

**Nonprofit Association of the Midlands
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
For the years ended December 31, 2024 and 2023**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR’S REPORT	2 – 3
FINANCIAL STATEMENTS	
Statements of Financial Position December 31, 2024 and 2023	4
Statements of Activities For the Years Ended December 31, 2024 and 2023	5
Statements of Cash Flows For the Years Ended December 31, 2024 and 2023	6
Statement of Functional Expenses For the Year Ended December 31, 2024	7
Statement of Functional Expenses For the Year Ended December 31, 2023	8
NOTES TO FINANCIAL STATEMENTS	9 – 17

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Nonprofit Association of the Midlands

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nonprofit Association of the Midlands a nonprofit organization (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, and statements of cash flows, and statements of functional expenses for the years 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 Organization as of December 31, 2024 and 2023, 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 (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 Organization 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

Management's Responsibility 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 for one year after the date that the financial statements are 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 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.

Hayes & Associates, LLC
Omaha, Nebraska
September 19, 2025

Nonprofit Association of the Midlands
STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,090,358	\$ 1,430,181
Accounts receivable	43,331	25,855
Prepaid expenses	25,253	19,808
Grants receivable	125,000	240,000
Right-of-use asset, short term	47,819	46,907
Total current assets	<u>1,331,761</u>	<u>1,762,751</u>
NONCURRENT ASSETS		
Property, equipment & other media, net of accumulated depreciation and amortization of \$326,187 and \$260,113, respectively	471,368	537,442
Right-of-use asset, long term	39,925	87,744
Grants receivable - net of current portion and discount of \$8,878 for 2024 & \$8,878 for 2023	36,122	81,122
Security deposit	<u>3,775</u>	<u>3,775</u>
Total noncurrent assets	<u>551,190</u>	<u>710,083</u>
Total assets	<u><u>\$ 1,882,951</u></u>	<u><u>\$ 2,472,834</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 29,558	\$ 101,279
Payroll liabilities	79,933	106,437
Deferred revenues	180,970	187,641
Current portion of operating lease	<u>50,976</u>	<u>49,090</u>
Total current liabilities	341,437	444,447
NONCURRENT LIABILITIES		
Line of credit	-	50,000
Operating lease	<u>43,245</u>	<u>94,221</u>
Total noncurrent liabilities	<u>43,245</u>	<u>144,221</u>
Total liabilities	384,682	588,668
NET ASSETS		
Net assets without donor restrictions	1,018,662	1,278,779
Net assets with donor restrictions	<u>479,607</u>	<u>605,387</u>
Total net assets	<u>1,498,269</u>	<u>1,884,166</u>
Total liabilities and net assets	<u><u>\$ 1,882,951</u></u>	<u><u>\$ 2,472,834</u></u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands
STATEMENTS OF ACTIVITIES
For the years ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants	\$ 145,000	\$ 287,000	\$ 432,000	\$ 239,922	\$ 405,500	\$ 645,422
Program income	378,103	-	378,103	409,713	-	409,713
Membership dues	313,386	-	313,386	299,419	-	299,419
Contributions	65,037	-	65,037	67,084	-	67,084
Special events	104,900	-	104,900	96,575	-	96,575
Less: direct benefit to donors	(23,420)	-	(23,420)	(25,607)	-	(25,607)
Interest income	45,677	-	45,677	16,998	-	16,998
Other revenues	500	-	500	189	-	189
Total support and revenue	1,029,183	287,000	1,316,183	1,104,293	405,500	1,509,793
EXPENSES						
Program services	1,126,627	-	1,126,627	1,135,532	-	1,161,139
Supporting services						
Management and general	309,083	-	309,083	241,045	-	241,045
Membership development	182,168	-	182,168	144,397	-	144,397
Fundraising	84,202	-	84,202	115,428	-	89,821
Total supporting services	575,453	-	575,453	500,870	-	475,263
Total expenses	1,702,080	-	1,702,080	1,636,402	-	1,636,402
Net assets released from restrictions	412,780	(412,780)	-	389,008	(389,008)	-
CHANGE IN NET ASSETS	(260,117)	(125,780)	(385,897)	(143,101)	16,492	(126,609)
NET ASSETS, BEGINNING OF YEAR	1,278,779	605,387	1,884,166	1,421,880	588,895	2,010,775
NET ASSETS, END OF YEAR	<u>\$ 1,018,662</u>	<u>\$ 479,607</u>	<u>\$ 1,498,269</u>	<u>\$ 1,278,779</u>	<u>\$ 605,387</u>	<u>\$ 1,884,166</u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (385,897)	\$ (126,609)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	66,074	67,843
Change in accounts receivable	(17,476)	35,542
Change in grants receivable	160,000	(142,922)
Change in prepaid expenses	(5,445)	19,409
Change in right-of-use asset	46,907	46,028
Change in accounts payable	(71,721)	25,040
Change in payroll liabilities	(26,504)	13,184
Change in operating lease	(49,090)	(47,256)
Change in deferred revenues	(6,671)	2,646
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(289,823)</u>	<u>(107,095)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from line of credit	-	50,000
Payments on line of credit	(50,000)	-
Purchases of property, equipment & other media	-	(12,200)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(50,000)</u>	<u>37,800</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(339,823)	(69,295)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,430,181</u>	<u>1,499,476</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,090,358</u></u>	<u><u>\$ 1,430,181</u></u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024

		Supporting Services			
	Program Services	Management and General	Membership Development	Fundraising	Total
Salaries	\$ 461,862	\$ 138,677	\$ 97,167	\$ 62,096	\$ 759,802
Payroll taxes	37,862	11,172	8,069	4,966	62,069
Employee benefits	64,806	18,049	12,294	7,518	102,667
Advertising and promotion	4,331	250	500	-	5,081
Accounting and audits	-	32,842	-	-	32,842
Legal	-	35,499	-	-	35,499
Office	31,873	10,250	4,573	3,321	50,017
Occupancy	58,049	17,129	12,371	7,613	95,162
Insurance - business	9,675	2,855	2,062	1,269	15,861
Training and staff development	391,998	24,985	7,610	13,928	438,521
Web development	12,492	3,657	24,160	1,625	41,934
Other	13,374	1,825	4,772	-	19,971
Total expenses before depreciation and amortization	1,086,322	297,190	173,578	102,336	1,659,426
Depreciation and amortization	40,305	11,893	8,590	5,286	66,074
Total expenses	1,126,627	309,083	182,168	107,622	1,725,500
Less: direct benefit to donors	-	-	-	(23,420)	(23,420)
Total expenses per Statement of Activities	<u>\$ 1,126,627</u>	<u>\$ 309,083</u>	<u>\$ 182,168</u>	<u>\$ 84,202</u>	<u>\$ 1,702,080</u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2023

	Program Services	Supporting Services			Total
		Management and General	Membership Development	Fundraising	
Salaries	\$ 450,437	\$ 125,736	\$ 90,221	\$ 66,291	\$ 732,685
Payroll taxes	35,504	9,735	6,872	5,154	57,265
Employee benefits	52,080	12,970	8,314	5,886	79,250
Advertising and promotion	6,171	-	-	-	6,171
Accounting and audits	-	25,624	-	-	25,624
Legal	4,641	4,967	-	-	9,608
Office	28,526	8,419	3,887	3,312	44,144
Occupancy	56,626	15,547	10,960	8,220	91,353
Insurance - business	9,427	5,076	1,825	1,368	17,696
Training and staff development	437,733	17,801	4,364	17,728	477,626
Web development	15,342	2,423	9,813	1,283	28,861
Other	22,589	1,214	-	80	23,883
Total expenses before depreciation and amortization	1,119,076	229,512	136,256	109,322	1,594,166
Depreciation and amortization	42,063	11,533	8,141	6,106	67,843
Total expenses	1,161,139	241,045	144,397	115,428	1,662,009
Less: direct benefit to donors	-	-	-	(25,607)	(25,607)
Total expenses per Statement of Activities	<u>\$ 1,161,139</u>	<u>\$ 241,045</u>	<u>\$ 144,397</u>	<u>\$ 89,821</u>	<u>\$ 1,636,402</u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of Nonprofit Association of the Midlands (the Organization).

1. Organization

The Organization is a State association for nonprofits in Nebraska and western Iowa that works to build the capacity and organizational effectiveness of its members. The mission of the Organization is to strengthen the collective voice, leadership, and capacity of nonprofit organizations to enrich the quality of community life. Among its programs and services are professional development, group purchasing discounts, and advocacy on policy issues. The Organization also works to provide tools to its members to manage their nonprofit organizations more effectively.

2. Basis of Accounting and Use of Estimates

The Organization prepares its financial statements on the accrual basis of accounting and accordingly reflects all significant receivables, payables, and other liabilities. 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. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. Basis of Presentation

The Organization presents its financial position and activities according to the following two classes of net assets:

- a. Net assets without donor restrictions include those net assets whose use is not subject to donor-imposed restrictions, even though their use may be limited in other respects, such as by Board designation.
- b. Net assets with donor restrictions are those net assets whose use by the Organization has been limited by donors to later periods of time after specified dates or to specified purposes, whether temporary or in perpetuity.

4. Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Accounts Receivable, Net

Accounts receivable consist primarily of amounts due from third party contracts and member dues stated as unpaid balances. Receivables are reported net of an allowance for credit losses, which is based on management's review of collections and other relevant factors.

6. Allowance for Credit Losses

The Organization operates in the nonprofit industry and its trade accounts receivable are primarily derived from membership fees. Management typically has not experienced credit loss in the past. Management believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses for accounts receivable held at December 31, 2024 and 2023 because the composition of the accounts receivable at those dates are consistent with that used in developing the historical credit-loss percentages. Additionally, management has determined that the current and reasonable and supportable forecasted economic conditions are consistent with the economic conditions included in the historical information. As a result, management considers all receivables to be fully collectible and, therefore, no allowance for credit losses is provided.

7. Property, Equipment and Other Media, Net

Property, equipment and other media are recorded at cost or, if donated, at the approximate fair value at the date of donation. Property, equipment and other media which cost \$5,000 or more are capitalized. Depreciation and amortization is computed using a straight-line method over the estimated useful lives of the assets, ranging from three to seven years.

8. Promises to Give

Grants and unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be received in future years are recorded at the present value of their estimated future cash flows. The discounts, if material, on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Promises to Give – Continued

The receivables are reviewed for collectability and a provision for uncollectible accounts is recorded based on management's judgement and analysis of individual donors, past collection experience and other relevant factors. No allowance for uncollectible accounts was deemed necessary at December 31, 2024 and 2023.

9. Deferred Revenue

Income from membership dues, subscription fees, and program fees are deferred and recognized over the periods to which the dues and fees relate.

10. Leases

The Organization leases office space under an operating lease agreement. In accordance with ASC 842, the Organization recognizes a right-of-use (ROU) asset and a corresponding lease liability at the commencement date of the lease. Lease liabilities are measured at the present value of the future minimum lease payments, discounted using the Organization's incremental borrowing rate when an implicit rate is not readily determinable. The related right-of-use assets are recorded in an amount equal to the lease liability, adjusted for lease incentives, initial direct costs, or prepaid lease payments.

Operating lease expense is recognized on a straight-line basis over the term of the lease. Variable lease payments, if any, are expensed as incurred. The Organization has elected the practical expedient to not recognize ROU assets and lease liabilities for leases with terms of 12 months or less.

11. Revenues and Reclassifications

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give, that is, those with measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Revenues and Reclassifications - Continued

The Organization recognizes revenue from program fees when the services are provided. Membership dues, which are nonrefundable, are comprised of an exchange element based on the benefits received, and a contribution element for the difference. The Organization recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately.

The Organization records special events revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference. With the exception of goods and services provided in connection with membership dues, which are transferred over the period of membership, all goods and services are transferred at a point in time.

The beginning and ending balances for accounts receivable and deferred revenues were as follows for the years ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable	\$ 43,331	\$ 25,855	\$ 61,397
Deferred revenue	\$ 180,970	\$ 187,641	\$ 184,995

12. Contributed Services and Materials

The Organization may receive benefits from services rendered which are provided free of charge. Revenue and a corresponding expense are recognized at the fair value for contributed services when either contributed services create or enhance a non-financial asset or require specialized skills that the provider possesses, and which would ordinarily be purchased.

Donated materials are recorded as contributions or expenses in the period received. Such donations are recorded at their fair value on the date of donation. Donated materials are not recorded in the financial statements when the Organization serves only as an agent for the donors and the donated materials pass through the organization to its beneficiaries or when values for donated materials cannot reasonably be determined. There were no contributed services or materials for the years ended December 31, 2024 and 2023.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The following expenses are allocated based on time and effort:

- Salaries
- Payroll taxes
- Employee benefits
- Office
- Occupancy
- Insurance – business
- Training and staff development
- Depreciation and amortization

14. Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the years ended December 31, 2024 and 2023, the Organization had no tax liability on unrelated business activity, accordingly, no income taxes are included in these financial statements.

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Internal Revenue Service has classified the Organization as an organization other than a private foundation.

15. Joint Costs

The Organization incurs joint costs activities associated with both program and fundraising appeals relevant to the annual Summit special event. These costs are allocated between program and fundraising costs and are appropriately disclosed and presented on the Organization's Statements of Functional Expenses. During the years ended December 31, 2024 and 2023, the Organization incurred joint costs for activities that included program & fundraising components. The Organization allocated \$205,857 and \$197,561 to program expense, and \$1,350 and \$1,212 to fundraising expense for 2024 and 2023, respectively.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

16. Subsequent Events

The Organization considered events occurring through September 19, 2025 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued. There were no events or transactions occurring between year end and this date that would require recognition or disclosure in the financial statements other than those already disclosed.

NOTE B. CASH AND CONCENTRATION OF CREDIT RISK

Cash and cash equivalent deposits may at times exceed the Federal Deposit Insurance Corporation (FDIC) coverage limits of \$250,000. As of December 31, 2024, the Organization's bank accounts were fully insured. As of December 31, 2023, the Organization had \$103,591 of deposits in excess of FDIC insured limits.

NOTE C. GRANTS RECEIVABLE

Grants receivable are summarized as follows at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Due within one year	\$ 118,370	\$ 240,000
Due after one year through five years	45,000	90,000
Less: Discount for time value of money	<u>(2,248)</u>	<u>(8,878)</u>
	42,752	81,122
Total grants receivable, net	<u><u>\$ 161,122</u></u>	<u><u>\$ 321,122</u></u>

A discount rate of 5.26%, the short-term federal rate, was used in calculating the discount above.

NOTE D. OPERATING LEASE COMMITMENTS

On September 24, 2019, the Organization entered into an 86-month operating lease commencing September 1, 2019, for office space which has the option to renew for another 60-months at the Organization's request. Under the terms of the lease, the monthly rent payments are scheduled to increase by a predetermined amount every twelve months. The Organization is also responsible for a portion of the common area maintenance and utilities. The lease has a remaining term of 22 months, with a discount rate of 1.76%. As of December 31, 2024, net right-of-use assets recorded under operating leases was \$83,772.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE D. OPERATING LEASE COMMITMENTS – CONTINUED

On August 17, 2022, the Organization entered into a 48-month operating lease commencing August 24, 2022, for computer equipment. Under the terms of the lease, the monthly rent payments are \$186 with a discount rate of 3.11%. As of December 31, 2024, net right-of-use assets recorded under operating leases was \$3,972.

The weighted average term of the above leases is 21.86 months and 33.86 months with an average discount rate of 1.82% and 1.82% for the years ended December 31, 2024 and 2023, respectively. Total rent paid during the years ended December 31, 2024 and 2023 was \$48,796 and \$47,840, respectively. Future minimum lease payments are as follows:

Year ending December 31,	Payments
2025	\$ 52,264
2026	43,598
Total	95,862
Less interest	(1,641)
Total lease liabilities	<u>\$ 94,221</u>

NOTE E. PROPERTY, EQUIPMENT AND OTHER MEDIA, NET

A summary of property, equipment and other media, net at December 31, 2024 and 2023 is as follows:

	2024	2023
Computers	\$ 53,713	\$ 53,713
Furniture & equipment	156,060	156,060
Leasehold improvements	587,782	587,782
Less: accumulated depreciation and amortization	(326,187)	(260,113)
Total Property, Equipment & Other Media, net	<u>\$ 471,368</u>	<u>\$ 537,442</u>

NOTE F. REVOLVING LINE OF CREDIT

The Organization had a \$50,108 revolving line of credit. As of December 31, 2024 and 2023 the principal balance for the line of credit was \$0 and \$50,000 respectively. Bank advances on the line of credit are payable on demand and carried an interest rate of 8.75% and 9.50% per annum for December 31, 2024 and 2023, respectively. The line of credit is secured by substantially all assets of the Organization and will mature on December 31, 2049.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE G. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2024 and 2023, are available for the following purposes:

	2024	2023
Time restricted & guideline principles program	\$ -	\$ 106,667
Time restricted	387,000	355,000
Purpose restricted - Trainings	75,396	125,896
Purpose restricted - Capital campaign	17,211	17,824
Total net assets with donor restrictions	<u>\$ 479,607</u>	<u>\$ 605,387</u>

Net assets released from donor restrictions as of December 31, 2024 and 2023 were as follows:

	2024	2023
Time restrictions	\$ 210,000	\$ 80,000
Purpose restrictions	202,167	309,008
Total net assets released from restrictions	<u>\$ 412,167</u>	<u>\$ 389,008</u>

NOTE H. ADVERTISING COSTS

The Organization uses marketing and advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising costs for the years ended December 31, 2024 and 2023, were \$5,081 and \$6,171, respectively.

NOTE I. RETIREMENT PLAN

The Organization provides retirement benefits for its employees through participation in a multiple employer defined contribution 403(b) plan.

All employees may contribute to the retirement plan and the Organization matches up to 50% of the first 6% of the employee contribution. The Organization's contributions to the plan were \$23,870 and \$21,793 for the years ended December 31, 2024 and 2023, respectively.

Nonprofit Association of the Midlands
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE J. AVAILABILITY AND LIQUIDITY

The following represents the Organization's current financial assets for the years ended December 31, 2024 and 2023.

Current financial assets at year end:	2024	2023
Cash and cash equivalents	\$ 1,090,358	\$ 1,430,181
Grants receivable	125,000	240,000
Accounts receivable	43,331	25,855
Total current financial assets	1,258,689	1,696,036
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(479,607)	(605,387)
Add net assets with purpose restrictions to be met in less than one year	387,000	406,667
Net assets unavailable for use within one year:	(92,607)	(198,720)
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,166,082</u>	<u>\$ 1,497,316</u>

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses, approximately \$700,000. The Organization has an available balance of \$50,108 and \$108 on the line of credit at December 31, 2024 and 2023, respectively, available to meet cash flow needs (see Note F).