cash equivalents	\$ 1,326,866	\$ 1,079,736
Accounts receivable	1,700	-
Contributions receivable	68,500	171,000
Less: restricted by donors for purpose and time restrictions	<u>(157,506)</u>	<u>(171,000)</u>
Total available for general expenditures	<u>\$ 1,239,560</u>	<u>\$ 1,079,736</u>

4. Concentrations of Credit Risk

Financial instruments that potentially subject Young Voices to significant concentrations of credit risk consist of cash and cash equivalents. Young Voices maintains interest-bearing cash deposit and transaction accounts with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). Young Voices has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

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Notes to Financial Statements May 31, 2025 and 2024

5. In-Kind Contributions

Donated non-financial assets recognized within the statements of activities include the following for the years ended May 31:

	2025	2024
Donated advertisements	\$ 92,088	\$ 101,099
Donated professional services	30,200	-
Total contributed services	<u>\$ 122,288</u>	<u>\$ 101,099</u>

Donated advertisements are provided to increase awareness of the organization. Donated advertisements were used for program services and were valued using estimated principal market prices of identical or similar products.

Donated professional services are valued using estimated principal market prices of identical or similar products. Donated professional services are used for program services.

All donated non-financial assets for the years ended May 31, 2025 and 2024 were unrestricted.

6. Net Assets With Donor Restrictions

Net assets with donor restrictions were restricted for the following at May 31:

	2025	2024
Purpose restricted:		
Peace Fellowship	\$ 66,006	\$ -
Canadian Expansion	23,000	-
Total purpose restricted net assets	<u>89,006</u>	<u>-</u>
Time restricted	<u>68,500</u>	<u>171,000</u>
Net assets with donor restrictions	<u>\$ 157,506</u>	<u>\$ 171,000</u>

Young Voices

Notes to Financial Statements May 31, 2025 and 2024

7. Membership Agreement

In July 2022, Young Voices entered into a membership agreement for a new shared office space in Washington, DC for the 12 months starting September 1, 2022. In June 2023, this agreement was amended and was extended to February 28, 2025, with a monthly rate of \$2,500 for the first 12 months and \$2,588 for the subsequent six months starting September 1, 2023. On December 16, 2024, Young Voices entered into a membership agreement for a new shared office space in Washington, DC for 36 months starting March 2, 2025, with a monthly rate of \$2,737.

On September 8, 2022, Young Voices entered into a membership agreement for a new shared office space in New York, starting September 13, 2022 and was set to expire on September 30, 2023. In July 2023, this agreement was amended and extended to September 30, 2024, with a monthly rate of \$2,000 for the 12 months starting October 1, 2023. In August 2024, this agreement was renewed and extended to September 30, 2025, with a monthly rate of \$2,200 for the 12 months starting October 1, 2024.

Young Voices does not apply the recognition requirements under FASB ASC Topic 842, *Leases*, to short-term leases and membership agreement. Rent expense was \$52,169 and \$56,562 for the years ended May 31, 2025 and 2024, respectively, and is reflected in the accompanying statements of functional expenses.

8. Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries, employee benefits, payroll taxes, website subscriptions, office expenses, and travel, which are allocated on the basis of estimates of time and effort.

9. Retirement Plan

Effective January 2021, Young Voices maintains a 401(k) Multiple Employer Retirement plan, which is available to employees upon completing one year of eligible service. Young Voices matches 100% of employee contributions up to the first 3% of the participant's compensation. Non-elective profit-sharing contribution may be permitted at the discretion of the Board of Directors and in accordance with the plan. Contributions made to the plan for the years ended May 31, 2025 and 2024 totaled \$21,553 and \$15,912, respectively.

Young Voices

Notes to Financial Statements May 31, 2025 and 2024

10. Income Taxes

Young Voices is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes except for taxes on unrelated business activities. No income tax expense is recorded in the accompanying financial statements for the years ended May 31, 2025 and 2024, as there were no unrelated business activities. Management evaluated Young Voices' tax positions and concluded that Young Voices' financial statements do not include any uncertain tax positions.