

COUNTRY DANCE AND SONG SOCIETY, INC.

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED DECEMBER 31, 2024
(with comparative totals for the year ended 2023)**

TABLE OF CONTENTS

	Page #
Independent Auditor's Report	1
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses.....	5
Statement of Cash Flows	6
Notes to Financial Statements	7



J. TRAINOR COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANT & BUSINESS ADVISOR
107 AUDUBON ROAD, BUILDING #2-SUITE 110, WAKEFIELD MA 01880
(O)781.279.7800 (F)781.279.2345

Independent Auditor's Report

To the Board of Directors
of Country Dance and Song Society, Inc.

Opinion

We have audited the accompanying financial statements of Country Dance and Song Society, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Country Dance and Song Society, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Country Dance and Song Society, 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 Country Dance and Song Society, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

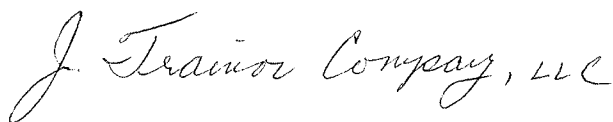
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Country Dance and Song Society, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Country Dance and Song Society, 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.

Report on Summarized Comparative Information

We have previously audited Country Dance and Song Society, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 2, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Wakefield, MA
June 16, 2025

COUNTRY DANCE AND SONG SOCIETY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(With Comparative Totals as of December 31, 2023)

ASSETS	2024	2023
CURRENT ASSETS		
Cash	\$ 396,072	\$ 248,536
Accounts receivable	-	500
Grants receivable	22,200	4,200
Inventory	39,192	43,345
Prepaid expenses	61,831	51,245
TOTAL CURRENT ASSETS	519,295	347,826
PROPERTY AND EQUIPMENT		
Equipment and furniture	13,072	34,350
Operating lease right-of-use assets	30,571	43,816
TOTAL PROPERTY AND EQUIPMENT	43,643	78,166
NONCURRENT ASSETS		
Investments-operating	1,150,684	1,060,655
Investments-restricted	41,615	45,312
Artwork	8,000	8,000
Deposits	1,509	1,308
TOTAL NONCURRENT ASSETS	1,201,808	1,115,275
TOTAL ASSETS	\$1,764,746	\$1,541,267
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of SBA loan	\$ 3,860	\$ 3,736
Operating lease liability	19,555	17,378
Accounts payable	2,465	4,101
Accrued expenses	9,114	10,813
Accrued payroll	11,331	9,826
Accrued vacation	13,862	20,075
Deferred revenue	36,144	30,773
TOTAL CURRENT LIABILITIES	96,331	96,702
LONG TERM LIABILITIES		
Operating lease liability	11,016	26,438
SBA loan	137,572	141,435
TOTAL LONG TERM LIABILITIES	148,588	167,873
NET ASSETS		
Without donor restrictions	1,456,012	1,231,380
With donor restrictions	63,815	45,312
TOTAL NET ASSETS	1,519,827	1,276,692
TOTAL LIABILITIES & NET ASSETS	\$1,764,746	\$1,541,267

See accompanying notes to financial statements.

COUNTRY DANCE AND SONG SOCIETY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(with comparative totals for the year ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
OPERATING SUPPORT, REVENUE & RECLASSIFICATIONS				
Contributions	\$ 700,559	\$ -	\$ 700,559	\$ 558,221
Summer programs	861,285	-	861,285	778,584
Grants	-	22,200	22,200	96,000
Membership services	108,254	-	108,254	94,073
Sales	40,554	-	40,554	42,809
Conferences, online program	-	-	-	1,305
Other	7,026	-	7,026	15,102
Investment return designated for current operations	18,320	-	18,320	30,051
Net assets release from restrictions	3,697	(3,697)	-	-
Total operating support, revenue & reclassifications	1,739,695	18,503	1,758,198	1,616,145
OPERATING EXPENSES				
Camps	917,197	-	917,197	894,432
Education and outreach	131,393	-	131,393	132,828
Sales and service	170,308	-	170,308	174,298
Development	204,206	-	204,206	229,587
General and administrative	173,680	-	173,680	208,652
Total expenses	1,596,784	-	1,596,784	1,639,797
Change in net assets from operating activities	142,911	18,503	161,414	(23,652)
NON OPERATING ACTIVITIES				
Investment return	81,721	-	81,721	95,293
CHANGE IN NET ASSETS				
NET ASSETS, beginning of year	224,632	18,503	243,135	71,641
NET ASSETS, end of year	1,231,380	45,312	1,276,692	1,205,051
	\$ 1,456,012	\$ 63,815	\$ 1,519,827	\$ 1,276,692

See accompanying notes to financial statements.

COUNTRY DANCE AND SONG SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(with comparative totals for the year ended December 31, 2023)

	Program Services				Supporting Services			
	Education & Outreach		Sales & Service	Total	Management and General		Fundraising	Total
	Camps							
Payroll	\$ 195,896	\$ 78,250	\$ 50,379	\$ 324,525	\$ 84,942	\$ 116,389	\$ 201,331	\$ 591,739
Occupancy	497,536	3,222	6,695	507,453	2,685	2,685	5,370	492,397
Contracted services	91,127	23,286	19,178	133,591	28,595	32,626	61,221	179,871
Insurance	-	-	46,966	46,966	11,331	-	11,331	49,125
Travel	45,650	1,159	78	46,887	8,370	104	8,474	50,307
Payroll taxes	16,631	6,393	4,116	27,140	6,939	9,508	16,447	50,693
Bank fees	26,875	-	3,790	30,665	5,020	7,860	12,880	40,326
Cost of sales	1,402	-	28,632	30,034	-	-	-	21,451
Other	10,444	4,880	1,801	17,125	5,709	2,995	8,704	19,214
Depreciation	5,863	2,969	4,771	13,603	7,366	4,147	11,513	51,097
Printing & reproduction	7,231	845	84	8,160	622	13,747	14,369	22,529
Employee benefits	6,426	-	2,999	9,425	6,891	4,339	11,230	30,016
Postage & delivery	3,275	-	41	3,316	4,236	8,514	12,750	16,341
Grants & sponsorships	-	9,480	-	9,480	-	-	-	9,150
Office expense	5,938	269	688	6,895	884	1,152	2,036	9,546
Advertising & marketing	1,585	550	-	2,135	-	50	50	3,534
Telecommunications	818	90	90	998	90	90	180	2,197
Bad debt expense	500	-	-	500	-	-	-	372
	\$ 917,197	\$ 131,393	\$ 170,308	\$ 1,218,898	\$ 173,680	\$ 204,206	\$ 377,886	\$ 1,639,797

See accompanying notes to financial statements.

COUNTRY DANCE AND SONG SOCIETY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(with comparative totals for the year ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 243,135	\$ 71,641
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	25,116	51,096
Net realized and unrealized investment (gain) loss	(61,133)	(90,008)
(Increase) decrease in assets:		
Pledges receivable	-	43,096
Accounts receivable	500	(302)
Inventory	4,153	(3,969)
Prepaid expenses and other current assets	(10,586)	6,294
Grants and contracts receivable, net	(18,000)	100
Deposits	(201)	1,192
Increase (decrease) in liabilities:		
Accounts payable	(1,636)	(9,017)
Accrued expenses	(1,699)	3,001
Accrued payroll	1,505	(1,011)
Accrued vacation	(6,213)	(2,880)
Deferred revenue	5,371	3,736
CASH PROVIDED BY OPERATING ACTIVITIES	<u>180,312</u>	<u>72,969</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment and furniture	(3,838)	(2,254)
Sales of investments	13,643	40,729
Purchases of investments	<u>(38,842)</u>	<u>(35,226)</u>
CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	<u>(29,037)</u>	<u>3,249</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on SBA Loan	<u>(3,739)</u>	<u>(3,660)</u>
CASH USED FOR FINANCING ACTIVITIES	<u>(3,739)</u>	<u>(3,660)</u>
NET INCREASE IN CASH	147,536	72,558
CASH AT BEGINNING OF YEAR	<u>248,536</u>	<u>175,978</u>
CASH AT END OF YEAR	<u><u>\$ 396,072</u></u>	<u><u>\$ 248,536</u></u>
CASH PAID FOR:		
Interest	<u><u>\$ 3,953</u></u>	<u><u>\$ 4,032</u></u>

See accompanying notes to financial statements.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Country Dance and Song Society, Inc. (the "Organization") was founded in 1915 and is a Massachusetts not-for-profit corporation. The purpose of the Organization is to steward the living traditions of English country dance, contra and square dance, morris and sword dance, and the music that is an integral part of these traditions. This mission is carried out through the implementation of three programs: camps, education and outreach, and sales and service.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Pledges/Grants Receivable and Allowance for Uncollectible Accounts

Pledge and grants receivables are reported at the original pledged amount less an allowance for doubtful accounts and less a present value discount for long term pledges. The Organization utilizes the current yield rate on U.S. Treasury bonds in calculating the discount. An allowance for doubtful pledge receivables was not considered necessary as of December 31, 2024.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1 – Nature of Activities and Summary of Significant Accounting Policies– continued

Contributions

The Organization recognized contributions in the year in which the contribution is made. Contributions are recorded either as contributions without or with donor restrictions depending on the existence, time and/or nature of any donor-imposed restrictions. However, it is the policy of the Organization to recognize restricted contributions that are both received and fully expended during the same fiscal year as contributions without donor restrictions. The Organization did not receive any conditional contributions during 2024.

Inventory

Inventory consists of books, recordings, compact discs, and videos relating to English and North American traditional dance music and song. Inventory is stated at the lower of cost or net realizable value.

Property and Equipment

Property and equipment purchased by the Organization with a cost of more than \$750 are capitalized at cost. Donated assets in excess of \$750 are capitalized at their fair market value at the time of the donation. Depreciation is computed using the straight-line method over the asset's useful life. Depreciable lives of the Organization's equipment, furniture, and software is 5 to 10 years and depreciable lives of the leasehold improvements is 10 years.

Leases

The Organization leases office space and various pieces of equipment under noncancelable operating leases. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The operating leases are included in operating lease right-of-use ("ROU") assets, current liabilities and long-term liabilities.

The ROU asset represents our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments. The operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable. Since the lease does not contain an implicit rate, the Organization uses a risk-free rate as the discount rate. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreement contains lease and non-lease components, which are accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1 – Nature of Activities and Summary of Significant Accounting Policies– continued

Investments

Investments 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. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Revenue Recognition

The Organization recognizes revenue from several different types of contractual relationships. Revenue from all these contracts is based on a set transaction price.

Summer camp - Revenue from summer camp programs is recognized at the commencement of each camp.

Membership Services-Group insurance - Members can purchase insurance through the Organization under a group policy. Revenue from group insurance is recognized over the course of the underlying policy period. Payments for insurance that apply to the following year are recorded on the statement of financial position as deferred revenue.

Membership Services-Group exemption - Member organizations can take advantage of CDSS's tax exempt status by enrolling under the group exemption. Revenue from the group exemption service is recognized upon enrollment.

Sales and Cost of Sales

Sales of inventory are reported net of any returns and discounts. Costs of sales are reported net of purchase discounts, and it includes shipping costs.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis on the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefitted. Such allocations are determined by management on an equitable basis. The expenses that the Organization allocates include payroll and related expenses and they are allocated based on the time and effort put forth in the respective program and supporting services. Other expenses that the Organization allocates based on each program and supporting services' utilization include rent, certain professional services, and office and related expenses.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1 – Nature of Activities and Summary of Significant Accounting Policies– continued

Income Tax Status

The Organization is exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code and has been determined not to be a private foundation by the Internal Revenue Service. The Organization is also exempt from Massachusetts income tax.

The Organization annually files IRS Form 990-Return of Organization Exempt from Income Tax, reporting various information that the IRS used to monitor the activities of tax-exempt entities. These tax returns are subject to review by the taxing authorities generally for a period of three years after they were filed. The Organization currently has no tax examinations in progress.

The Organization evaluates all significant tax positions. As of December 31, 2024, the Organization does not believe that it has taken any tax positions that would require the recording of any additional tax liability.

Subsequent Events

Management has reviewed subsequent events through June 16, 2025, the date the financial statements were available to be issued.

Note 2 – Concentration of Credit Risk

The Organization maintains its cash at one financial institution. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2024, the Organization's uninsured balance totaled \$61,998.

Note 3 – Property and Equipment

Property and equipment consisted of the following as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Equipment, Furniture and software	\$ 421,957	\$ 419,369
Accumulated Depreciation	<u>(408,885)</u>	<u>(385,019)</u>
	<u>\$ 13,072</u>	<u>\$ 34,350</u>

Depreciation expense was \$25,116 and \$51,096 for the years ended December 31, 2024 and 2023, respectively.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 4 – Investments

The Organization reports its qualifying assets and liabilities in accordance with the Fair Value Measurements and Disclosures Standards under U.S. GAAP (ASC-820). These standards define fair value, establish a framework for measuring fair value, and expand disclosures about fair value measurements. This policy establishes a fair value framework that prioritizes the inputs and assumptions used to measure fair value.

The three levels of the fair value framework are as follows:

- Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 – Inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 – Inputs that are unobservable.

A qualifying asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

The Organization's investments are all considered level 1 under the fair value hierarchy. The fair value of the investments as of December 31, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Money market funds	\$ 288,553	\$ 285,810
Moderate growth fund	<u>903,746</u>	<u>820,157</u>
	<u><u>\$ 1,192,299</u></u>	<u><u>\$ 1,105,967</u></u>

Investment return reported on these financial statements consisted of the following for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Investment income	\$ 38,841	\$ 35,226
Realized and unrealized gains (losses)	<u>61,200</u>	<u>90,118</u>
	<u><u>\$ 100,041</u></u>	<u><u>\$ 125,344</u></u>
Investment return-operating	\$ 18,320	\$ 30,051
Investment return-non-operating	<u>81,721</u>	<u>95,293</u>
	<u><u>\$ 100,041</u></u>	<u><u>\$ 125,344</u></u>

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 5 – SBA Loan

On October 26, 2020, the Organization received an Economic Injury Disaster Loan from the U.S. Small Business Administration in the amount of \$150,000. The loan is to be repaid in monthly installments of \$641, including principal and interest, over 30 years from the date of the loan. The loan bears interest at the rate of 2.75%. The balance of the loan as of December 31, 2024 and 2023 was \$141,432 and \$145,171, respectively.

Maturities of the debt as of December 31, 2024 are as follows:

2025	3,860
2026	3,958
2027	4,068
2028	4,172
2029	4,298
Thereafter	121,076

Note 6 – Line of Credit

The Organization has a line of credit with a bank payable on demand. The maximum amount of the line of credit is \$100,000 and carries an interest rate of the bank's prime rate. The line of credit can be terminated upon written request of either party and is secured by the assets of the Organization. There was no outstanding balance on the credit line as of December 31, 2024 and 2023.

Note 7 – Lease Activities

The Organization has an operating lease for its office space with a remaining term of 1.25 years which is being discounted at a rate of 3.81%. Operating lease expenses were \$15,702 and \$20,411 for the years ended December 31, 2024 and 2023, respectively, and is included in occupancy expense. Cash paid for amounts included in the measurement of the operating lease liabilities was \$15,702 and \$20,411 for the years ended December 31, 2024 and 2023, respectively.

The Organization has operating leases for two postage meters and a copy machine with an average remaining term of 2.75 years which is being discounted at an average rate of 3.86%. Operating lease expenses were \$3,709 and \$2,888 for the years ended December 31, 2024 and 2023, respectively, and is included in equipment rental expense. Cash paid for amounts included in the measurement of the operating lease liabilities was \$3,709 and \$2,888 for the years ended December 31, 2024 and 2023, respectively.

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 8 – Availability and Liquidity

The following reflects the Organization's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	<u>2024</u>	<u>2023</u>
Financial assets at year-end	\$ 1,610,571	\$ 1,359,203
Less those unavailable within one year:		
Net assets with donor restrictions	(63,815)	(45,312)
Funds functioning as endowment	<u>(460,080)</u>	<u>(417,767)</u>
	<u><u>\$ 1,086,676</u></u>	<u><u>\$ 896,124</u></u>

CDSS' goal is to maintain financial assets to meet 90 days of operating expenses.

Note 9 – Net Assets with Donor Restrictions

Net assets with donor restrictions as of December 31, 2024 consisted of \$41,615 of unexpended donor restricted funds for program purposes, as well as a grant receivable of \$22,200. Net assets with donor restrictions as of December 31, 2023 consisted of \$45,312 of unexpended donor restricted funds for program purposes.

Note 10 – Funds Functioning as Endowment

The Organization's Board of Directors has established a board designated endowment fund. As of December 31, 2024 and 2023, The Organization had the following endowment related activities:

	<u>2024</u>	<u>2023</u>
Endowment net assets, beginning of year	\$ 417,767	\$ 381,206
Contributions	11,632	1,050
Investment return		
Investment income	21,133	10,448
Realized and unrealized gains (losses)	<u>20,123</u>	<u>45,522</u>
	41,256	55,970
Appropriation for expenditure	<u>(10,575)</u>	<u>(20,459)</u>
Endowment net assets, end of year	<u><u>\$ 460,080</u></u>	<u><u>\$ 417,767</u></u>

COUNTRY DANCE AND SONG SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 10 – Funds Functioning as Endowment - continued

The Organization considers many factors in making a determination on how to appropriate or accumulate the funds including: the duration and preservation of the fund, the purpose of the fund, the general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the Organization, and the investment policies of the Organization.

The Organization annually approves a spending amount based on the historical investment returns of the board designated endowment fund that will be available for appropriation.

Note 11 – Retirement Plan Costs

The Organization has a defined contribution retirement plan that permits employees to make tax deferred contributions up to the amounts permitted by the Internal Revenue Code. Employees become eligible to participate after two years of service as defined in the Plan. The Organization matches employee contributions in amounts between 1% and 5% of employee compensation, depending on the participant's years of services. Total retirement plan expense for the years ended December 31, 2024 and 2023 was \$10,226 and \$8,706, respectively.