



Gerstle, Rosen & Goldenberg, P.A.

Certified Public Accountants

www.grgcpa.com

Mark R. Gerstle, C.P.A. CFF

mgerstle@grgcpa.com

Robert N. Rosen, C.P.A.

rrosen@grgcpa.com

Brian K. Goldenberg, Partner

bgoldenberg@grgcpa.com

December 22, 2025

To the Board of Directors

American Association of Caregiving Youth, Inc.

We have audited the financial statements of American Association of Caregiving Youth, Inc. ("the Organization") for the years ended June 30, 2025 and 2024, and have issued our report thereon dated December 22, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 24, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by American Association of Caregiving Youth, Inc. are described in Note 1 to the financial statements. No accounting policies changed during the year ended June 30, 2025. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management and completing our audit.

HOLLYWOOD

Venture Corporate Center
3440 Hollywood Blvd.
Suite 100
Hollywood, Florida 33021
Phone: 305-937-0116
Fax: 305-937-0128

BOCA RATON

3835 N.W. Boca Raton Blvd.
Suite 100
Boca Raton, Florida 33431
Phone: 561-447-4000
Fax: 561-447-4004

FT. MYERS

12595 New Brittany Blvd.
Building 20W
Fort Myers, Florida 33907
Phone: 239-672-4364
Fax: 239-672-4367

NAPLES

999 Vanderbilt Beach Road
Suite 200
Naples, Florida 34108
Phone: 239-990-6010
Fax: 239-672-4367

ORLANDO

111 North Orange Avenue
Suite 840
Orlando, Florida 32801
Phone: 407-564-2812
Fax: 407-564-2057

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. As applicable, management has corrected all such misstatements. Enclosed you will find the proposed adjusting journal entries approved by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 22, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of American Association of Caregiving Youth, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Gerstle, Rosen & Goldenberg, P.A.

GERSTLE, ROSEN & GOLDENBERG, P.A.
Certified Public Accountants



Gerstle, Rosen & Goldenberg, P.A.

Certified Public Accountants

www.grgcpa.com

Mark R. Gerstle, C.P.A. CFF
mgerstle@grgcpa.com

Robert N. Rosen, C.P.A.
rrosen@grgcpa.com

Brian K. Goldenberg, Partner
bgoldenberg@grgcpa.com

INSTRUCTIONS

ACCOUNTING ENTRIES AND OTHER SUPPORTING DOCUMENTS

DATE: December 22, 2025

RE: American Association of Caregiving Youth, Inc.

1. ADJUSTING JOURNAL ENTRIES

- a. If you have closed for the year, all adjustments to revenue, expenses and prior period adjustments should be put to the respective fund balance.
- b. Ensure that prior period adjustments are closed to fund balance at year end.
- c. Under normal circumstances accruals should be reversed against current expenses.

2. WORKING TRIAL BALANCE

- a. The working trial balance reflects a summary of the year end adjustments to post after closing (i.e. balance sheet accounts only).

Please call the office if you have any questions.

HOLLYWOOD

Venture Corporate Center
3440 Hollywood Blvd.
Suite 100
Hollywood, Florida 33021
Phone: 305-937-0116
Fax: 305-937-0128

BOCA RATON

3835 N.W. Boca Raton Blvd.
Suite 100
Boca Raton, Florida 33431
Phone: 561-447-4000
Fax: 561-447-4004

FT. MYERS

12595 New Brittany Blvd.
Building 20W
Fort Myers, Florida 33907
Phone: 239-672-4364
Fax: 239-672-4367

NAPLES

999 Vanderbilt Beach Road
Suite 200
Naples, Florida 34108
Phone: 239-990-6010
Fax: 239-672-4367

ORLANDO

111 North Orange Avenue
Suite 840
Orlando, Florida 32801
Phone: 407-564-2812
Fax: 407-564-2057

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.
ADJUSTING JOURNAL ENTRIES
June 30, 2025**

	CLIENT ACCOUNT NUMBER	DEBIT	CREDIT
1			
Depreciation	EXPENSE	\$ 5,076.00	
A/D Furniture & Fixtures	ASSET		\$ 5,076.00
2			
Office Operations Expense	EXPENSE	\$ 4,238.00	
BOA Credit Card	LIABILITY		\$ 4,238.00
<i>Correct accrual for credit card</i>			
3			
Professional Services Expense	EXPENSE	\$ 3,500.00	
Accounts Payable	LIABILITY		\$ 3,500.00
<i>Accrue professional services expense</i>			
4			
Grants, without donor restriction	REVENUE	\$ 12,500.00	
Grant Revenue Released from Restrictions, without donor restriction	REVENUE	\$ 12,500.00	
Grants, with donor restriction	REVENUE		\$ 12,500.00
Grant Revenue Released from Restrictions, with donor restriction	REVENUE		\$ 12,500.00
<i>Record release of prior year restriction and reclass for current year restriction</i>			
5			
Right of Use Asset, short term	ASSET	\$ 49,771.00	
Right of Use Asset, long term	ASSET	\$ 61,723.00	
Lease liability, short term	LIABILITY		\$ 49,771.00
Lease liability, long term	LIABILITY		\$ 61,723.00
<i>Record office lease and right of use asset under ASC 842</i>			
		\$ 37,814.00	\$ 37,814.00

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.
WORKING TRIAL BALANCE
June 30, 2025**

ACCOUNT TITLE	CLIENT ACCOUNT NUMBER	CLIENT T/B		ADJUSTMENTS		CPA F/S	
		DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
<u>BALANCE SHEET</u>							
ASSETS				-	-		
WELLS FARGO - OPERAING		30,514.00		-	-	30,514.00	
WELLS FARGO - RESERVE		102,550.00		-	-	102,550.00	
BANK OF AMERICA - RESERVE		5,973.00		-	-	5,973.00	
BANK OF AMERICA - CD		85,249.00		-	-	85,249.00	
				-	-		
ACCOUNTS RECEIVABLE		8,461.00		-	-	8,461.00	
GRANTS RECEIVABLE		13,355.00		-	-	13,355.00	
UNDEPOSITED FUNDS			0.00	-	-		0.00
EQUIPMENT		13,254.00		-	-	13,254.00	
FURNITURES & FIXTURES		19,131.00		-	-	19,131.00	
A/D FURNITURE & FIXTURES			13,420.00	-	5,076.00		18,496.00
RIGHT OF USE ASSET				111,494.00	-	111,494.00	
				-	-		
INVESTMENT - LPL FINANCIAL		19,848.00		-	-	19,848.00	
				-	-		
<u>LIABILITIES AND FUND BALANCE</u>				-	-		
ACCOUNTS PAYABLE			12,845.00	-	7,738.00		20,583.00
ACCRUED EXPENSES				-	-		
DEFERRED REVENUE			12,355.00	-	-		12,355.00
LEASE LIABILITY				-	111,494.00		111,494.00
NET ASSETS				-	-		
WITHOUT DONOR RESTRICTIONS			276,490.00	-	-		276,490.00
WITH DONOR RESTRICTIONS			12,500.00	-	-		12,500.00
CURRENT YEAR INCOME / LOSS		29,275.00		12,814.00	-	42,089.00	
		\$327,610.00	\$327,610.00	\$124,308.00	\$124,308.00	\$451,918.00	\$451,918.00
		\$0.00		\$0.00		\$0.00	

ENDING FUND BALANCE PER CPA F/S SHOULD EQUAL:	\$246,901.00
--	---------------------

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

TABLE OF CONTENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	Page No.
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities and Change in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-13



Gerstle, Rosen & Goldenberg, P.A.

Certified Public Accountants

www.grgcpa.com

Mark R. Gerstle, C.P.A. CFF
mgerstle@grgcpa.com

Robert N. Rosen, C.P.A.
rrosen@grgcpa.com

Brian K. Goldenberg, Partner
bgoldenberg@grgcpa.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
American Association of Caregiving Youth, Inc.

Dear Board Members:

Opinion

We have audited the accompanying financial statements of American Association of Caregiving Youth, Inc. (the "Organization") which comprise the statement of financial position as of June 30, 2025 and 2024, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Association of Caregiving Youth, Inc. as of June 30, 2025 and 2024 and the changes in its net assets and its cash flows for the years then ended in conformity 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. 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 American Association of Caregiving Youth, Inc. 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 American Association of Caregiving Youth, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

HOLLYWOOD

Venture Corporate Center
3440 Hollywood Blvd.
Suite 100
Hollywood, Florida 33021
Phone: 305-937-0116
Fax: 305-937-0128

BOCA RATON

3835 N.W. Boca Raton Blvd.
Suite 100
Boca Raton, Florida 33431
Phone: 561-447-4000
Fax: 561-447-4004

FT. MYERS

12595 New Brittany Blvd.
Building 20W
Fort Myers, Florida 33907
Phone: 239-672-4364
Fax: 239-672-4367

NAPLES

999 Vanderbilt Beach Road
Suite 200
Naples, Florida 34108
Phone: 239-990-6010
Fax: 239-672-4367

ORLANDO

111 North Orange Avenue
Suite 840
Orlando, Florida 32801
Phone: 407-564-2812
Fax: 407-564-2057

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 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 American Association of Caregiving Youth, Inc.'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 American Association of Caregiving Youth, Inc.'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.

Gentle, Rosen & Goldenberg, P.A.

Boca Raton, Florida
December 22, 2025

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 139,286	\$ 276,440
Investments - Trading	19,848	17,346
Investments - Held to Maturity	85,000	-
Grants Receivable	21,816	2,125
Prepaid Expenses	-	3,817
Right of Use Asset, current portion	49,771	-
Total Current Assets	<u>315,721</u>	<u>299,728</u>
Non-Current Assets:		
Right of Use Asset, non-current portion	61,723	-
Property and Equipment, less accumulated depreciation	13,889	17,479
Total Non-Current Assets	<u>75,612</u>	<u>17,479</u>
TOTAL ASSETS	<u><u>\$ 391,333</u></u>	<u><u>\$ 317,207</u></u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 20,583	\$ 28,217
Deferred Revenue	12,355	-
Lease Liability, current portion	49,771	-
Total Current Liabilities	<u>82,709</u>	<u>28,217</u>
Lease Liability, non-current portion	61,723	-
TOTAL LIABILITIES	<u>144,432</u>	<u>28,217</u>
NET ASSETS		
Without Donor Restriction	234,401	276,490
With Donor Restriction	12,500	12,500
TOTAL NET ASSETS	<u>246,901</u>	<u>288,990</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 391,333</u></u>	<u><u>\$ 317,207</u></u>

The accompanying notes are an integral part of these financial statements.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

**STATEMENTS OF ACTIVITIES AND
CHANGE IN NET ASSETS**

June 30, 2025 and 2024

			Totals	
	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	2025	2024
REVENUES AND OTHER SUPPORT:				
Grants, Less Allowance for Uncollectible Promises to Give of \$0 & \$0	\$ 1,146,068	\$ 12,500	\$ 1,158,568	\$ 820,777
Other Contributions	390,786	-	390,786	413,696
Fund-raising Events	220,284	-	220,284	359,036
In-Kind Contributions	212,715	-	212,715	244,807
Unrealized Gain on Investments	2,502	-	2,502	1,444
Other Income	13,684	-	13,684	3,700
Grant Revenue Released from Restrictions	12,500	(12,500)	-	-
TOTAL REVENUES AND OTHER SUPPORT	1,998,539	-	1,998,539	1,843,460
EXPENSES:				
Program Services	1,692,752	-	1,692,752	1,494,649
General & Administrative	251,776	-	251,776	230,992
Fund-raising	96,100	-	96,100	95,792
TOTAL EXPENSES	2,040,628	-	2,040,628	1,821,433
CHANGE IN NET ASSETS	(42,089)	-	(42,089)	22,027
Net Assets, beginning	276,490	12,500	288,990	266,963
Net Assets, ending	\$ 234,401	\$ 12,500	\$ 246,901	\$ 288,990

The accompanying notes are an integral part of these financial statements.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

STATEMENTS OF FUNCTIONAL EXPENSES

June 30, 2025 and 2024

2025				
	Program Services	General and Administrative	Fund-raising	Total
Functional Classification of Expenses:				
Salaries	\$ 926,843	\$ 137,748	\$ 9,362	\$ 1,073,953
Payroll Taxes and Employees Benefits	71,779	20,288	725	92,792
Direct Fund-raising Costs	37,083	-	86,013	123,096
Occupancy Costs	21,418	64,795	-	86,213
Contract Labor	146,628	-	-	146,628
Insurance	11,781	3,387	-	15,168
Telephone	7,921	3,395	-	11,316
Supplies	18,656	1,514	-	20,170
General Operating Expenses	450,643	15,573	-	466,216
Depreciation Expense	-	5,076	-	5,076
TOTAL EXPENSES	\$ 1,692,752	\$ 251,776	\$ 96,100	\$ 2,040,628

2024				
	Program Services	General and Administrative	Fund-raising	Total
Functional Classification of Expenses:				
Salaries	\$ 766,067	\$ 143,056	\$ 7,738	\$ 916,861
Payroll Taxes and Employees Benefits	60,806	12,570	614	73,990
Direct Fund-raising Costs	28,790	-	87,440	116,230
Occupancy Costs	18,616	47,942	-	66,558
Contract Labor	129,378	-	-	129,378
Insurance	12,618	1,503	-	14,121
Telephone	8,344	3,576	-	11,920
Supplies	30,784	555	-	31,339
General Operating Expenses	439,246	17,453	-	456,699
Depreciation Expense	-	4,337	-	4,337
TOTAL EXPENSES	\$ 1,494,649	\$ 230,992	\$ 95,792	\$ 1,821,433

The accompanying notes are an integral part of these financial statements.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

STATEMENTS OF CASH FLOWS

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
TOTAL INCREASE IN NET ASSETS	\$ (42,089)	\$ 22,027
ADJUSTMENTS TO RECONCILE DECREASE IN NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES		
Depreciation	5,076	4,337
(INCREASE) DECREASE IN OPERATING ASSETS:		
Investments - Trading	(2,502)	(1,444)
Accounts Receivable	(19,691)	12,961
Prepaid Expenses	3,817	(3,817)
Right of Use Asset	(111,494)	-
INCREASE (DECREASE) IN OPERATING LIABILITIES:		
Accounts Payable	(7,634)	5,436
Deferred Revenue	12,355	-
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	<u>(162,162)</u>	<u>39,500</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments - Held to Maturity	(85,000)	-
Disbursements for Property and Equipment	(1,486)	(7,510)
NET CASH USED IN INVESTING ACTIVITIES	<u>(86,486)</u>	<u>(7,510)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Lease Liability	111,494	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>111,494</u>	<u>-</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(137,154)	31,990
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>276,440</u>	<u>244,450</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 139,286</u></u>	<u><u>\$ 276,440</u></u>

**SUPPLEMENTAL DISCLOSURES OF CASH FLOW
INFORMATION**

Noncash Transactions:
During the year ended June 30, 2025:
In-kind Contributions - see Statement of Activities

The accompanying notes are an integral part of these financial statements.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

American Association of Caregiving Youth, Inc. (AACY)

The AACY was formed under the auspices of Volunteers for the Homebound and Family Caregivers (VHFC), a Florida based 501(c) (3) not-for-profit corporation, which began serving the greater Boca Raton community in 1998. On December 21, 2009, VHFC officially changed its name with the Secretary of State of Florida to AACY, to better reflect the purpose of the Organization. The Organization's mission is to champion youth who provide care for chronically ill, injured, elderly, and/or disabled family members. AACY support their role as caregiver and guide their success in school and life. AACY's support comes primarily from donor contributions, various grants, fund-raiser events and in-kind contributions.

The AACY maintains its website at: www.aacy.org.

The following programs and supporting services are included in the accompanying financial statements:

Caregiving Youth Project (CYP)

Established in 2006, the CYP works in partnership with middle and high schools in Palm Beach County to identify and support children who are caregivers. The CYP integrates components of healthcare, education, and community resources in order to deliver a solid support system to caregivers in school, out of school, and at home. Its proven results have been so proud in ameliorating the ramifications of being a Caregiving Youth that AACY is both developing national partnerships and an affiliate network to bring its work to other nonprofits in support of this growing yet still hidden population. It's 10 year average high school graduation rate is 98.3%.

Caregiving Youth Institute (CYI)

Established in 2014, the CYI was formed to extend the service and reach of the AACY. The purpose of the CYI is to raise the level of awareness of the multi-system needs of Caregiving Youth, along with solutions for their support, through the multiple initiatives of C.A.R.E. (Connection, Advocacy, Research, and Education). The CYI has hosted four in person and two virtual conferences, all of which have had presenters from other states and countries.

The CYP and CYI programs and supporting services are maintained as a part of the AACY website.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Organization's financial statements are prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: unrestricted net assets and temporarily restricted net assets.

Without Donor Restriction Net Assets – not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the actions of the Board of Directors.

With Donor Restriction Net Assets – subject to donor-imposed stipulations that may be fulfilled by the actions of the Board of Directors or become unrestricted at the date specified by the donor.

Accounting 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 reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash consists of cash deposited with a financial institution. The Organization considers all highly liquid investments with an original maturity of three months or less at date of purchase to be cash equivalents. There were no cash equivalents at June 30, 2025 and 2024.

Investments – Trading

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investments consist of stock in a publicly traded company.

Investments – Held to Maturity

Investments held to maturity have original maturities greater than 90 days, and may have penalties for early withdrawal. These have been classified as held to maturity as the Organization has the positive intent and ability to hold the securities to maturity. Such investments are carried at amortized cost, which approximates fair value. As of June 30, 2025 and 2024, these investments had an aggregate cost basis of \$85,000 and \$0, respectively.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants and Other Contributions

All grants and other contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods (time restriction) or are restricted by the donor for specific purposes (purpose restriction) are reported as temporarily restricted.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

Fund-Raising Events

The Organization's financial statements are presented in accordance with Financial Accounting Standards Board Accounting Standard Codification ASC 958, *Accounting for Costs of Activities of Non-For-Profit Organizations and State and Local Government Entities that include Fund Raising* (formerly statement of Position 98-2). The ASC established criteria for accounting and reporting for any activity that solicits contributions.

Program Income

Program income is recognized as revenue when services are performed.

Special Event Income

The Organization recognizes special event income in the year the event occurs. Special event income is reflected on a gross basis, separate from direct expenditures.

Unconditional Promises to Give

Unconditional promises to give are stated at unpaid balances, less an allowance for doubtful accounts. Allowance for doubtful accounts is calculated based on historical experience, third-party contracts and other circumstances, and reflects management's best estimate of the amounts that will not be collected. The allowance is increased by charges to income and decreased by charge-offs (net of recoveries). At June 30, 2025 and 2024, there were no unconditional promises to give.

Property and Equipment

Property and Equipment consists of office furniture, fixtures, computer, and related office equipment, and are recorded at cost if purchases or at fair value at the time of donation, if contributed. Depreciation is provided on the straight-line method over the estimated economic useful lives ranging from five to seven years. Significant additions of property and equipment are capitalized, while repairs and maintenance expenditures that do not contribute to useful life of assets are charged to operations.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation.

Fair Value Measurement

Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Organization has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at June 30, 2025 and 2024; therefore, no adjustment for the effect of FASB ASC 820 was made to the Organization's financial statements at June 30, 2025 and 2024.

2. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 22, 2025, the date that the financial statements were available to be issued.

3. IN-KIND CONTRIBUTIONS – DONATED SERVICES & FACILITIES

In-kind contributions are non-monetary transactions recognized if the contributions received create or enhance long-lived assets or require specialized skills and would typically need to be purchased if not otherwise provided by contribution. In-kind contributions are recorded at estimated Fair Market Value and are shown as revenue on the Statements of Activities, and consists of the following:

	<u>2025</u>	<u>2024</u>
Professional services performed by the Organization's management in excess of salaries paid	\$ 64,118	\$ 70,312
Professional services performed by volunteers	92,315	90,415
Other miscellaneous in-kind contributions	<u>56,282</u>	<u>84,080</u>
TOTAL	<u>\$ 212,715</u>	<u>\$ 244,807</u>

The Organization also receives donated services from unpaid volunteers for non-specialized services, and accordingly, no amounts have been recognized for these services in the accompanying financial statements. It is the Organization's policy to recognize donated goods and services which are raffled, awarded, or auctioned off at their realized values.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

4. RELATED PARTY TRANSACTIONS

The Organization entered into transactions with a related party during the normal course of business. The President of the American Association of Caregiving Youth, Inc., who is also on the Board the Directors, provides management services to the Organization which include overall management, evaluation, and development of AACY and its three divisions (Caregiving Youth Project, Caregiving Youth Institute, Affiliates and partnerships) within Palm Beach County, the State of FL and nationally. Compensation for these services are recorded at fair value. Additionally, the AACY consultant grant writer is the sister of the Board Chair.

For the years ended, June 30, 2025 and 2024, the organization estimates that the total amount of related party transactions were between 5% to 10% of its current year actual expenses.

5. CHANGES IN NET ASSETS

With Donor Restriction

Net Assets subject to a time or purpose restriction are classified as With Donor Restriction on the statements of financial position and are available for use after June 30, 2025 and 2024.

The balances at June 30, 2025 and 2024 were \$12,500 and \$12,500, respectively.

Grant Revenue Released from Restrictions

Temporarily restricted net assets were released from restrictions by satisfying the time or purpose restriction specified by the donor(s) and incurring expenditures. The total amount of temporarily restricted net assets released from restrictions totaled \$12,500 for the year ended June 30, 2025, and is shown as revenue on the statements of financial activities and change in net assets.

6. COMMITMENTS

The Organization has various contract services including program services, maintenance, and office leases. These contracts have different expiration dates and renewal terms.

Office leases

The Organization leases 2 offices under operating leases expiring on July 31, 2027 and October 31, 2027. One lease was a modification of an existing lease dated on August 1, 2025 to extend the term to July 31, 2027 whereas the other was a new lease commencing November 1, 2024. During the fiscal year ended June 30, 2025, the lease payments were \$2,228.93 and \$1,841.18 for each lease, respectively, and with provisions for 3.5-4.0% increases each subsequent year and options to renew. The total lease expense for the years ended June 30, 2025 and 2024 was \$40,917 and \$59,318, respectively.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

6. COMMITMENTS (Continued)

The following is a schedule of future minimum rental payments required under the above operating leases as of June 30, 2025:

2026	\$ 49,771
2027	51,671
2028	<u>10,052</u>
Total lease payments	111,494
Less: current portion	<u>(49,771)</u>
Lease Liability, long term	<u>\$ 61,723</u>

7. INVESTMENTS AND FAIR VALUE MEASUREMENTS

FASB ASC 820 provides the 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 below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- a) quoted prices for similar assets or liabilities in active markets;
- b) quoted prices for identical or similar assets or liabilities in inactive markets;
- c) inputs other than quoted prices that are observable for the asset or liability;
- d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Organization holds donated stock investments in the amount of \$19,848 and \$17,346 at fair value (level 1) as of June 30, 2025 and 2024, respectively; with an unrealized gain of \$2,502 and \$1,444 for the years ended June 30, 2025 and 2024, respectively.

**AMERICAN ASSOCIATION OF
CAREGIVING YOUTH, INC.**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

8. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2024</u>	<u>2025</u>
Financial assets at year-end	\$ 299,728	\$ 265,950
Less those unavailable for general expenditures within one year, due to:		
None noted	<u>-</u>	<u>-</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 299,728</u>	 <u>\$ 265,950</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in savings accounts.

9. RETIREMENT PLAN

The Organization sponsors a 401(k) retirement plan for its employees. For the fiscal year ended June 30, 2025, total retirement plan expense was \$6,791 which is included in Payroll Taxes and Employee Benefits under General and Administrative expense on the Statement of Functional expenses. There was no retirement expense for the fiscal years ended June 30, 2024.

10. COMPREHENSIVE INCOME

The Company has no components of other comprehensive income. Accordingly, comprehensive income is the same as the net income for period presented.