

**Exodus School (d/b/a The East Harlem School at Exodus House)  
Financial Statements  
August 31, 2024 and 2023  
With Independent Auditor's Report**

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Table of Contents**  
**August 31, 2024 and 2023**

Independent Auditor's Report . . . . . 1

Statements of Financial Position . . . . . 3

Statements of Activities . . . . . 4

Statements of Functional Expenses . . . . . 6

Statements of Cash Flows . . . . . 8

Notes to Financial Statements . . . . . 9

Schedule of Per Student Costs . . . . . 23

## Independent Auditor's Report

To the Board of Trustees of  
Exodus School (d/b/a The East Harlem School at Exodus House):

### Opinion

We have audited the financial statements of Exodus School (d/b/a The East Harlem School at Exodus House) (the "School"), 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 Exodus School (d/b/a The East Harlem School at Exodus House) as of August 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

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 Exodus School (d/b/a The East Harlem School at Exodus House) 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 School's ability to continue as a going concern within one year after the date 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 School'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 School'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 Supplementary Information

We have audited the financial statements of Exodus School (dba The East Harlem School at Exodus House), as of and for the year ended August 31, 2024, and have issued our report thereon, which contained an unmodified opinion on those financial statements. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### Other Matter – Predecessor Auditor

The financial statements of the School as of and for the year ended August 31, 2023, were audited by other auditors, whose report dated December 8, 2023, expressed an unmodified opinion on those statements.

*Withum Smith + Brown, PC*

July 24, 2025

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Statements of Financial Position**  
**August 31, 2024 with Summarized Comparative Information For the**  
**Year Ended August 31, 2023**

	2024	2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 188,246	\$ 331,921
Contributions receivable, net	458,333	354,438
Accounts receivable, net	9,504	-
Investments	1,826,662	1,650,643
Prepaid expenses and other assets	56,581	87,893
<b>Total current assets</b>	<b>2,539,326</b>	<b>2,424,895</b>
<b>Noncurrent assets</b>		
Contributions receivable, net of current	189,789	412,494
Security deposit and other noncurrent assets	19,335	19,335
Property and equipment, net	6,806,734	7,119,680
Investments	5,685,420	5,588,588
Right of use lease assets, net	13,042	23,476
<b>Total assets</b>	<b>\$ 15,253,646</b>	<b>\$ 15,588,468</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 17,760	\$ 34,359
Current portion of finance lease liabilities	10,382	10,382
Tuition advances	23,546	19,302
<b>Total current liabilities</b>	<b>51,688</b>	<b>64,043</b>
Finance lease liabilities	3,123	13,505
<b>Total liabilities</b>	<b>54,811</b>	<b>77,548</b>
<b>Net assets</b>		
<b>Without donor restrictions</b>		
Undesignated	1,768,248	1,750,290
Board-designated for endowment	5,620,129	5,553,208
Invested in property and equipment	6,806,734	7,119,680
<b>Total net assets without donor restrictions</b>	<b>14,195,111</b>	<b>14,423,178</b>
<b>With donor restrictions</b>		
Time restricted for future periods	803,724	887,742
Perpetual in nature	200,000	200,000
<b>Total net assets with donor restrictions</b>	<b>1,003,724</b>	<b>1,087,742</b>
<b>Total net assets</b>	<b>15,198,835</b>	<b>15,510,920</b>
<b>Total liabilities and net assets</b>	<b>\$ 15,253,646</b>	<b>\$ 15,588,468</b>

The Notes to Financial Statements are an integral part of these statements.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Statements of Activities**  
**Year Ended August 31, 2024 with Summarized Comparative Information For the Year**  
**Ended August 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	2024	2023
	2024	2024	2024	2023
<b>Operating support and revenues</b>				
Contribution revenue	\$ 592,090	\$ 344,161	\$ 936,251	\$ 728,974
<b>Special events</b>				
Special events revenue	1,055,996	25,000	1,080,996	1,054,688
Less: Costs of direct benefit to donors	(56,603)	-	(56,603)	(26,800)
<b>Total special events</b>	999,393	25,000	1,024,393	1,027,888
Program services	59,934	-	59,934	107,531
Government grants	23,932	-	23,932	173,993
In-kind donation revenue	95,395	-	95,395	105,276
Net investment return, operation	57,935	-	57,935	62,647
Endowment distribution for operations	753,892	13,362	767,254	263,369
Miscellaneous income	502	-	502	460
Net assets released from restriction	497,337	(497,337)	-	-
<b>Total operating revenues and support</b>	3,080,410	(114,814)	2,965,596	2,470,138
<b>Expenses</b>				
Program services	2,567,177	-	2,567,177	2,652,158
<b>Supporting services</b>				
Fund development	223,273	-	223,273	183,804
Management and general	263,001	-	263,001	243,559
<b>Total expenses</b>	3,053,451	-	3,053,451	3,079,521
<b>Change in net assets from operations</b>	26,959	(114,814)	(87,855)	(609,383)
<b>Nonoperating activities</b>				
Gain from insurance proceeds	-	-	-	20,415
Net investment return, endowment	820,813	44,158	864,971	388,011
Endowment distribution for operations	(753,892)	(13,362)	(767,254)	(263,369)
Depreciation and amortization	(321,947)	-	(321,947)	(324,073)
<b>Total nonoperating activities</b>	(255,026)	30,796	(224,230)	(179,016)
<b>Change in net assets</b>	(228,067)	(84,018)	(312,085)	(788,399)
<b>Net assets</b>				
Beginning of year	14,423,178	1,087,742	15,510,920	16,299,319
<b>End of year</b>	\$ 14,195,111	\$ 1,003,724	\$ 15,198,835	\$ 15,510,920

The Notes to Financial Statements are an integral part of these statements.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Statements of Activities**  
**Year Ended August 31, 2023**

	Without Donor Restrictions 2023	With Donor Restrictions 2023	2023
<b>Operating support and revenues</b>			
Contribution revenue	\$ 600,404	\$ 128,570	\$ 728,974
<b>Special events</b>			
Special events revenue	1,054,688	-	1,054,688
Less: Costs of direct benefit to donors	(26,800)	-	(26,800)
<b>Total special events</b>	1,027,888	-	1,027,888
Program services	107,531	-	107,531
Government grants	173,993	-	173,993
In-kind donation revenue	105,276	-	105,276
Net investment return, operation	62,647	-	62,647
Endowment distribution for operations	250,201	13,168	263,369
Miscellaneous income	460	-	460
Net assets released from restriction	598,468	(598,468)	-
<b>Total operating revenues and support</b>	2,926,868	(456,730)	2,470,138
<b>Expenses</b>			
Program services	2,652,158	-	2,652,158
<b>Supporting services</b>			
Fund development	183,804	-	183,804
Management and general	243,559	-	243,559
<b>Total expenses</b>	3,079,521	-	3,079,521
<b>Change in net assets from operations</b>	(152,653)	(456,730)	(609,383)
<b>Nonoperating activities</b>			
Gain from insurance proceeds	20,415	-	20,415
Net investment return, endowment	368,220	19,791	388,011
Endowment distribution for operations	(250,201)	(13,168)	(263,369)
Depreciation and amortization	(324,073)	-	(324,073)
<b>Total nonoperating activities</b>	(185,639)	6,623	(179,016)
<b>Change in net assets</b>	(338,292)	(450,107)	(788,399)
<b>Net assets</b>			
Beginning of year	14,761,470	1,537,849	16,299,319
<b>End of year</b>	<b>\$ 14,423,178</b>	<b>\$ 1,087,742</b>	<b>\$ 15,510,920</b>

The Notes to Financial Statements are an integral part of this statement.

**Exodus School (d/b/a The East Harlem School at Exodus House)  
Statements of Functional Expenses  
Years Ended August 31, 2024 and 2023**

	<b>Supporting Services</b>				<b>2024</b>	<b>2023</b>
	<b>Program Services</b>	<b>Fund Development</b>	<b>Management and General</b>	<b>Total Supporting Services</b>		
Salaries and related costs	\$ 1,916,838	\$ 114,841	\$ 165,482	\$ 280,323	\$ 2,197,161	\$ 2,211,750
Administrative processing expenses	-	552	11,411	11,963	11,963	11,835
Benefit event expenses - indirect	-	60,547	-	60,547	60,547	21,897
Contributed services	91,895	3,500	-	3,500	95,395	105,276
Dues and fees	-	-	139	139	139	860
Food service	62,382	-	-	-	62,382	63,500
Insurance	55,244	2,516	3,102	5,618	60,862	59,234
Office supplies	19,890	906	1,117	2,023	21,913	25,225
Postage and delivery	1,499	68	84	152	1,651	2,871
Professional services	-	14,263	65,575	79,838	79,838	80,447
Program services	87,745	-	-	-	87,745	123,368
Public relations and marketing	-	12,070	-	12,070	12,070	14,487
Repair and maintenance	109,336	3,490	3,490	6,980	116,316	122,635
Staff development and training	15,311	697	859	1,556	16,867	4,735
Technology	88,570	4,035	4,972	9,007	97,577	99,127
Telephone	11,559	527	649	1,176	12,735	13,690
Travel and entertainment	225	401	131	532	757	546
Utilities	106,683	4,860	5,990	10,850	117,533	118,038
	<u>2,567,177</u>	<u>223,273</u>	<u>263,001</u>	<u>486,274</u>	<u>3,053,451</u>	<u>3,079,521</u>
Benefit expenses - direct	-	56,603	-	56,603	56,603	26,800
Depreciation and amortization	292,229	13,311	16,407	29,718	321,947	324,073
<b>Total expenses</b>	<u>\$ 2,859,406</u>	<u>\$ 293,187</u>	<u>\$ 279,408</u>	<u>\$ 572,595</u>	<u>\$ 3,432,001</u>	<u>\$ 3,430,394</u>

The Notes to Financial Statements are an integral part of these statements.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Statement of Functional Expenses**  
**Year Ended August 31, 2023**

	Supporting Services				2023
	Program Services	Fund Development	Management and General	Total Supporting Services	
Salaries and related costs	\$ 1,950,628	\$ 107,579	\$ 153,543	\$ 261,122	\$ 2,211,750
Administrative processing expenses	-	1,155	10,680	11,835	11,835
Benefit event expenses - indirect	-	21,897	-	21,897	21,897
Contributed services	105,276	-	-	-	105,276
Dues and fees	-	-	860	860	860
Food service	63,500	-	-	-	63,500
Insurance	53,994	2,609	2,631	5,240	59,234
Office supplies	22,619	1,093	1,513	2,606	25,225
Postage and delivery	2,616	127	128	255	2,871
Professional services	-	20,387	60,060	80,447	80,447
Program services	123,368	-	-	-	123,368
Public relations and marketing	-	14,487	-	14,487	14,487
Repair and maintenance	115,277	3,679	3,679	7,358	122,635
Staff development and training	4,316	209	210	419	4,735
Technology	90,359	4,365	4,403	8,768	99,127
Telephone	12,479	603	608	1,211	13,690
Travel and entertainment	130	416	-	416	546
Utilities	107,596	5,198	5,244	10,442	118,038
	<u>2,652,158</u>	<u>183,804</u>	<u>243,559</u>	<u>427,363</u>	<u>3,079,521</u>
Benefit expenses - direct	-	26,800	-	26,800	26,800
Depreciation and amortization	295,405	14,272	14,396	28,668	324,073
<b>Total expenses</b>	<u>\$ 2,947,563</u>	<u>\$ 224,876</u>	<u>\$ 257,955</u>	<u>\$ 482,831</u>	<u>\$ 3,430,394</u>

The Notes to Financial Statements are an integral part of this statement.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Statements of Cash Flows**  
**Years Ended August 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Operating activities</b>		
Changes in net assets	\$ (312,085)	\$ (788,399)
<b>Adjustments to reconcile changes in net assets to net cash used in operating activities</b>		
Depreciation and amortization	321,947	324,073
Amortization of right-of-use assets	10,434	10,433
Realized and unrealized (gain) loss on investments	(646,762)	(178,409)
Donated stock	(79,650)	(138,131)
Change in present value of contributions receivable	(18,961)	(42,270)
<b>Change in operating assets</b>		
Contributions receivable	137,771	345,562
Accounts receivable	(9,504)	80,365
Grants receivable	-	176,760
Prepaid expenses and other assets	31,312	(12,914)
<b>Change in operating liabilities</b>		
Accounts payable and accrued expenses	(16,599)	(12,664)
Tuition advances	4,244	(4,418)
<b>Net cash used in operating activities</b>	<u>(577,853)</u>	<u>(240,012)</u>
<b>Investing activities</b>		
Purchase of property and equipment	(9,001)	(50,080)
Proceeds from sale of investments	1,467,132	1,563,369
Purchase of investments	(1,013,571)	(1,143,547)
<b>Net cash provided by investing activities</b>	<u>444,560</u>	<u>369,742</u>
<b>Financing activities</b>		
Principal payments under finance lease obligations	(10,382)	(10,022)
<b>Net cash used in financing activities</b>	<u>(10,382)</u>	<u>(10,022)</u>
<b>Net change in cash and cash equivalents</b>	(143,675)	119,708
<b>Cash, cash equivalents, and restricted cash</b>		
Beginning of year	331,921	212,213
<b>End of year</b>	<u>\$ 188,246</u>	<u>\$ 331,921</u>

The Notes to Financial Statements are an integral part of these statements.

# Exodus School (d/b/a The East Harlem School at Exodus House)

## Notes to Financial Statements

### August 31, 2024 and 2023

#### 1. Organization

Exodus School (dba The East Harlem School at Exodus House) (the "School") is a tax-exempt (under Section 501 (c)(3) of the Internal Revenue Code ("IRC")) nonprofit school incorporated by a charter from The University of the State of New York Education Department as an educational corporation in 1993.

The School is a year-round middle school that teaches children from low-income families in Harlem and other parts of New York City to develop academic excellence, moral integrity, courtesy and an unshakeable commitment to their future and the fate of their community.

The School originally operated in a building owned by Exodus House, Inc., a New York nonprofit corporation. In 2004, Exodus House, Inc. entered into a lease agreement with the School whereby the property was leased by Exodus House, Inc. to the School for a term of 49 years at a nominal amount. Subsequently, Exodus House, Inc. was consolidated into Exodus School, and the building was torn down.

The School completed a \$12.1 million capital campaign to build a new facility on the site. The campaign was accomplished through a fundraising and communications campaign led by the School's board of trustees and Capital Campaign Committee. The building was completed and occupied by the School in December 2008.

This 30,000 square foot facility provides room for the student population of approximately 150 students, enhances academic and extracurricular instruction, allows the School to gather as a full community and serves as a national model for the School's peers.

The School currently has a \$5.9 million endowment, which includes approximately \$5.6 million of board-designated unrestricted net assets; \$1.4 million of this endowment is derived from the excess of the School's \$12.1 million capital campaign revenue over the \$10.7 million cost to build the new facility. The remaining \$4.5 million represents a board-designated endowment that has been funded by annual operating surpluses and endowment earnings.

#### 2. Summary of Significant Accounting Policies

##### a. Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to donor-imposed restrictions.

The net assets of the School are reported as follows:

**Without donor restrictions:** Net assets that are not restricted by donor-imposed stipulations and are available for the general operations of the School. Net assets without donor restrictions may be designated for specific purposes by the School. In addition, net assets without donor restrictions includes board-designated endowment funds.

**With donor restrictions:** Net assets subject to donor-imposed restrictions that will be met either by the actions of the School or through the passage of time. 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. All 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 and reported in the statements of activities as net assets released from donor restrictions.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

**b. Measure of Operations**

The accompanying statements of activities distinguish between operating and nonoperating activities. Operating activities principally include all revenues and expenses that are an integral part of the School's programs and supporting activities. Nonoperating activities include gains from insurance proceeds, distributions from the endowment, and net investment return not for current operations.

**c. 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 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 period. Actual results could differ from those estimates.

**d. Cash and Cash Equivalents**

The School considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. At August 31, 2024 and 2023, cash equivalents consisted primarily of money market accounts.

**e. Investments**

Investments are valued at fair value, as discussed in Note 4, with the resulting change in unrealized gains or losses included in the statements of activities. Investment transactions are recorded on a trade date basis, and gains and losses on the sale of investments are calculated by the specific-identification method. Current investments include the short-term, liquid, treasury investments held for operations and the endowment distribution for operations. Non-current investments include the endowment less the endowment distribution for operations. Investment income and net gains or losses on investments are recognized as increases or decreases in net assets without donor restrictions unless their use is temporarily or permanently restricted by the donor.

Management designates only a portion of the School's cumulative investment income for support of current operations; the remainder is retained to support operations of future years and to offset potential market declines. The investment return on short-term investments is used to support current operations. The return on investments held in the endowment fund is used to support future operations and is included as nonoperating income for the periods presented with the exception of the annual endowment distribution which supports current operations.

**f. Fair Value Measurements**

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

*Level 1* - Fair value measurements based on quoted prices (unadjusted) in active markets that the has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The School does not adjust the quoted price for such instruments.

*Level 2* - Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

*Level 3* - Fair value measurements based on valuation techniques that use significant unobservable inputs. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, the School must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

**g. Contributions and Related Receivables**

Contributions receivable are reported at their outstanding unpaid balances, less an allowance for present value discounts and doubtful accounts. Management evaluates the collectability of these receivables on a case-by-case basis considering the School's experience with the donor or funding source and their ability to pay and writes off receivables that are deemed to be uncollectible.

Contributions are recognized as revenue in the year the unconditional promise is received and documented. Conditional contributions are recognized when the donor-imposed barrier has been substantially met.

During the year ended August 31, 2023, the School received a conditional contribution of \$10,898 available for use to redeem supplies and equipment from the funding source's online portal. No supplies or equipment were redeemed during the year ended August 31, 2023. The amount redeemed during the year ended August 31, 2024, was \$10,864, and the remaining amount expired and was not used.

During the year ended August 31, 2024, the School received a conditional contribution of \$9,077 available for use to redeem supplies and equipment from the funding source's online portal. No supplies or equipment were redeemed during the year ended August 31, 2024. The amount that will be redeemed during the year ending August 31, 2025, is \$4,914.

Funds received for conditional contributions prior to meeting the donor-imposed barrier are recognized as a refundable advance on the statements of financial position. There were no refundable advances recorded in connection with conditional contributions as of the years ended August 31, 2024 and 2023.

Contributions and unconditional promises to give are considered to be available for use without restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions, which increases that net asset class. When the specified purpose of donor-restricted contributions is met, the net assets are released from restrictions and transferred to net assets without donor restriction. Contributions of assets other than cash are recorded at their estimated fair value.

Unconditional promises that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows, discounted at a rate commensurate with the risks involved. Amortization of the discount is offset against contributions revenue.

Contributions of property and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the net asset without donor restrictions class.

**Contributed Services**

Contributed services are recorded at their fair value when such services are rendered. Contributed services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the School.

A number of volunteers have made a contribution of their time to the School to develop its academic and other programs and to serve on the School's board of trustees. The value of this contributed time is not reflected in these financial statements since it does not meet the criteria for recognition.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

**h. Property and Equipment**

Property and equipment are recorded at cost. Expenditures for additions, improvements, and other enhancements to property and equipment are capitalized, and minor replacements, maintenance, and repairs that do not extend asset life or add value are charged to expense as incurred. When property and equipment assets are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in results of operations.

In general, depreciation is the systematic and rational allocation of an asset's cost, less its residual value (if any), to the periods it benefits. Property and equipment are depreciated using the straight-line method, which results in depreciation expense being incurred evenly over the life of a respective asset. The estimated useful lives for each major depreciable classification of property and equipment are as follows: furniture and equipment five to 10 years. The School's estimate of depreciation expense incorporates management assumptions regarding the useful economic lives and residual values of the School's assets. The School periodically reviews and adjusts, as appropriate, the residual values and useful lives of its assets.

Leasehold improvements are amortized over the shorter of the useful life or the remaining life of the lease at the time of improvement.

**i. Deferred Revenue**

Deferred revenue represents monies received in advance of income not earned from ticket sales for future special events, which will be recognized in the statements of activities when the event occurs.

Tuition Revenue: Student tuition and fees are reported as revenue when earned. Student tuition and fees received in advance are deferred and are recognized as revenue over the period of instruction as services are delivered to students.

**j. Leases**

In February 2016, the FASB issued ASC Topic 842, *Leases*, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets 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. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, *Leases*) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The School adopted Topic 842 on September 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the School has applied Topic 842 to reporting periods beginning on September 1, 2022, while prior periods continue to be reported and disclosed in accordance with the School's historical accounting treatment under ASC Topic 840, *Leases*.

The School determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the School obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The School also considers whether its service arrangements include the right to control the use of an asset.

The School made an accounting policy election available under Topic 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 (or September 1, 2022, for existing leases upon the adoption of Topic 842). 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 School made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

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

Adoption of Topic 842 resulted in the recording of additional ROU assets and lease liabilities related to the School's financing lease of \$33,909, at September 1, 2022. The adoption of the new lease standard did not materially impact net earnings or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

**k. Tuition Fees**

The School follows ASC Topic 606 guidance for revenue recognition on exchange transactions, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to the customers. The five-step model defined by ASC Topic 606 requires the School to (1) identify the contract with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize revenue when each performance obligation is satisfied. Revenue is recognized when promised goods or services are transferred to the customer in an amount that reflects the consideration expected in exchange for those goods or services.

As tuition fees are recorded at established rates, they are deemed to be fixed and determinable. Tuition fees are recorded as revenue when performance obligations are satisfied, which is generally over time as services are rendered. Management believes that recognizing revenue over time is the best measure of services rendered based on its academic calendar and has not made any changes in the timing of satisfaction of its performance obligations or amounts allocated to those obligations. Management does not consider there to be significant judgment involved in the timing of satisfaction of performance obligations as those are directly linked to the academic calendar. Tuition fees received in advance are deferred and are recognized as revenue over the period of instruction as services are delivered to students. Tuition advances at September 1, 2022 were \$23,720. There are no contract receivables as of August 31, 2024 and 2023 or September 1, 2022.

Students may withdraw at any time during the academic year, however, as included in the enrollment agreement, the School will not be required to refund payments made. Any unpaid obligations will no longer be enforced after the date of withdrawal or dismissal. Due to the timing of fiscal year-end within the academic calendar, the exposure to withdrawal rights is limited at year-end.

**l. Endowment**

When the School receives a contribution and the donor restricts the School from spending the principal, the contribution is classified as an endowment, with the amount of the gift recorded as an increase in net assets with donor restrictions. The School is subject to the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). The School has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The remaining portion of the endowment fund that is not held in perpetuity is classified as accumulated investment earnings within net assets with donor restrictions, until those amounts are appropriated for expenditure by the School in a manner consistent with the standard of prudence prescribed by NYPMIFA.

**m. Income Taxes**

The School is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code and exempt from state income taxes under state law, and no provision for such income tax has been reflected in the accompanying financial statements. The School has evaluated uncertain tax positions with respect to its operations and concluded there are no such positions at August 31, 2024 and 2023. The School did not recognize any tax-related interest or penalties during the period presented in these financial statements.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

**n. Functional Allocation of Expenses**

Expenses are reported as decreases in net assets without donor restrictions. The cost of providing the various programs and other activities has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The costs of providing program and supporting services have been summarized on a functional basis in the statements of activities and detailed within the statements of functional expenses. Expenses directly attributed to a specific function are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<b>Expense</b>	<b>Method of Allocation</b>
Compensation for personnel services	Personnel costs, time
Other than personnel services (OTPS)	Time and effort
Building maintenance and repairs	Square footage

**3. Liquidity and Availability of Resources**

As of August 31, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses and fulfillment of liabilities, were as follows:

	<b>2024</b>	<b>2023</b>
<b>Financial assets</b>		
Cash and cash equivalents	\$ 188,246	\$ 331,921
Contributions receivable, net	648,122	766,932
Accounts receivable, net	9,504	-
Investments held for operating	1,562,408	1,387,274
Estimated subsequent year endowment appropriation	264,254	263,369
	<u>2,672,534</u>	<u>2,749,496</u>
<b>Amounts not available for general expenditures</b>		
With donor restrictions - time and purpose restrictions	(803,724)	(887,742)
<b>Total financial assets and liquidity resources available within one year for general expenditures</b>	<u>\$ 1,868,810</u>	<u>\$ 1,861,754</u>

The School has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities. In addition, the School has a board-designated endowment totaling \$ 5,620,129 and \$5,553,208 as of August 31, 2024 and 2023, respectively. Although the School does not intend to spend from its board designated endowment amounts other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from its board designated endowment could be made available at the discretion of the board of trustees.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

**4. Investments and Fair Value Measurements**

The following table presents assets measured at fair value on a nonrecurring basis at the time of impairment and the related impairment charges recorded during the periods presented as of August 31, 2024:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Money market funds	\$ 1,574,201	\$ -	\$ -	\$ 1,574,201
<b>Mutual funds</b>				
Large-cap funds	1,506,474	-	-	1,506,474
International funds	992,742	-	-	992,742
Balanced funds	961,249	-	-	961,249
Bond funds	1,812,956	-	-	1,812,956
Stocks	549,183	-	-	549,183
Commodity funds	24,299	-	-	24,299
<b>Total mutual funds</b>	5,846,903	-	-	5,846,903
<b>Exchange-traded funds</b>				
Large-cap	90,978	-	-	90,978
<b>Total investments</b>	\$ 7,512,082	\$ -	\$ -	\$ 7,512,082

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

The following table presents assets measured at fair value on a nonrecurring basis at the time of impairment and the related impairment charges recorded during the periods presented as of August 31, 2023:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Money market funds	\$ 1,448,867	\$ -	\$ -	\$ 1,448,867
<b>Mutual funds</b>				
Large-cap funds	1,550,423	-	-	1,550,423
International funds	903,593	-	-	903,593
Balanced funds	809,474	-	-	809,474
Bond funds	1,694,320	-	-	1,694,320
Stocks	458,046	-	-	458,046
Commodity funds	18,202	-	-	18,202
<b>Total mutual funds</b>	<b>5,434,058</b>	<b>-</b>	<b>-</b>	<b>5,434,058</b>
<b>Government bonds</b>				
U.S. government bonds	-	195,391	-	195,391
<b>Exchange-traded funds</b>				
Large cap	160,915	-	-	160,915
<b>Total investments</b>	<b>\$ 7,043,840</b>	<b>\$ 195,391</b>	<b>\$ -</b>	<b>\$ 7,239,231</b>

**5. Contributions Receivable**

Contributions receivable consist of the following at August 31, 2024 and 2023:

	2024	2023
Amount due in less than one year	\$ 458,333	\$ 354,438
Due in one to five years	208,334	450,000
Less: Discount to present value at 4% - 5.5% rates	(18,545)	(37,506)
	<b>\$ 648,122</b>	<b>\$ 766,932</b>

There was no allowance for doubtful accounts as of August 31, 2024 and 2023 as all receivables are expected to be fully collectible.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

**6. Property and Equipment**

Property and equipment, net consists of the following as of August 31 and 2023:

	<b>2024</b>	<b>2023</b>
Land	\$ 35,000	\$ 35,000
Leasehold improvements	10,807,457	10,798,456
Furniture and fixtures	817,276	817,276
<b>Property and equipment, gross</b>	<b>11,659,733</b>	<b>11,650,732</b>
Less: Accumulated depreciation and amortization	(4,852,999)	(4,531,052)
<b>Property and equipment, net</b>	<b>\$ 6,806,734</b>	<b>\$ 7,119,680</b>

**7. Employee Benefit Plan**

The School participates in a tax-deferred annuity retirement plan under Section 403(b) of the IRC for the benefit of eligible employees. During the years ended August 31, 2024 and 2023, the School made contributions of \$91,262 and \$66,127, respectively.

**8. Net Assets with Donor Restrictions**

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors for the years ended August 31, 2024 and 2023 as follows:

	<b>2024</b>	<b>2023</b>
<b>Donor restricted net assets (time and purpose)</b>		
Time restricted	\$ 251,837	\$ 100,000
Faculty development, financial aid and facility maintenance	13,362	13,168
School programs	232,138	485,300
	<b>\$ 497,337</b>	<b>\$ 598,468</b>

Net assets with donor restrictions are composed of the following at August 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
<b>Donor restricted net assets (time and purpose)</b>		
Backyard project	\$ 25,499	\$ 25,499
Time restricted	398,122	281,356
Faculty development, maintenance, and financial aid (accumulate earnings)	129,545	98,749
School programs	250,558	482,138
	<b>803,724</b>	<b>887,742</b>
Endowment - perpetual in nature	200,000	200,000
<b>Net assets released from restrictions</b>	<b>\$ 1,003,724</b>	<b>\$ 1,087,742</b>

**Exodus School (d/b/a The East Harlem School at Exodus House)  
Notes to Financial Statements  
August 31, 2024 and 2023**

Net assets with donor restrictions include contributions that donors have specified must be maintained in perpetuity. Interest and dividends, and net realized and unrealized appreciation on the related investments, are expended for such purposes as specified by the donor or, if none, then for general purposes. Net assets with donor restrictions are also comprised of funds which are restricted for specific purposes. Upon the expiration of either donor-imposed time or purpose restrictions, net assets with donor restrictions are transferred to net assets without donor restrictions.

Net assets without donor restrictions represent funds which are generally available for the School to utilize in any of its programs or supporting services.

**9. Contingency**

In conducting its activities, the School from time to time is subject to various claims and could have claims against others. The School maintains insurance coverage with reputable and financially sound insurers in such amounts and covering such risks as are in accordance with customary industry practice. In management's opinion, the ultimate resolution of such claims would not have a material effect on the financial position of the School.

**10. Concentrations**

For the year ended August 31, 2024 and 2023, four and two donors accounted for 53% and 27%, respectively, of total contribution revenue. For the years ended August 31, 2024 and 2023, two donors accounted for 96% and 100%, respectively, of total contributions receivable. Board members made contributions during the years ended August 31, 2024 and 2023, totaling \$902,766 and \$359,797, respectively.

**11. Contributed Services and Goods**

The School receives contributions of goods and services from businesses and individuals toward the fulfillment of program objectives and general operations. The services are provided by firms and individuals that have significant technical experience in their respective industries and professions. The goods and services, which are objectively measurable, have been included in both revenue and the related functional expense categories, and are recorded as contributions at the fair value at the date of donation. If the goods received meet the School's capitalization threshold, then they are recorded as property and equipment. None of the goods and services are monetized.

For the years ended August 31, 2024 and 2023, contributed nonfinancial assets recognized within the statement of activities are as follows:

Nonfinancial Contributions Category	Utilization in Programs	Donor Restrictions	Valuation	2024	2023
Library and textbooks	Regular Programs	None	The valuation is based on the cost incurred by the donor and reported to the School, which reflects the wholesale value received for selling the products in the United States.	\$ 10,864	\$ 13,254
Facilities and services for swimming lessons in afterschool program	Afterschool Program	None	The valuation is based on the cost reported by the donor to the School, which reflects the wholesale value received for identical services provided in New York City.	49,881	49,118

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

<b>Nonfinancial Contributions Category</b>	<b>Utilization in Programs</b>	<b>Donor Restrictions</b>	<b>Valuation</b>	<b>2024</b>	<b>2023</b>
Instruction for Chorus & Violin Club	Regular Programs	None	The valuation is based on the cost reported by the donor to the School, which reflects the wholesale value received for identical services provided in New York City.	\$ 26,000	\$ 20,008
Concert tickets and educational materials	Afterschool Program	None	The valuation is based on the cost incurred by the donor and reported to the School, which reflects the wholesale value received for selling the products in the United States.	4,400	12,600
Basketball Camp	Summer	None	The valuation is based on the cost incurred by the donor and reported to the School, which reflects the wholesale value received for selling the products in the United States.	-	9,546
Fundraising Special Event venue	Special Event	None	The valuation is based on the cost reported by the donor to the School, which reflects the wholesale value received for a similar venue in New York City.	3,500	-
Photography services	Regular Programs	None	The valuation is based on the cost charged to paying customers, reported to the School by the donor, which reflects the wholesale value received for the services in New York City.	750	750
<b>Total contribution of nonfinancial assets</b>				<b>\$ 95,395</b>	<b>\$ 105,276</b>

There were no contributions of nonfinancial assets received during the years ended August 31, 2024 and 2023 that had donor restrictions.

**Exodus School (d/b/a The East Harlem School at Exodus House)  
Notes to Financial Statements  
August 31, 2024 and 2023**

**12. Endowment**

The School's endowment is composed of both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Board of Trustees of the School has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the School classifies net assets of a perpetual nature with donor restrictions as (a) the original value of gifts donated to the donor restricted endowment, (b) the original value of subsequent gifts to the donor restricted endowment, and (c) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Board of Trustees of the School in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the School and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the School
- (7) The investment policies of the School
- (8) Funds with deficiencies

In fiscal year 2017, the board of trustees approved the distribution method according to the Tobin Rule. The Tobin Rule uses the prior year's spending adjusted for inflation, the stability term and the long-term sustainable rate of distribution, the market term, weighted as determined appropriate by the School. The School has weighted the stability term 80% and the market term 20% for the distribution calculation. The School uses a sustainable rate of distribution of 4% and adjusts the inflation rate used annually, based on market conditions. The School's trustees, parents, alumni and friends have helped to establish the endowment fund to provide lasting support for financial aid, faculty development, academics and capital projects.

As an aggregate, this fund generates annual income for the School that is devoted to designated purposes that primarily support faculty development, financial aid, facility maintenance and for general operations. There were approved appropriations by the board of trustees during fiscal years ended August 31, 2024 and 2023, of \$767,254 (including an additional, one-time \$500,000 distribution) and \$263,369, respectively.

The School's endowment portfolio is managed by the investment committee of the board of trustees.

An underwater endowment occurs when the fair value of the fund at the reporting date is less than either the original gift amount or the amount required to be maintained by the donor or UPMIFA. In the event that this were to occur, the School would forgo its spending policy for the donor restricted portion until the fair value exceeded the requirements.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

Endowment net assets at August 31, 2024 and 2023 consist of the following:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated funds	\$ 5,620,129	\$ -	\$ 5,620,129
<b>Donor-restricted endowment</b>			
Accumulated investment earnings	-	129,545	129,545
Original donor-restricted corpus maintained in perpetuity	-	200,000	200,000
<b>Endowment net assets at August 31, 2024</b>	<b>\$ 5,620,129</b>	<b>\$ 329,545</b>	<b>\$ 5,949,674</b>

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated funds	\$ 5,553,208	\$ -	\$ 5,553,208
<b>Donor-restricted endowment</b>			
Accumulated investment earnings	-	98,749	98,749
Original donor-restricted corpus maintained in perpetuity	-	200,000	200,000
	-	298,749	298,749
<b>Endowment net assets at August 31, 2023</b>	<b>\$ 5,553,208</b>	<b>\$ 298,749</b>	<b>\$ 5,851,957</b>

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, August 31, 2022	\$ 5,435,189	\$ 292,126	\$ 5,727,315
Distribution for operations	(250,201)	(13,168)	(263,369)
Net investment return	368,220	19,791	388,011
<b>Endowment net assets, August 31, 2023</b>	<b>5,553,208</b>	<b>298,749</b>	<b>5,851,957</b>
Distribution for operations	(753,892)	(13,362)	(767,254)
Net investment return	820,813	44,158	864,971
<b>Endowment net assets, August 31, 2024</b>	<b>\$ 5,620,129</b>	<b>\$ 329,545</b>	<b>\$ 5,949,674</b>

**13. Leases**

The School entered into a new operating lease for office equipment in November 2020. The new lease expires in November 2025. On September 1, 2022, the School adopted Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842), resulting in a right-of-use ("ROU") asset and lease liability recorded on the statement of financial position as of August 31, 2023, for its office equipment lease. Under the provisions of ASU 2016-02, the School determined the equipment lease is considered to be a financing lease. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The School's finance lease generally does not contain any material restrictive covenants or residual value guarantees. The School calculated the present value of each lease over the term of the respective lease, using the risk-free rate on the adoption date of ASC 842 or the inception date based on the remaining lease term.

**Exodus School (d/b/a The East Harlem School at Exodus House)**  
**Notes to Financial Statements**  
**August 31, 2024 and 2023**

Future undiscounted cash flows for the next five years and thereafter, and a reconciliation to the lease liabilities recognized on the statement of financial position are as follows as of August 31, 2024:

2025	\$	11,028
2026		2,757
<b>Total lease payments</b>		<u>13,785</u>
Less: Imputed interest		(280)
<b>Total lease liabilities</b>	<b>\$</b>	<b><u>13,505</u></b>

Other related information pertaining to financing lease obligations is as follows for the years ended August 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
<b>Weighted-average remaining lease term</b>		
Finance lease	1.2 years	2.2 years
<b>Weighted-average discount rate</b>		
Finance lease	3.54%	3.54%

Finance lease expense comprises the following for the years ended August 31, 2024 and 2023:

	<u>2024</u>		<u>2023</u>	
<b>Finance lease expenses</b>				
Amortization of right-of-use assets	\$	10,434	\$	10,433
Interest on lease liabilities		646		1,006
<b>Total finance lease expense</b>	<b>\$</b>	<b><u>11,080</u></b>	<b>\$</b>	<b><u>11,439</u></b>

	<u>2024</u>		<u>2023</u>	
<b>Other information</b>				
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>				
Operating cash flows from finance leases	\$	646	\$	1,006
Financing cash flows from finance leases		10,382		10,022
<b>Total</b>	<b>\$</b>	<b><u>11,028</u></b>	<b>\$</b>	<b><u>11,028</u></b>

**14. Subsequent Events**

The School has evaluated subsequent events occurring after the statement of financial position date through the date of July 24, 2025, which is the date the financial statements were available to be issued, noting no subsequent events requiring adjustment to or disclosure in the financial statements.

## **Supplementary Information**

**Exodus School (d/b/a The East Harlem School at Exodus House)  
 Schedule of Per Student Costs  
 Year Ended August 31, 2024**

School program	\$ 3,373,632
Alumni program	58,369
<b>Total expense</b>	<u><u>\$ 3,432,001</u></u>

	<u>Expenses</u>	<u>Number of Students</u>	<u>Cost Per Student</u>
<b>School program</b>			
Afterschool program	\$ 935,322	108	\$ 8,660
Regular session	2,438,310	108	22,577
	<u><u>\$ 3,373,632</u></u>	<u>108</u>	<u><u>\$ 31,237</u></u>

Total expenses include program, development, administrative and noncash expenses such as contributed goods and services and normal depreciation. Student travel is included in the Afterschool expenses.

The alumni program is expected to serve 631 former students at a cost of \$92.50 per alumni, for the year ending August 31, 2024.