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BROADWAY CARES/
EQUITY FIGHTS AIDS, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 and 2024

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Broadway Cares/Equity Fights AIDS, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Broadway Cares/Equity Fights AIDS, Inc. (the "Organization"), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Broadway Cares/Equity Fights AIDS, Inc. as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
July 22, 2026

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

Statements of Financial Position

	September 30, 2025	September 30, 2024
ASSETS		
Cash and cash equivalents	**$ 9,798,418**	$ 9,129,460
Contributions and other receivables	**223,559**	551,247
Inventory	**482,009**	267,445
Pension plan asset	**1,163,416**	651,160
Prepaid expenses and other current assets	**610,344**	201,293
Property and equipment, net	**72,990**	10,064
Right-of-use asset	**4,374,742**	5,013,720
Security deposits	**85,873**	85,173
Total assets	**$ 16,811,351**	$ 15,909,562
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	**$ 500,302**	$ 310,991
Event revenue received in advance	**287,947**	68,200
Lease liability	**4,530,024**	5,136,233
Total liabilities	**5,318,273**	5,515,424
Commitments (Note G)		
Net assets:		
Without donor restrictions	**11,050,760**	9,963,194
With donor restrictions:		
Purpose restrictions	**442,318**	430,944
Total net assets	**11,493,078**	10,394,138
	$ 16,811,351	$ 15,909,562

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

Statements of Activities

	Year Ended September 30,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:						
Contributions (net of direct benefits to donors of $243,497 and $134,542 in 2025 and 2024, respectively)	**$ 28,976,967**	**$ 14,231**	**$ 28,991,198**	$ 25,066,874	$ 158,560	$ 25,225,434
Government grant	**-**	**-**	**-**	313,164	-	313,164
Special events (net of direct benefits to donors of $1,159,148 and $1,110,447 in 2025 and 2024, respectively)	**2,756,651**	**-**	**2,756,651**	2,254,316	-	2,254,316
Merchandise sales	**199,561**	**-**	**199,561**	202,910	-	202,910
Donated goods and services	**328,618**	**-**	**328,618**	354,133	-	354,133
Interest income	**336,253**	**-**	**336,253**	404,971	-	404,971
Total public support and revenue before net assets released from restrictions	**32,598,050**	**14,231**	**32,612,281**	28,596,368	158,560	28,754,928
Net assets released from restrictions	**2,857**	**(2,857)**	**-**	399,836	(399,836)	-
Total public support and revenue	**32,600,907**	**11,374**	**32,612,281**	28,996,204	(241,276)	28,754,928
Expenses:						
Program services	**25,646,312**	**-**	**25,646,312**	22,176,232	-	22,176,232
Supporting services:						
Management and general	**2,192,425**	**-**	**2,192,425**	1,989,019	-	1,989,019
Fund-raising	**3,712,600**	**-**	**3,712,600**	4,027,147	-	4,027,147
Total supporting services	**5,905,025**	**-**	**5,905,025**	6,016,166	-	6,016,166
Total expenses	**31,551,337**	**-**	**31,551,337**	28,192,398	-	28,192,398
Change in net assets before other adjustments	**1,049,570**	**11,374**	**1,060,944**	803,806	(241,276)	562,530
Pension – other components of net periodic costs	**(138,744)**	**-**	**(138,744)**	83,394	-	83,394
Pension-related changes other than operating expense portion	**176,740**	**-**	**176,740**	(29,919)	-	(29,919)
Change in net assets	**1,087,566**	**11,374**	**1,098,940**	857,281	(241,276)	616,005
Net assets - beginning of year	**9,963,194**	**430,944**	**10,394,138**	9,105,913	672,220	9,778,133
Net assets - end of year	**$ 11,050,760**	**$ 442,318**	**$ 11,493,078**	$ 9,963,194	$ 430,944	$ 10,394,138

See notes to financial statements.

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

Statement of Functional Expenses
Year Ended September 30, 2025
(with summarized financial information for 2024)

	Program Services	Supporting Services			Total	
	Grantmaking and Mobilization of Theater Community	Management and General	Fund-raising	Total Supporting Services	2025	2024
Salaries	$ 3,644,916	$ 828,799	$ 578,442	$ 1,407,241	$ 5,052,157	$ 5,009,955
Payroll taxes and employee benefits	1,583,582	360,083	251,312	611,395	2,194,977	1,791,431
Professional fees and consultants	141,383	115,661	15,673	131,334	272,717	287,262
Rent and offsite storage	886,583	201,596	140,699	342,295	1,228,878	1,119,267
Telephone	32,777	12,411	5,202	17,613	50,390	42,494
Printing, advertising and publicity	52,293	68,793	287,572	356,365	408,658	472,639
Postage and shipping	53,508	19,783	65,712	85,495	139,003	123,821
Conference and meetings	31,661	108,774	21,746	130,520	162,181	115,741
Mobilization and production costs	268,705	-	1,865,361	1,865,361	2,134,066	1,796,190
Merchandising expenses	117,326	26,454	24,562	51,016	168,342	257,597
Insurance	58,066	13,203	9,215	22,418	80,484	57,811
Dues and subscriptions	4,146	6,544	29,048	35,592	39,738	41,615
Security	-	17,217	54,800	72,017	72,017	73,625
Transportation and meals	19,437	50,016	191,222	241,238	260,675	206,206
Office supplies and expenses	250,719	88,378	70,478	158,856	409,575	310,821
Purchase of theater tickets	35,920	9,543	283,085	292,628	328,548	207,565
Repairs and maintenance	-	10,798	-	10,798	10,798	10,261
Credit card commissions	283,363	199,005	44,989	243,994	527,357	385,300
Corporate taxes and license fees	630	33,290	7,898	41,188	41,818	27,151
Online processing fees	123,958	28,186	19,672	47,858	171,816	103,018
Depreciation and amortization	-	16,652	-	16,652	16,652	37,253
Catering and venue costs	-	-	1,159,148	1,159,148	1,159,148	1,110,447
Miscellaneous	-	-	5,294	5,294	5,294	3,749
	7,588,973	2,215,186	5,131,130	7,346,316	14,935,289	13,591,219
Grants provided	18,157,437	-	-	-	18,157,437	15,762,774
Subtotal expenses	25,746,410	2,215,186	5,131,130	7,346,316	33,092,726	29,353,993
Change:						
Other components of net periodic costs	(100,098)	(22,761)	(15,885)	(38,646)	(138,744)	83,394
Direct benefits to donors	-	-	(1,402,645)	(1,402,645)	(1,402,645)	(1,244,989)
Total expenses per the statements of activities	$ 25,646,312	$ 2,192,425	$ 3,712,600	$ 5,905,025	$ 31,551,337	$ 28,192,398

See notes to financial statements.

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

Statement of Functional Expenses
Year Ended September 30, 2024

	Program Services	Supporting Services			
	Grantmaking and Mobilization of Theater Community	Management and General	Fund-raising	Total Supporting Services	Total
Salaries	$ 3,399,927	$ 795,138	$ 814,890	$ 1,610,028	$ 5,009,955
Payroll taxes and employee benefits	1,168,102	343,360	279,969	623,329	1,791,431
Professional fees and consultants	97,467	147,012	42,783	189,795	287,262
Rent and offsite storage	759,573	177,641	182,053	359,694	1,119,267
Telephone	23,579	13,264	5,651	18,915	42,494
Printing, advertising and publicity	81,148	55,550	335,941	391,491	472,639
Postage and shipping	36,419	13,757	73,645	87,402	123,821
Conference and meetings	42,007	43,870	29,864	73,734	115,741
Mobilization and production costs	39,947	-	1,756,243	1,756,243	1,796,190
Merchandising expenses	169,748	26,542	61,307	87,849	257,597
Insurance	39,233	9,175	9,403	18,578	57,811
Dues and subscriptions	4,704	7,459	29,452	36,911	41,615
Security	8,575	16,274	48,776	65,050	73,625
Transportation and meals	23,789	33,829	148,588	182,417	206,206
Office supplies and expenses	151,206	91,603	68,012	159,615	310,821
Purchase of theater tickets	11,798	10,714	185,053	195,767	207,565
Repairs and maintenance	-	10,261	-	10,261	10,261
Credit card commissions	215,070	118,682	51,548	170,230	385,300
Corporate taxes and license fees	3,253	19,632	4,266	23,898	27,151
Online processing fees	81,241	2,305	19,472	21,777	103,018
Depreciation and amortization	-	37,253	-	37,253	37,253
Catering and venue costs	-	-	1,110,447	1,110,447	1,110,447
Miscellaneous	78	2,462	1,209	3,671	3,749
	6,356,864	1,975,783	5,258,572	7,234,355	13,591,219
Grants provided	15,762,774	-	-	-	15,762,774
Subtotal expenses	22,119,638	1,975,783	5,258,572	7,234,355	29,353,993
Change:					
Other components of net periodic costs	56,594	13,236	13,564	26,800	83,394
Direct benefits to donors	-	-	(1,244,989)	(1,244,989)	(1,244,989)
Total expenses per the statements of activities	$ 22,176,232	$ 1,989,019	$ 4,027,147	$ 6,016,166	$ 28,192,398

See notes to financial statements.

BROADWAY CARES/EQUITY FIGHTS AIDS, INC.

Statements of Cash Flows

	Year Ended September 30, 2025	Year Ended September 30, 2024
Cash flows from operating activities:		
Change in net assets	**$ 1,098,940**	$ 616,005
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**16,652**	37,253
Donated investments	**(348,214)**	(157,618)
Proceeds from sales of donated investments	**353,303**	172,593
Realized gains from sales of donated investments	**(5,089)**	(14,975)
Noncash lease amortization	**638,978**	617,546
Changes in:		
Contributions and other receivables	**327,688**	(472,683)
Inventory	**(214,564)**	83,137
Pension plan asset	**(512,256)**	(70,177)
Prepaid expenses and other current assets	**(409,051)**	122,674
Security deposits	**(700)**	-
Lease liability	**(606,209)**	(565,620)
Accounts payable and accrued expenses	**189,311**	126,368
Event revenue received in advance	**219,747**	68,200
Net cash provided by operating activities	**748,536**	562,703
Cash flows from investing activities:		
Purchases of leasehold improvements	**(79,578)**	-
Increase in cash and cash equivalents	**668,958**	562,703
Cash and cash equivalents - beginning of year	**9,129,460**	8,566,757
Cash and cash equivalents - end of year	**$ 9,798,418**	$ 9,129,460
Supplemental disclosures of cash flow information:		
Noncash donations of goods and services	**$ 328,618**	$ 354,133

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] The Organization:

Broadway Cares/Equity Fights AIDS, Inc. (the "Organization"), a not-for-profit entity formed in 1988 in the State of New York, raises money to provide grants to (i) organizations providing assistance for healthcare to those individuals in the entertainment industry who are affected by critical health issues, including but not limited to HIV/AIDS, and (ii) organizations and programs nationwide and internationally that provide care and services to people living with HIV/AIDS. The Organization also facilitates the fund-raising capabilities of the theater community to address and support an urgent crisis or need, as directed by the Board of Trustees (the "Board").

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code"), and from state and local taxes under comparable laws.

[2] Basis of accounting:

The financial statements of the Organization have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, public support and revenue and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

[4] Cash and cash equivalents:

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

[5] Contributions and other receivables:

These receivables consist of contributions and payments owed from fund-raising events. As of September 30, 2024, the contributions and other receivables balance also included $313,164 related to the Employee Retention Credit (“ERC”) program. The ERC receivable was fully collected in May 2025. During 2024, the Organization applied for refundable payroll tax credits under the ERC program established by the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”). The ERC provided financial assistance to eligible employers that experienced qualifying declines in gross receipts or a full or partial suspension of operations as a result of the COVID-19 pandemic.

The ERC is subject to examination by the Internal Revenue Service (“IRS”). The statute of limitations for examination of certain ERC claims extends for a six-year period from the date of application. Accordingly, the Organization’s ERC claims may be subject to audit and potential adjustment in future periods.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Inventory:

Inventory consists of merchandise available for sale. Certain items have been contributed to inventory and have been recorded at their approximate fair values at the dates of donation. Inventories are valued at the lower of cost and net realizable value. The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the first-in-first-out principle. Trade goods purchased from third parties are valued at the purchase price.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to complete the sale. Obsolete inventory is written off as necessary.

[7] Property and equipment:

Property and equipment are stated at their costs at the dates of acquisition, or, if contributed, at their estimated fair values at the dates of donation, less accumulated depreciation. The Organization capitalizes as assets those items of property and equipment that both have a cost of $2,000 or more and useful lives greater than five years; whereas the costs of minor repairs and maintenance are expensed as incurred. Depreciation of furniture, fixtures, and equipment is provided using the straight-line method over estimated useful life of five years, and leasehold improvements are amortized using the straight-line method over the term of the underlying lease.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and when triggering events indicate that the fair value of the long-lived assets may be less than the carrying value, and the Organization recognizes any impairment in the year of determination. There were no triggering events during fiscal years 2025 and 2024 requiring management to test for impairment that would require any adjustments to property and equipment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[8] Leases:

The Organization determines if an arrangement is a lease at inception. For the Organization's operating leases, right-of-use ("ROU") assets represent the Organization's right to use the underlying assets for the lease terms and the operating leases liability represents an obligation to make lease payments arising from the leases. The ROU assets and leases liability are recognized at the lease commencement dates based on the present value of lease payments over the lease terms. Since the Organization's lease agreement does not provide an implicit interest rate, the Organization uses a risk-free rate based on the information available at the commencement dates in determining the present value of the lease payments. Operating lease expense is recognized on a straight-line basis over the lease terms, subject to any changes in the lease or expectations regarding the terms.

[9] Accrued vacation:

Accrued vacation represents the Organization's obligation for the cost of unused employee vacation time that would be payable in the event that all employees left the Organization. As of September 30, 2025 and 2024, the accrued vacation obligation was approximately $74,000 and $68,000, respectively, and was reported as a part of accounts payable and accrued expenses in the accompanying statements of financial position.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[10] Net assets:

(i) Net assets without donor restrictions:

The Organization's net assets without donor restrictions represent those resources that are available for current operations, as there are no restrictions by donors regarding their use.

(ii) Net assets with donor restrictions:

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or a specified period of time. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statements of activities as "net assets released from restrictions." For the Organization, net assets with donor restrictions restricted for purpose are comprised of funds received for fiscal-sponsorships whereby the Organization serves as a sponsor for groups that engage in activities that relate to the Organization's mission. Funds received by the Organization under these fiscal-sponsorship programs are considered with donor restrictions until expenditures occur, at which point they are released from restriction. Contributions with restrictions, the requirements of which are met in the same year of donation, are reported as without donor restrictions.

[11] Revenue recognition:

(i) Contributions and government grant:

Contributions made to the Organization are recognized as revenue upon the receipt of cash, other assets, or of unconditional pledges. The Organization records bequest income at the time it has an established right to a bequest and the proceeds are measurable. Contributions are reported as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional contributions are recognized when the donor's conditions have been met by requisite actions of the Organization's management or necessary events have taken place, and, if received in advance, are recognized in the statements of financial position as funds received in advance.

During fiscal year 2024, the Organization applied for ERC, a government program. The revenue related to this application has been reflected in the accompanying statements of activities as government grant revenue (see Note A [5]).

(ii) Special events:

The Organization conducts special events for which the use of a host Broadway theater may be donated and the performers and support staff donate their time. A portion of the gross proceeds paid by the attendees represents payment for the direct costs of the benefits received by the attendees at the event. Such special-event income is reported net of the direct costs of the event that are attributable to the benefits that the donors receive. In the absence of a verifiable objective means to demonstrate otherwise, the fair value of entertainment provided at these special events is measured at the actual cost to the Organization. At times the Organization may receive funds in advance of an event taking place, which represents the value of the goods or services the attendee is to receive. These funds are reported as "event revenue received in advance" in the accompanying statements of financial position.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[11] Revenue recognition: (continued)

(iii) Contributed goods and services:

For recognition of donated services in the Organization's financial statements, such services must: (i) require a specialized skill, (ii) be provided by individuals possessing these skills, and (iii) typically need to be acquired if not provided by donation. Donated services are recorded as support at their estimated fair values at the dates of donation. Donated goods are valued based upon estimates of fair value that would be received for selling the goods in their principal marketplace considering their condition and utility for use at the time the goods are contributed by the donor. It is the Organization's policy that contributions of nonfinancial assets are only utilized within operations to support the Organization's mission and not monetized. Donated goods and services are reported as both contributions and expenses in the accompanying statements of activities.

(iv) Revenue from contracts with customers:

The Organization recognizes revenue when, or as, performance obligations are satisfied associated with contracts with customers. Revenue is measured as the amount of consideration the Organization expects to receive in exchange for providing services. The primary sources of revenue from contracts with customers for the Organization are Care-Tix and merchandise sales.

a. *Care-Tix sales*:

The Organization has access to available seats at Broadway and Off-Broadway shows, which are sold to the general public generally for double the face value of the ticket, resulting in the recording of 50% of the ticket price as a contribution to the Organization. Revenue from Care-Tix sales is recognized at the time of a related event or performance. In the financial statements, the amount reported in contributions is net of the proceeds received and the actual costs of the tickets (considered direct benefits to donors). Should amounts be received in advance of the show, the exchange portion of the proceeds is deferred until the show takes place.

b. *Merchandise sales*:

The Organization operates a retail outreach program that sells AIDS-awareness red-ribbon items; items crafted by workshops sheltered for people living with AIDS; general Broadway-show-related memorabilia; and various other collector items. Sales are conducted via a printed catalog and on-line through the Organization's website. Revenue is recognized once the merchandise has been shipped.

[12] Advertising costs:

The Organization expenses the cost of advertising as incurred.

[13] Functional allocation of expenses:

The costs of providing the Organization's various program and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expense present expenses by functional and natural classification. Accordingly, direct costs have been allocated among the program and supporting services based on the nature of the expense. Indirect expenses have been allocated on the basis of time allocation with the exception of rent, insurance, depreciation and amortization, which are allocated based on square footage.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[14] Grants expenses:

Unconditional grants are recognized as obligations at the time of approval. Unconditional grants approved, but unpaid as of year-end are reported as liabilities in the statements of financial position. There were no grants payable as of September 30, 2025 and 2024, respectively.

[15] Volunteers:

A substantial number of unpaid volunteers have made significant contributions of their time to the Organization. The value of this contributed time does not meet the criteria for recognition of contributed services required under U.S. GAAP and, accordingly, is not included in the financial statements.

[16] Income tax uncertainties:

The Organization is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. For the Organization, these provisions could be applicable to the incurrence of unrelated business taxable income ("UBTI") attributable to certain of its merchandise sales. Because the Organization has always recorded the potential liability for this tax, when applicable, and because of the Organization's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the financial statements.

[17] Measure of operations:

The Organization includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Non-operating activities consist of pension-related changes other than the operating portion of periodic costs.

[18] Reclassification:

Certain amounts in the fiscal-year 2024 financial statements have been reclassified to conform to the presentation in the accompanying fiscal-year 2025 financial statements. These reclassifications had no effect on the change in net assets or total net assets as previously reported.

[19] Subsequent events:

The Organization evaluated subsequent events through July 22, 2026, the date on which the financial statements were available to be issued.

NOTE B - PROPERTY AND EQUIPMENT

At each fiscal year-end, property and equipment consisted of the following:

	September 30, 2025	September 30, 2024
Office furniture and fixtures	**$ 189,618**	$ 189,618
Equipment	**168,557**	168,557
Leasehold improvements	**420,984**	341,406
	779,159	699,581
Less: accumulated depreciation and amortization	**(706,169)**	(689,517)
	$ 72,990	$ 10,064

NOTE C - NET ASSETS WITH DONOR RESTRICTIONS

At each fiscal year-end, net assets with donor restrictions consisted of the following:

	September 30, 2025	September 30, 2024
Purpose restricted:		
Revolution Latina - human growth through artistic experience	**$ 72,054**	$ 62,144
Green Alliance - environmental practices in theaters	**33,559**	34,550
Broadway Serves - volunteerism	**237,283**	232,962
Broadway and Beyond - promoting diversity	**99,422**	101,288
Total purpose restrictions	**$ 442,318**	$ 430,944

NOTE C - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

During each fiscal-year, net assets were released from restrictions as the following donor restrictions were satisfied:

	September 30, 2025	September 30, 2024
Purpose restrictions:		
Revolution Latina - human growth through artistic experience	**$ -**	$ 145,121
Green Alliance - environmental practices in theaters	**991**	109,560
Broadway Serves - volunteerism	**-**	35,522
Broadway and Beyond - promoting diversity	**1,866**	7,581
	2,857	297,784
Time-restricted for future periods	-	102,052
	$ 2,857	$ 399,836

NOTE D - DONATED GOOD AND SERVICES

The Organization received contributed goods and services for airline tickets and advertising. Revenue for such contributed goods and services has been recognized, with an equivalent expense to program or general and administrative expenses, based on a fair value. In-kind contributions (contributions of nonfinancial assets) consisted of the following:

Year Ended September 30, 2025

	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and inputs
Donated airline tickets	**$ 298,000**	Fundraising-related activities	N/A	Reflected at market prices in the various principal markets where these items are consumed.
Donated advertising	**30,618**	Fundraising-related activities	N/A	Standard industry pricing for similar services/actual costs incurred by contributor.
	$ 328,618			

Year Ended September 30, 2024

	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and inputs
Donated airline tickets	$ 298,000	Fundraising-related activities	N/A	Reflected at market prices in the various principal markets where these items are consumed.
Donated advertising	56,133	Fundraising-related activities	N/A	Standard industry pricing for similar services/actual costs incurred by contributor.
	$ 354,133			

NOTE E - RELATED-PARTY TRANSACTIONS

For fiscal-years 2025 and 2024, grants of approximately $8,380,000 and $6,500,000, respectively, were made to a not-for-profit organization that has board members in common with the Organization's Board.

NOTE F - RETIREMENT BENEFITS

The Organization has a defined-benefit retirement plan formed under the Code Section 403(b) that covers all employees who meet certain length-of-service requirements. Vesting of the Organization's contributions occurs after the completion of five years of service.

At each fiscal year-end, the plan's funded status, accrued benefit cost, and other underlying data were as follows:

	September 30, 2025	September 30, 2024
Accumulated benefit obligation	**$ (5,129,803)**	$ (6,975,644)
Projected benefit obligation	**$ (5,129,803)**	$ (6,975,644)
Fair value of plan assets	**6,293,219**	7,626,804
Funded status and recognized asset	**$ 1,163,416**	$ 651,160
Pension plan asset reported in the statements of financial position	**$ 1,163,416**	$ 651,160
Adjustments to net assets, revenue reported as "pension-related changes other than periodic costs" in the statements of activities:		
Changes in retirement benefits other than included in operating expenses	**$ 176,740**	$ (29,919)
Other components of net periodic costs	**(138,744)**	83,394
	$ 37,996	$ 53,475
Net periodic pension cost included the following components:		
Service cost benefits earned during the period	**$ 275,740**	$ 233,298
Interest cost on projected benefit obligation	**362,897**	356,794
Amortization of net loss	**2,663**	11,063
Actual return on assets	**(587,136)**	(1,437,750)
Net asset loss (gain) deferred during period	**101,393**	1,028,915
Amortization of prior service cost	**(42,417)**	(42,416)
Additional amount due to settlement expense	**301,344**	-
Net periodic pension costs	**$ 414,484**	$ 149,904

NOTE F - RETIREMENT BENEFITS (CONTINUED)

There was no required funding for fiscal-years 2025 or 2024.

During fiscal-year 2025, the Organization incurred a pension settlement as a result of the retirement of certain employees participating in the plan. The retirement of the employees resulted in lump sum payments as well as a reduction of projected benefit obligation of approximately $2.6 million. Accordingly, this resulted in a recognition of additional pension expense of $301,344.

	September 30, 2025	September 30, 2024
Weighted-average assumptions:		
Discount rate	**5.78%**	5.32%
Expected return on plan assets	**6.50%**	6.50%
Rate of compensation increase	**2.80%**	2.80%
Employer contributions	**$ 750,000**	$ 250,000
Benefits paid	**$ (77,168)**	$ (499,365)

There was no required funding for fiscal-years 2025 or 2024.

As of January 1, 2016, the Board amended the defined-benefit pension plan. This amendment resulted in the conversion to a 1.5% unit accrual plan and benefits accrued prior to December 31, 2015 were preserved. The amended plan is based on a projected cost to the Organization of approximately 7% of eligible payroll each year.

At each fiscal year-end, plan assets were invested as follows:

	September 30, 2025	September 30, 2024
Money-market funds	**4%**	5%
Equity funds	**83**	83
Fixed-income	**13**	12
Total	**100%**	100%

Based on expected future service, the benefit distributions expected to be paid in future fiscal-years are:

Year Ending September 30,	Expected Benefit Distributions
2026	$ 329,000
2027	371,000
2028	386,000
2029	401,000
2030	422,000
2031 - 2035	2,544,000

NOTE G - LEASES AND COMMITMENTS

[1] Operating lease:

The Organization rents office space under an operating lease agreement that expires on August 31, 2031.

Information relating to the "lease costs," which includes all costs during the period associated with this operating lease, were approximately $1,085,000 and $995,000 for fiscal-years 2025 and 2024, respectively. There were no costs related to variable lease components.

Minimum future lease payments under the lease agreements are as follows:

Year Ending September 30,	2025	2024
2025	**$ -**	$ 784,601
2026	**804,216**	804,216
2027	**824,321**	824,321
2028	**844,929**	844,929
2029	**866,052**	866,052
2030	**887,704**	887,704
Thereafter	**832,339**	832,339
Total minimum lease payments	**5,059,561**	5,844,162
Less: amount representing interest	**(529,537)**	(707,929)
Amount reported on statements of financial position	**$ 4,530,024**	$ 5,136,233
Weighted average remaining lease term:		
Operating leases	**6 years**	7 years
Weighted average discount rate:		
Operating leases	**3.67%**	3.67%

[2] Other contracts:

In the normal course of business, the Organization enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

NOTE H - CREDIT RISK

The Organization maintains its cash balances in established financial institutions in amounts which, at times, may be in excess of federally insured limits. The Organization has not experienced any losses in such accounts, and management monitors the risk associated with concentrations on an ongoing basis. Management believes the Organization does not face a significant risk of loss on these accounts that might result from the failure of the financial institutions.

NOTE I - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the statements of financial position date available for general expenditure (which includes scheduled grant payments and contributions to the defined-benefit plan) within one year of September 30, 2025 and 2024, reduced by amounts not available because of donor-imposed restrictions:

	September 30,	
	2025	**2024**
Cash and cash equivalents	**$ 9,798,418**	$ 9,129,460
Contributions and other receivables	**223,559**	551,247
Total financial assets available within one year	**10,021,977**	9,680,707
Less:		
Amounts unavailable for general expenditures within one year, due to donor restrictions for:		
Purpose restrictions	**(442,318)**	(430,944)
Total financial assets available to meet cash needs for general expenditures within one year	**$ 9,579,659**	$ 9,249,763

Liquidity policy:

As part of the Organization's liquidity management, the Organization maintains a sufficient level of operating cash to be available as its general expenditures, liabilities, and other obligations come due.