

West Point Fellowship, Inc.
DBA West Point School of Music



Financial Statements

For the Year Ended
December 31, 2024



Illinois NFP Audit & Tax, LLP

West Point Fellowship, Inc. DBA West Point School of Music

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Independent Auditor's Report

To the Board of Directors
West Point Fellowship, Inc. DBA West Point School of Music
Chicago, Illinois

Opinion on the Financial Statements

We have audited the accompanying financial statements of West Point Fellowship, Inc. DBA West Point School of Music, which comprise the statement of financial position as of December 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 financial statements referred to above present fairly, in all material respects, the financial position of West Point Fellowship, Inc. DBA West Point School of Music as of December 31, 2024, 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 on the Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Point Fellowship, Inc. DBA West Point School of Music 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 West Point Fellowship, Inc. DBA West Point School of Music'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 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 West Point Fellowship, Inc. DBA West Point School of Music'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 West Point Fellowship, Inc. DBA West Point School of Music'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.

IL NFP Audit & Tax, LLP

Chicago, Illinois

December 16, 2025

West Point Fellowship, Inc. DBA West Point School of Music
Statement of Financial Position
December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current Assets			
Cash	\$ 114,966	\$ 0	\$ 114,966
Grants Receivable	226,178	333,420	559,598
Prepaid Expenses	14,490	0	14,490
Total Current Assets	355,634	333,420	689,054
Total Fixed Assets, Net	878,181	0	878,181
Other Assets			
Grants Receivable	0	260,000	260,000
Total Other Assets	0	260,000	260,000
Total Assets	\$ 1,233,815	\$ 593,420	\$ 1,827,235
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	\$ 25,445	\$ 0	\$ 25,445
Accrued Liabilities	28,177	0	28,177
Line of Credit	50,000	0	50,000
Notes Payable	35,879	0	35,879
Total Current Liabilities	139,501	0	139,501
Non-Current Liabilities			
Notes Payable	41,123	0	41,123
Total Non-Current Liabilities	41,123	0	41,123
Total Liabilities	180,624	0	180,624
Total Net Assets	1,053,191	593,420	1,646,611
Total Liabilities and Net Assets	\$ 1,233,815	\$ 593,420	\$ 1,827,235

West Point Fellowship, Inc. DBA West Point School of Music
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support and Gains			
Grants and Contributions			
Foundations	\$ 844,833	\$ 550,000	\$ 1,394,833
Government	646,030	23,420	669,450
Corporations	78,144	0	78,144
Individuals	40,645	0	40,645
Total Grants and Contributions	<u>1,609,652</u>	<u>573,420</u>	<u>2,183,072</u>
Program Revenue			
Instruction	121,707	0	121,707
Instrumental	26,000	0	26,000
Performance	16,055	0	16,055
Total Program Revenue	<u>163,762</u>	<u>0</u>	<u>163,762</u>
Miscellaneous	10,821	0	10,821
Net Assets Released from Restrictions:			
Satisfaction of Program Restriction	0	0	0
Expiration of Time Restrictions	10,000	(10,000)	0
Total Revenue, Support and Gains	<u>1,794,235</u>	<u>563,420</u>	<u>2,357,655</u>
Functional Expenses			
Program Services	910,947	0	910,947
Management and General	210,363	0	210,363
Fundraising	69,181	0	69,181
Total Functional Expenses	<u>1,190,491</u>	<u>0</u>	<u>1,190,491</u>
Change in Net Assets	603,744	563,420	1,167,164
Net Assets,			
Beginning of Year	<u>449,447</u>	<u>30,000</u>	<u>479,447</u>
End of Year	<u>\$ 1,053,191</u>	<u>\$ 593,420</u>	<u>\$ 1,646,611</u>

West Point Fellowship, Inc. DBA West Point School of Music
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Functional Expenses				
Personnel				
Salaries	\$ 531,256	\$ 62,501	\$ 31,250	\$ 625,007
Payroll Taxes	54,913	6,460	3,230	64,603
Total Personnel	<u>586,169</u>	<u>68,961</u>	<u>34,480</u>	<u>689,610</u>
Advertising	11,209	0	11,625	22,834
Bank Fees	0	1,419	0	1,419
Depreciation	55,984	9,880	0	65,864
Donation	5,000	0	0	5,000
Dues and Subscriptions	1,904	5,528	0	7,432
Education Supplies	67,297	0	1,886	69,183
Equipment Rental and Repair	19,945	0	0	19,945
Instrument Rental and Repair	33,331	0	0	33,331
Insurance	21,052	5,857	0	26,909
Interest	0	20,887	0	20,887
Interns Stipends	23,428	0	0	23,428
Music Teachers	4,295	0	0	4,295
Office Expense	0	6,414	0	6,414
Professional Fees	6,609	10,153	21,190	37,952
Repair and Maintenance	0	67,965	0	67,965
Supplies	0	3,858	0	3,858
Telephone	0	3,109	0	3,109
Travel	16,660	0	0	16,660
Uniform Assistance	22,185	0	0	22,185
Utilities	35,879	6,332	0	42,211
Total Functional Expenses	<u><u>\$ 910,947</u></u>	<u><u>\$ 210,363</u></u>	<u><u>\$ 69,181</u></u>	<u><u>\$ 1,190,491</u></u>

West Point Fellowship, Inc. DBA West Point School of Music
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash Flows from Operating Activities

Received from Supporters and Other Sources	\$ 1,701,454
Interest Received	0
Paid to Suppliers and Employees	(1,123,604)
Interest Paid	(20,887)
Income Taxes Paid	0

Net Cash Provided by Operating Activities

556,963

Cash Flows from Investing Activities

Payments for the Purchase of Fixed Assets	(122,394)
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Net Cash Used in Investing Activities

(122,394)

Cash Flows from Financing Activities

Proceeds from the Issuance of Note Payable	57,360
Principal Payments on Note Payable	(574,629)
Proceeds from the Line of Credit	50,000
Repayments on Line of Credit	(18,338)

Net Cash Used in Financing Activities

(485,607)

Net Decrease in Cash

(51,038)

Cash,

Beginning of Year	166,004
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End of Year	\$ <u><u>114,966</u></u>
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West Point Fellowship, Inc. DBA West Point School of Music
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2024

Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities

Change in Net Assets	\$ 1,167,164
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Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	65,864
Changes in Certain Assets and Liabilities:	
Grants Receivable	(656,201)
Prepaid Expenses	(5,347)
Accounts Payable	5,900
Accrued Liabilities	(20,417)
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Total Adjustments	(610,201)
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Net Cash Provided by Operating Activities	\$ 556,963

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 - Principal Activity and Significant Accounting Policies

Organization and Nature of Activities

The West Point Fellowship, Inc. DBA West Point School of Music (the “Organization”) is a not-for-profit corporation incorporated in 2011. The Organization prevents juvenile violence and promotes academic and personal success among urban youth through quality in-school, after-school, and out-of-school music instruction and performance programs in areas in Chicago that need it most.

Basis of Accounting

The Organization’s accounts are maintained on the accrual basis of accounting. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions.

Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has not designated any amounts from net assets without donor restrictions as of December 31, 2024.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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 and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Receivables, Allowance for Uncollectible Promises to Give and Credit Losses

The Organization records receivables that are expected to be collected within one year at net realizable value. Receivables that are expected to be collected in more than one year are recorded at present value. Generally accepted accounting principles prescribe receivables expected to be collected in more than one year to be initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset; in subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. The Organization determines the allowance for credit losses based on historical credit loss percentages for different aging categories; the Organization typically records a credit loss for trade receivables that are aged more than 365 days.

Fixed Assets

The Organization records fixed assets at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using a straight-line depreciation method over the estimated useful lives of the assets of 5 to 29 years or, in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of fixed assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Leases

Operating leases longer than one year are reported on the statement of financial position as a right-of-use (“ROU”) asset and as an operating lease obligation liability on the statement of financial position. The ROU represents the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization’s incremental borrowing rate is used in determining the present value of lease payments. The implicit rate is used when readily determinable. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. At December 31, 2024, the Organization reports no long-term operating leases or finance leases. All leases as of December 31, 2024 are short-term operating leases.

Revenue Recognition - Grants and Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Conditional promises to give are not recognized until they become unconditional. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Net assets restricted for the acquisition of buildings or equipment are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, when the restrictions are released. Contributed materials are recorded as contributions, when received, at their fair market value when such value can be objectively and accurately determined.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Revenue Recognition - Program Fees

Program revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for corresponding services. Revenue is recognized as the underlying performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges.

Revenue Recognition - Disaggregation of Revenue

The following table disaggregates the Organization's revenue from contracts with customers based on the timing of satisfaction of performance obligations for the year ended December 31, 2024:

Revenue Recognized at a Point in Time	\$ 163,762
Revenue Recognized over Time	<u>0</u>
	<u><u>\$ 163,762</u></u>

Functional Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates functional expenses mainly on the basis of estimates of time and effort.

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, the financial statements do not include a provision for income taxes. The Organization reviews income tax positions taken or expected to be taken in income tax returns to determine if there are any income tax uncertainties. This includes positions that the entity is exempt from income taxes or not subject to income taxes on unrelated business income. The Organization recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on the technical merits of the positions.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Income Taxes (Continued)

The Organization has identified no significant income tax uncertainties. The Organization files information returns as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the IRS.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. As of December 31, 2024, the Organization held no deposits above federally insured limits. Credit risk associated with receivables and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from reputable donors highly supportive of the Organization's mission. When applicable, although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Advertising costs

The Organization uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed the first time the advertising takes place, except for direct-response advertising, which is capitalized and amortized over its expected period of future benefits. The Organization had no direct-response advertising during the year ended December 31, 2024.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 2 - Receivables

At December 31, 2024, receivables consist of the following and are estimated to be collected as follows:

Collectible During the 2025 Calendar Year	\$	559,598
Collectible During the 2026 Calendar Year		260,000
Less: Discount to Net Present Value		0
Less: Allowance for Credit Losses/Uncollectibles		0
Total Receivables, Net	<u>\$</u>	<u>819,598</u>

During the year ended December 31, 2024, the Organization entered into \$1,200,000 conditional grant agreements that consists of providing conditional funding through December 31, 2024. The outstanding balance of the conditional grants is \$420,693 as of December 31, 2024. A corresponding grants receivable has not been recorded on the statement of financial position for this amount as the conditional grants are contingent upon incurring qualifying expenditures. Conditional funding is recognized when the conditions on which they depend upon are substantially met.

Note 3 - Fixed Assets

At December 31, 2024, fixed assets comprise of the following:

Building	\$	717,197
Vehicles & Trailers		174,099
Band Instruments		121,501
Epic Steel Orchestra		87,444
Repair Tools		82,207
Studio Equipment		19,213
Band Instruments - Lease to Own		11,199
Building Improvements		4,126
Furniture and Fixtures		2,335
Computer Equipment		1,213
Total Fixed Assets		<u>1,220,534</u>
Less: Accumulated Depreciation		<u>(342,353)</u>
Total Fixed Assets, Net	<u>\$</u>	<u>878,181</u>

Depreciation expense amounts to \$65,864 for the year ended December 31, 2024.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 4 - Notes Payable

On September 28, 2022, the Organization purchased a property financed by a note payable of \$550,000 with the Illinois Facilities Fund. The note bears interest at 5.88% and matures on September 28, 2028, with a balloon payment of \$452,076 due upon maturity. The note is secured by the building and related improvements. As of December 31, 2024, the note payable has an outstanding balance of \$28,642.

On November 18, 2024, the Organization purchased a vehicle financed by a note payable of \$57,360 with Trio Capital Master. The note bears interest at 12.75% and matures on December 5, 2029, with monthly principal payments of \$1,094. As of December 31, 2024, the note payable has an outstanding balance of \$48,360.

On December 7, 2023, the Organization received a loan from the Illinois Facilities Fund in the amount of \$50,000. The note bears interest at 7.25% and matures on December 7, 2024, with a ballon payment of \$50,000 due upon maturity. The Organization repaid the full loan balance on August 20, 2024.

Future principal and interest maturities that exist as of December 31, 2024 are as follow:

	Principal	Interest	Total
For the Year Ended December 31, 2025	\$ 35,879	\$ 6,265	\$ 42,144
2026	8,443	4,689	13,132
2027	9,567	3,565	13,132
2028	10,832	2,300	13,132
2029	12,281	851	13,132
	\$ 77,002	\$ 17,670	\$ 94,672

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 5 - Line of Credit

The Organization maintains a \$50,000 line of credit with PNC Bank. Advances bear interest at 11.44% as of December 31, 2024. The line of credit is secured by the assets of the Organization. There were advances of \$50,000 during the calendar year ended December 31, 2024. The line of credit has a \$50,000 balance as of December 31, 2024.

The Organization had a line of credit with American Express, which was maintained through January 31, 2024. There were repayments of \$18,338 during the calendar year ended December 31, 2024.

Note 6 - In-Kind Donations

Donated Services, Donated Goods, and Donated Space

Donated services are recognized as revenues at their estimated fair value when they create or enhance nonfinancial assets, or they require specialized skills which would need to be purchased if they were not donated. Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. No donated services was received by the Organization during the year ended December 31, 2024 that met the recognition criteria prescribed by generally accepted accounting principles.

Donated goods are recorded at fair value on the date of donation. No donated goods was received by the Organization during the year ended December 31, 2024.

Donated space is recorded at its estimated fair value on the date of donation. No donated space was received by the Organization during the year ended December 31, 2024.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 7 - Net Asset Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2024:

Subject to Expenditure for Specific Purpose:	
Youth Employment	23,420
Total Subject to Expenditure for Specific Purpose	23,420
Subject to Passage of Time:	
For the Year Ended December 30, 2025	310,000
For the Year Ended December 30, 2026	260,000
Total Subject to Passage of Time	570,000
Total Net Assets with Restrictions	\$ 593,420

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions or by the occurrence of the passage of time or other events specified by donors during the year ended December 31, 2024:

Purpose Restrictions Accomplished:	
None	\$ 0
Total Purpose Restrictions Accomplished	0
Time Restrictions Expired:	
For the Year Ended December 30, 2024	10,000
Total Time Restrictions Expired	10,000
Total Restrictions Released	\$ 10,000

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 8 - Liquidity and Availability of Financial Assets (Continued)

At December 31, 2024, the Organization has \$674,564 of financial assets, excluding non-spendable financial assets, available for general expenditures within one year of the balance sheet date. Of this amount, \$333,420 of financial assets are subject to donor timing or purpose restrictions, excluding general operation restrictions, expiring within one year. No other contractual restrictions exist that make current financial assets unavailable for general expenditure within one year of the balance sheet date. As of December 31, 2024, the Organization does not expect that its liquidity will deteriorate.

Financial assets available within one year of the balance sheet for general expenditures comprise of the following:

Financial Assets Available for General Expenditure:	
Cash	\$ 114,966
Grants Receivable	559,598
Total Financial Assets Available for General Expenditure	674,564
Less: Assets Subject to Donor Timing or Purpose Restrictions Excluding General Operation Restrictions	(333,420)
Total Financial Assets Available to Meet Cash Needs for General Use Within One Year	\$ 341,144

Note 9 - Recent and Upcoming Accounting Pronouncements

Recent Accounting Pronouncements

In March 2023, the FASB issued ASU No. 2023-01, *Leases (Topic 842): Common Control Arrangements* in response to private company stakeholder concerns about applying Topic 842 to related party arrangements between entities under common control. The accounting pronouncement provides a practical expedient for evaluating the enforceability of the written terms for contractual arrangements between entities under common control. In addition, the accounting pronouncement provides guidance with respect to the period over which leasehold improvements associated with common control leasing arrangements should be amortized. The adoption of this accounting pronouncement did not have a material impact on the Organization's financial statements. Adoption of this accounting pronouncement was completed during the year ended December 31, 2024.

West Point Fellowship, Inc. DBA West Point School of Music
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2024

Note 9 - Recent and Upcoming Accounting Pronouncements (Continued)

Upcoming Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-08, *Intangibles - Goodwill And Other - Crypto Assets (Subtopic 350-60): Accounting For And Disclosure Of Crypto Assets* in relation to accounting for and disclosure of crypto assets. The accounting pronouncement requires that an entity measure crypto assets that are within the scope of FASB's amendments at fair value each reporting period with changes in fair value recognized in net income. The FASB amendments also require that an entity provide disclosures about significant holdings, contractual sale restrictions, and changes during the reporting period. The adoption of this accounting pronouncement is not expected to have a material impact on the Organization's financial statements. Adoption of this accounting pronouncement will be completed during the year ended December 31, 2025.

Note 10 - Subsequent Events

The date to which events occurring after December 31, 2024, the date of the most recent balance sheet, have been evaluated for possible adjustment or disclosure is December 16, 2025, which is the date on which the financial statements were available to be issued.