

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

FINANCIAL STATEMENTS

with

INDEPENDENT AUDITORS' REPORT

YEAR ENDED SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

Smith  Sullivan
& Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 302  Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)



Mission Statement

Little Brothers - Friends of the Elderly is a national network of nonprofit volunteer-based organizations committed to relieving isolation and loneliness among the elderly. We offer to people of goodwill the opportunity to join the elderly in friendship and celebration of life.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2025
(With Summarized Comparative Information for 2024)

C O N T E N T S

	<i>Pages</i>
Independent Auditors' Report.....	1 - 2
Statements of Financial Position as of September 30, 2025 and 2024.....	3
Statement of Activities for the Year Ended September 30, 2025..... <i>(With Summarized Comparative Totals for 2024)</i>	4
Statement of Functional Expenses for the Year Ended September 30, 2025..... <i>(With Summarized Comparative Totals for 2024)</i>	5 - 6
Statements of Cash Flows for the Years Ended September 30, 2025 and 2024.....	7
Notes to Financial Statements.....	8 - 21

Smith Sullivan & Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 302  Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Little Brothers Friends of the Elderly - Boston, Inc.
Boston, Massachusetts

Opinion

We have audited the accompanying financial statements of Little Brothers Friends of the Elderly - Boston, Inc. (a Massachusetts nonprofit organization), which comprise the statement of financial position as of September 30, 2025, 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 Little Brothers Friends of the Elderly - Boston, Inc. as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Little Brothers Friends of the Elderly - Boston, 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 Little Brothers Friends of the Elderly - Boston, Inc.'s ability to continue as a going concern within 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors
Little Brothers Friends of the Elderly - Boston, Inc.

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 Little Brothers Friends of the Elderly - Boston, 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 Little Brothers Friends of the Elderly - Boston, 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 Little Brothers Friends of the Elderly - Boston, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 26, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Smith, Sullivan & Brown, PC

Westborough, Massachusetts
February 4, 2026

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS:</u>		
Cash	\$ 69,829	\$ 149,024
Board Designated Operating Reserves	265,374	509,135
Grants and Contributions Receivable	93,627	127,975
Prepaid Expenses	5,810	46,117
Total Current Assets	<u>434,640</u>	<u>832,251</u>
<u>PROPERTY AND EQUIPMENT:</u>		
Office Equipment and Furniture	32,292	32,292
Less: Accumulated Depreciation	<u>(29,918)</u>	<u>(27,544)</u>
Net Property and Equipment	<u>2,374</u>	<u>4,748</u>
<u>NON-CURRENT ASSETS:</u>		
Grants and Contributions Receivable, Non-Current	-	30,000
Board-Designated Endowment Investments	767,775	695,553
Donor-Restricted Endowment Investments	129,543	125,375
Operating Lease Right-of-Use Asset	169,146	220,393
Security Deposit	5,000	5,000
Total Non-Current Assets	<u>1,071,464</u>	<u>1,076,321</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,508,478</u>	<u>\$ 1,913,320</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES:</u>		
Accounts Payable and Accrued Expenses	\$ 53,780	\$ 58,346
Accrued Payroll and Related Costs	43,463	28,085
Deferred Revenue	-	13,634
Operating Lease Liability	53,623	49,432
Total Current Liabilities	<u>150,866</u>	<u>149,497</u>
<u>NON-CURRENT LIABILITIES:</u>		
Operating Lease Liability, Net of Current Portion	<u>120,861</u>	<u>174,484</u>
Total Non-Current Liabilities	<u>120,861</u>	<u>174,484</u>
<u>TOTAL LIABILITIES</u>	<u>271,727</u>	<u>323,981</u>
<u>NET ASSETS:</u>		
Net Assets Without Donor Restrictions	997,542	1,232,462
Net Assets With Donor Restrictions	239,209	356,877
Total Net Assets	<u>1,236,751</u>	<u>1,589,339</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 1,508,478</u>	<u>\$ 1,913,320</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(With Summarized Comparative Totals for 2024)

	<u>WITHOUT</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>WITH</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>TOTAL ACTIVITIES</u>	
			<u>2025</u>	<u>2024</u>
<u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u>				
<i>Public Support and Revenues:</i>				
Gifts, Grants and Contributions	\$ 614,202	\$ 137,000	\$ 751,202	\$ 873,766
Donated Goods and Services	-	-	-	12,747
Special Fund Raising Event Proceeds	32,549	-	32,549	-
Less: Cost of Direct Benefit to Donors	(17,681)	-	(17,681)	-
Creative Connection Classes	12,000	-	12,000	-
Investment Return	92,132	10,447	102,579	179,299
<i>Reclassifications of Net Assets - Released from Restriction:</i>				
Satisfaction of Donor Restrictions	<u>265,115</u>	<u>(265,115)</u>	<u>-</u>	<u>-</u>
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>998,317</u>	<u>(117,668)</u>	<u>880,649</u>	<u>1,065,812</u>
<u>EXPENSES:</u>				
Program Services	951,854	-	951,854	721,919
Administrative	133,852	-	133,852	174,280
Fundraising	<u>147,531</u>	<u>-</u>	<u>147,531</u>	<u>165,308</u>
<u>TOTAL EXPENSES</u>	<u>1,233,237</u>	<u>-</u>	<u>1,233,237</u>	<u>1,061,507</u>
<u>CHANGE IN NET ASSETS</u>	<u>(234,920)</u>	<u>(117,668)</u>	<u>(352,588)</u>	<u>4,305</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>1,232,462</u>	<u>356,877</u>	<u>1,589,339</u>	<u>1,585,034</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 997,542</u>	<u>\$ 239,209</u>	<u>\$ 1,236,751</u>	<u>\$ 1,589,339</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

(With Summarized Comparative Totals for 2024)

(Page 1 of 2)

	<u>SUPPORTING SERVICES</u>				<u>TOTAL</u>	
	<u>TOTAL</u>	<u>ADMINIS-</u>	<u>FUND-</u>	<u>COST OF</u>	<u>FUNCTIONAL EXPENSES</u>	
	<u>PROGRAM</u>	<u>TRATIVE</u>	<u>RAISING</u>	<u>DIRECT BENEFIT</u>	<u>2025</u>	<u>2024</u>
	<u>SERVICES</u>	<u></u>	<u></u>	<u>TO DONORS</u>		
<u>PERSONNEL AND RELATED COSTS:</u>						
Salaries and Compensation	\$ 566,019	\$ 38,332	\$ 64,073	\$ -	\$ 668,424	\$ 555,549
Employee Benefits	73,636	4,987	8,335	-	86,958	70,904
Payroll Taxes	40,039	2,711	4,532	-	47,282	40,080
Staff Development	300	569	1,843	-	2,712	5,028
Total Personnel and Related Costs	<u>679,994</u>	<u>46,599</u>	<u>78,783</u>	<u>-</u>	<u>805,376</u>	<u>671,561</u>
<u>OTHER OPERATING COSTS:</u>						
Occupancy	48,418	6,589	6,052	-	61,059	59,588
Program and Operating Supplies	152,723	1,495	27	-	154,245	120,204
Depreciation Expense	1,780	297	297	-	2,374	2,373
Professional Fees	17,965	72,059	24,224	-	114,248	86,584
Event Costs	-	-	6,531	17,681	24,212	-
Donated Goods and Services	-	-	-	-	-	5,100
Technology and Digital Infrastructure	20,875	2,855	2,895	-	26,625	22,092
Printing and Postage	6,731	2,946	27,600	-	37,277	70,889
Telephone	1,224	153	153	-	1,530	2,560
Dues, Fees, Subscriptions	2,465	783	75	-	3,323	5,408
Staff Travel	19,679	76	894	-	20,649	15,148
Total Other Operating Costs	<u>271,860</u>	<u>87,253</u>	<u>68,748</u>	<u>17,681</u>	<u>445,542</u>	<u>389,946</u>
Total Functional Expenses	951,854	133,852	147,531	17,681	1,250,918	1,061,507
Less: Cost of Direct Benefit to Donors	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,681)</u>	<u>(17,681)</u>	<u>-</u>
Total Expenses Per Statement of Activities	<u>\$ 951,854</u>	<u>\$ 133,852</u>	<u>\$ 147,531</u>	<u>\$ -</u>	<u>\$ 1,233,237</u>	<u>\$ 1,061,507</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

(Page 2 of 2)

	<u>PROGRAM SERVICES</u>				
	<u>CITYSITES</u>	<u>DIGITAL DIVIDENDS</u>	<u>CREATIVE CONNECTIONS</u>	<u>OTHER PROGRAMS & COMMUNITY ENGAGEMENT</u>	<u>TOTAL PROGRAM SERVICES</u>
<u>PERSONNEL AND RELATED COSTS:</u>					
Salaries and Compensation	\$ 199,891	\$ 234,100	\$ 30,518	\$ 101,510	\$ 566,019
Employee Benefits	26,005	30,455	3,970	13,206	73,636
Payroll Taxes	14,140	16,559	2,159	7,181	40,039
Staff Development	-	300	-	-	300
Total Personnel and Related Costs	<u>240,036</u>	<u>281,414</u>	<u>36,647</u>	<u>121,897</u>	<u>679,994</u>
<u>OTHER OPERATING COSTS:</u>					
Occupancy	22,999	22,999	1,210	1,210	48,418
Program and Operating Supplies	14,513	79,559	52,259	6,392	152,723
Depreciation Expense	783	759	-	238	1,780
Professional Fees	8,573	8,498	447	447	17,965
Technology and Digital Infrastructure	9,799	10,226	516	334	20,875
Printing and Postage	3,192	3,192	168	179	6,731
Telephone	581	581	31	31	1,224
Dues, Fees, Subscriptions	1,545	920	-	-	2,465
Staff Travel	9,792	8,422	883	582	19,679
Total Other Operating Costs	<u>71,777</u>	<u>135,156</u>	<u>55,514</u>	<u>9,413</u>	<u>271,860</u>
 Total Functional Expenses	 <u>\$ 311,813</u>	 <u>\$ 416,570</u>	 <u>\$ 92,161</u>	 <u>\$ 131,310</u>	 <u>\$ 951,854</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ (352,588)	\$ 4,305
<i>Adjustments to Reconcile the Above to Net Cash Used by Operating Activities:</i>		
Depreciation Expense	2,374	2,373
Donated Stock	(5,061)	-
Investment Return	(102,568)	(177,437)
<i>(Increase) Decrease in Current Assets:</i>		
Grants and Contributions Receivable	34,348	(47,832)
Prepaid Expenses	40,307	(20,456)
<i>Increase (Decrease) in Current Liabilities:</i>		
Accounts Payable and Accrued Expenses	(4,566)	(27,882)
Accrued Payroll and Related Costs	15,378	594
Deferred Revenue	(13,634)	13,634
Operating Lease Liability	4,191	(1,124)
<i>(Increase) Decrease in Non-Current Assets:</i>		
Grants and Contributions Receivable, Non-Current	30,000	(30,000)
Operating Lease Right-of-Use Asset	51,247	49,008
<i>Increase (Decrease) in Non-Current Liabilities:</i>		
Operating Lease Liability, Net of Current Portion	(53,623)	(44,361)
Net Adjustment	(1,607)	(283,483)
<u>NET CASH USED BY OPERATING ACTIVITIES</u>	<u>(354,195)</u>	<u>(279,178)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Transfers from Investments and Reserves	325,000	205,416
Transfers to Investments and Reserves	(50,000)	(232)
Net Cash from Investing Activities	<u>275,000</u>	<u>205,184</u>
<u>NET DECREASE IN CASH BALANCES</u>	(79,195)	(73,994)
<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>149,024</u>	<u>223,018</u>
<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 69,829</u>	<u>\$ 149,024</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

NOTE 1 ORGANIZATION AND AFFILIATIONS

Little Brothers Friends of the Elderly - Boston, Inc. (the “Organization”, “LBFE” or “Little Brothers - Friends of the Elderly”) was organized in 1979 and later incorporated in 1981 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt, not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). Little Brothers - Friends of the Elderly has been classified as an organization which is not a private foundation under IRC Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

Little Brothers Friends of the Elderly - Boston, Inc. operates the Boston Chapter of a group of separate LBFE nonprofit organizations in the United States, affiliated through a Network Agreement, and with La Federation Internationale des Petits Freres des Pauvres (the “International Federation”), which started in France after World War II with a mission of relieving isolation and loneliness among the elderly.

The LBFE Network Agreement links all of the U.S. Chapters. Each Chapter is a nonprofit organization exempt under IRC Section 501(c)(3) with its own separate boards of directors, executives, and donors. The Chapters are members of LBFE Network, LLC (“the LLC”), an Illinois Limited Liability Company created to own and maintain all LBFE Marks for the benefit of the Chapters and to serve as the entity to represent the U.S. “country membership” in the International Federation for all LBFE Network entities in accordance with the International Federation’s statutes and bylaws, as determined by the Policy Council. LBFE pays annual dues to the LLC equal to 2% of its support through contributions, excluding bequests. The Organization had a capital account balance in the LLC in the amount of \$5,998 as of each year end presented. However, since the balance is not distributed, the investment has been valued at zero in the accompanying financial statements.

NOTE 2 PROGRAM SERVICES

LBFE is a volunteer-oriented organization committed to reducing loneliness and isolation among older adults by providing services such as intergenerational social activities, technology literacy programs, creative arts classes, one-to-one visiting, holiday celebrations and care packages. For the years presented, the primary program activities are described below. All programs were held in-person in FY 2025. In addition, volunteers are largely college students where experiential learning, service learning, social problem remediation and community engagement are central to the volunteer experiences.

Social Activities:

Intergenerational CitySites

In partnership with service-learning and community engagement programs at several Boston colleges and universities, LBFE offers weekly intergenerational activities in public/affordable senior housing and senior centers.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 2 *(Continued)*

Digital Dividends

Digital Dividends is a tech access and literacy program for older adults. LBFE offers Digital Dividends in public senior housing communities. Classes of 10-15 older adults are given a laptop to keep (free of charge) and loaned a prepaid data hotspot for the duration of the class (six months) to ensure access to technology and connectivity. During the class period, university students meet with residents weekly to offer instruction and support.

Creative Connections

Many older adults living in public/affordable housing face barriers (logistical, economic, and linguistic/cultural) to accessing arts training. Through Creative Connections, LBFE Boston seeks to overcome these barriers by bringing arts instruction to residents where they live, free of charge; providing materials and supplies; and offering linguistically and culturally informed content.

Tech Cafes

Informal intergenerational gatherings that focus on technology. Older adults consult student volunteers on questions on how to use their devices, different applications or programs, and how to connect to the internet.

Community Connections

Classes, activities and events that offer youth groups, as well as community and corporate groups, opportunities to meet and socialize with older adults.

Gen2GenQ

Pilot initiative connecting members of the LGBTQIA+ community across generations.

Holidays:

Holiday themed events are held at CitySites, Digital Dividends, and Tech Cafes locations. LBFE Boston distributes holiday gifts and cards to regular program participants and hosts other holiday events.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”).

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

Estimates:

The preparation of financial statements in conformity with GAAP 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; however, adherence to generally accepted accounting principles, has in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Fair Value of Financial Instruments:

The Organization reports its fair value measures by using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

The three levels of inputs used to measure fair value are defined as follows:

- Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rate and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The primary use of fair value measures in the Organization's financial statements are:

- Initial measurement of noncash gifts, including gifts of investment assets.
- Recurring measurement of investments.

Financial Statement Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as defined below.

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

Net Assets With Donor Restrictions - Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. For the years presented, the Organization's endowment is required to be maintained in perpetuity, but the Organization is permitted to expend part or all of the income derived from the donated assets. The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, or if they are promised contributions that are not yet due. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Should the donor restrict an asset to use in a program, the asset continues to be reported as restricted net assets.

The accompanying financial statements include certain FY 2024 summarized comparative information. With respect to the Statement of Activities, such prior year information is not presented by net class and in the Statement of Functional Expenses, FY 2024 expenses by line item are in total rather than by functional category which is not a complete financial statement presentation under GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2024, from which the summarized information was derived.

Investments:

The Organization maintains professionally managed investment portfolios which may include money market funds, bonds, publicly traded equity securities and mutual funds that are reported at fair value. Investment purchases are recorded at cost, or if donated at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statements of Financial Position. Net investment return is reported in the Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Cash held in brokerage accounts is reported as investments for purposes of these financial statements. Investments are classified as either short-term or long-term depending on the underlying intentions. *Endowment Investments* are classified as long-term regardless of the investment liquidity.

Grants and Contributions Receivable:

Grants and Contributions Receivable reflects the balances due on pledge commitments and grants. The portion of such receivables that is scheduled for payment in the upcoming fiscal year is reported at net realizable value and classified as current, while commitments that exceed one year are classified as non-current. As of September 30, 2025, all receivables are classified as current. Promises to give with expected payment dates that extend beyond one year are discounted to their present value when such amounts are considered material.

Management periodically reviews receivables to determine if any balances are uncollectible. The allowance for uncollectible receivables is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. As of September 30, 2025 and 2024, Management believes that all receivables are fully collectible; accordingly, these financial statements do not contain a provision for uncollectible accounts and there were no bad debts recognized in either year.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

Property and Equipment:

Property, equipment, furnishing and improvement purchases in excess of \$500 are capitalized at cost, or if donated, at fair value on the date of receipt. Expenditures for maintenance repairs and renewals are charged to expense as incurred, whereas, major betterments are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method and is charged against support and revenues over the estimated useful lives of the assets, as expressed in terms of years. For the years presented, the Organization has capitalized technology upgrades, computer and office equipment and furnishings with estimated useful lives of 5 - 7 years.

Leases:

The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets and operating lease liabilities in the Statements of Financial Position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. 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 operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

As most of the leases do not provide an implicit rate, the Organization has elected to use a risk-free rate since the rate inherent in the lease is unknown. The Organization has also elected the practical expedient to not separate lease and non-lease components for its leases.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

Endowment Funds:

The Organization's endowment funds consist of an individual donor-restricted fund established as a stabilization fund and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Donor-Restricted Endowment

As required by the Commonwealth of Massachusetts, the Organization follows the guidance of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). UPMIFA establishes law for the management of investment of donor-restricted endowment funds. The Board of Directors' interpretation of state law is that the Organization, absent explicit donor stipulations to the contrary, may appropriate as much of the net appreciation as is prudent considering the Organization's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends, and general economic conditions.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

In accordance with UPMIFA, the Organization considers the following factors in making a determination of whether to invest or appropriate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Organization and the donor-restricted endowment fund;
- 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.

Income and appreciation earned on donor-restricted endowment investments are classified as net assets with donor restrictions until appropriated for expenditure by the Board of Directors based on the criteria above and the spending policy of the endowment. The original donor stipulated a spending policy to allow the use of endowment income (interest, dividends, realized gains and losses and changes in unrealized appreciation) for operations calculated at 5.0% of the fund value, based on the market value of the endowment fund as of the immediately preceding fiscal year end.

During the years ended September 30, 2025 and 2024, the Organization appropriated \$6,279 and \$5,415, respectively, for operations, which represented the maximum amount it was entitled to use per its spending policy.

Board-Designated Endowment

In FY 2019, LBFE sold real estate which netted proceeds of \$1,458,468, which was used to establish a Board Designated Endowment Fund, a quasi-endowment intended to provide long-term stability. Appropriations can be made annually for unrestricted purposes based on the following spending policy. For the years ended September 30, 2025 and 2024, there were no appropriations to supplement the Organization's operating budget. During FY 2023, LBFE restructured its board-designated endowment to increase its short-term operating reserve fund to provide additional liquidity for short-term purposes. The Board Designated Operating Reserve Funds are held in money market and highly liquid investments to provide increased working capital and short-term liquidity.

Investment and Spending Policies

The Organization has adopted investment policies for all endowment assets that attempt to provide a reasonably stable, predictable stream of earnings to support the operations of the Organization and to preserve and enhance over time, the real (inflation adjusted) value of the endowment assets. Given the relationship between risk and return, a fundamental step in determining the investment policy for endowment funds is the determination of an appropriate risk tolerance. The investment objective of the portfolio is to maximize return on assets using diversified investments to minimize risk and to achieve specified income requirements to support the 5% spending policy of the donor-restricted endowment and to support operations from the board designated endowment. Asset allocation guidelines have been designed to ensure a balanced portfolio. The equity portion of the portfolio is invested in stocks whose primary

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

objective is price appreciation with limited risk to principal. The diversifying assets portion is invested in a portfolio of mutual funds designed to offer alternative investments to diversify the portfolio with limited risk to principal. The fixed income allocation has a total rate of return orientation that focuses on both income generation and price appreciation.

Revenue Recognition:

Gifts, Grants and Contributions - The Organization is the beneficiary of contributions in the form of grants from other organizations, governmental agencies, donations of cash and financial assets from individuals and contributions of nonfinancial assets. Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material. Amounts receivable from donors are evaluated yearly for collectability and an allowance for uncollectible pledges is recorded as necessary.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restriction are met, at which time the net assets are reclassified to net assets without donor restrictions.

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a refundable grant advance. When the conditions are met the revenue is reported as contributions without donor restrictions unless there are further restrictions over and above those associated with the donor conditions. In such cases, when the conditions and restrictions are met within the same reporting period, the support is recognized as contributions or grants without donor restrictions.

Donated Goods and Services include donated professional fees, donated goods and other in-kind contributions which are recorded at the respective fair values of the goods and services received. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Special Fund Raising Event Proceeds is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place. Special fundraising event proceeds with a right of return and received in advance of the event is reported as *Deferred Revenue*, a liability in the Statement of Financial Position.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 3 *(Continued)*

Creative Connection Classes includes revenue consisting of fees from the Organization's programmatic, fee-for-service classes and is recognized at the time the class occurs. The revenue recognized coincides with the timing of when the classes are delivered at specific points in time. Any revenue received in advance of the classes is recorded as *Deferred Revenue* in the accompanying Statements of Financial Position.

Functional Expenses:

Little Brothers - Friends of the Elderly allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. In the accompanying Statement of Functional Expenses, *Salaries and Compensation, Employee Benefits, Payroll Taxes, and Staff Development* are allocated based on estimates of time and effort. Occupancy related costs such as *Occupancy, Depreciation Expense, and Telephone* are allocated based on square footage estimates. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis.

Supporting services have been sub-classified as follows:

Administrative - includes all activities related Little Brothers Friends of the Elderly's internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, indirect costs of special fund raising events and distribution of materials and other similar projects related to the procurement of funds for Little Brothers - Friends of the Elderly's programs.

Cost of Direct Benefit to Donors - includes direct costs of the Special Fund Raising Events and is presented as an offset to *Special Fundraising Event Proceeds* revenue in the accompanying Statement of Activities.

NOTE 4 INVESTMENTS

As of September 30, 2025 and 2024, investment consisted of the following composition:

	<u>September 30, 2025</u>	
	<u>Total</u>	<u>Fair Value (Level 1)</u>
Money Market Funds	\$ 159,645	\$ 159,645
Equity Securities and Mutual Funds	580,308	580,308
Fixed Income Mutual Funds	332,441	332,441
Certificates of Deposits	<u>90,299</u>	<u>-</u>
Total	<u>\$1,162,693</u>	<u>\$1,072,394</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 4 *(Continued)*

	<u>September 30, 2024</u>	
	<u>Total</u>	<u>Fair Value (Level 1)</u>
Money Market Funds	\$ 227,128	\$ 227,128
Equity Mutual Funds	538,924	538,924
Fixed Income Mutual Funds	291,955	291,955
Certificates of Deposits	<u>272,056</u>	<u>-</u>
Total	<u>\$1,330,063</u>	<u>\$1,058,007</u>

Investments consist of the following funds and classifications as of September 30, 2025 and 2024:

<u>Investment Classification</u>	<u>2025</u>	<u>2024</u>
Short-Term Investments:		
Board Designated Operating Reserves	\$ 265,374	\$ 509,135
Long-Term Investments:		
Board-Designated Endowment	767,775	695,553
Donor-Restricted Endowment	<u>129,543</u>	<u>125,375</u>
Total Investments	<u>\$1,162,692</u>	<u>\$1,330,063</u>

The Organization uses the following way to determine the fair value of investments:

Money Market Funds and Mutual Funds: Traded on national securities exchanges and are determined by the published closing price on the last business day of the fiscal year.

Certificates of Deposit: reported at cost plus unrealized gains and losses.

NOTE 5 NET ASSETS

Net Assets with Donor Restrictions:

Net assets with donor restrictions include the following unexpended contributions restricted by donors and the balance of the donor-restricted endowment. Net assets are restricted for the following purposes as of September 30, 2025 and 2024:

<u>Nature of Restriction</u>	<u>2025</u>	<u>2024</u>
Donor-Restricted Endowment	\$129,543	\$125,375
Creative Connections Program	47,499	49,000
Time Restricted	30,000	105,000
Digital Dividends Program	18,000	17,652
Intergenerational CitySites Program	14,167	20,000
Gen2GenQ Program	<u>-</u>	<u>39,850</u>
Total	<u>\$239,209</u>	<u>\$356,877</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 5 *(Continued)*

During the years ended September 30, 2025 and 2024, net assets released from donor restriction by incurring expenses with satisfied the restricted purposes, by the passage of time or by the occurrence of events specified by the donors were as follows:

<u>Nature of Restriction</u>	<u>2025</u>	<u>2024</u>
Lapse of Time Restrictions	\$ 75,000	\$ 75,000
Intergenerational CitySites Program	62,833	148,500
Creative Connections Program	61,500	36,000
Gen2GenQ Program	39,850	150
Digital Dividends Program	19,652	4,628
Annual Endowment Appropriation	<u>6,280</u>	<u>5,415</u>
Total	<u>\$265,115</u>	<u>\$269,693</u>

Endowment Net Assets:

The following schedule summarizes the changes in endowment net assets for the years presented:

	(1)	(2)		<u>Total</u> <u>Endowment</u> <u>Net Assets</u>
	<u>Without</u> <u>Donor</u> <u>Restrictions</u>	<u>With Donor Restrictions</u> <u>Accumulated</u> <u>Appreciation</u>	<u>Original Gift</u> <u>Amount</u>	
Endowment Net Assets,				
September 30, 2023	\$535,742	\$ 83,311	\$25,000	\$644,053
Contributions	32,000	-	-	32,000
Investment Return	127,811	22,479	-	150,290
Appropriated for Operations	<u>-</u>	<u>(5,415)</u>	<u>-</u>	<u>(5,415)</u>
Endowment Net Assets,				
September 30, 2024	695,553	100,375	25,000	820,928
Investment Return (Loss)	72,222	10,447	-	82,669
Appropriated for Operations	<u>-</u>	<u>(6,279)</u>	<u>-</u>	<u>(6,279)</u>
September 30, 2025	<u>\$767,775</u>	<u>\$104,543</u>	<u>\$25,000</u>	<u>\$897,318</u>

(1) Board-Designated Endowment

(2) Donor-Restricted Endowment

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 6 CONDITIONAL GRANTS

Massachusetts Technology Collaborative (“MassTech”):

In May 2024, LBFE entered into a subgrant agreement with AgeSpan, Inc., wherein AgeSpan, Inc. is the designated fiscal agent for a grant from MassTech to the Massachusetts Healthy Aging Collaborative. The subgrant is contingent upon continued funding of the project by MassTech and subject to federal grant guidelines, compliance and specific grant terms as specified in the agreement. The subgrant is classified as a conditional grant that is administered on a cost-reimbursement basis. The maximum funding for LBFE under the subgrant agreement is \$485,012 for the period July 28, 2023 through July 28, 2025 and provides funding for the Organization's Digital Dividends program. On November 1, 2025 the subgrant agreement was amended to increase maximum funding to \$533,513 and to extend the grant period through June 30, 2026. For the years ended September 30, 2025 and 2024, total revenue attributable to this grant is \$268,234 and \$168,684, respectively. As of September 30, 2025, the remaining conditional balance is \$96,595.

As of September 30, 2025, the aggregate conditional amount of the above commitments was \$96,595. As the terms of the conditions had not been met, the support has not been recognized in the accompanying financial statements.

NOTE 7 EMPLOYEE RETIREMENT PLAN

LBFE maintains a Savings Incentive Match Plan (SIMPLE-IRA). Under the plan, any employee who earned \$5,000 or more in the previous year may participate in a tax-deferred salary reduction retirement plan to which they may contribute up to \$14,000 annually (and \$16,500 for calendar year 2025), excluding “catch-up” provisions, to their retirement account, and the Organization is required to match any contribution up to 3% of each participant’s salary (subject to statutory limitations on eligible earnings). For the years ended September 30, 2025 and 2024, total employer contributions to the plan amounted to \$8,047 and \$7,999, respectively, and are included in *Employee Benefits* in the accompanying Statement of Functional Expenses.

NOTE 8 DONATED GOODS AND SERVICES

During FY 2025, there were no in-kind contributions which met the criteria for recognition. For the year ended September 30, 2024, the Organization recognized the following in-kind contributions in the accompanying financial statements:

<u>Description</u>	<u>Amount</u>
Auction Items for Friends on the Harbor Gala	\$ 7,647
Program and Operating Supplies	<u>5,100</u>
Total	<u>\$12,747</u>

Auction items for the Friends on the Harbor Gala are valued using estimated pricing for like-kind items while considering the goods' condition and utility for use at the time of contributions. These items were held as inventory assets (within *Prepaid Expenses*) as of September 30, 2024 and were sold as auction items for the Organization's annual fundraising event in FY 2025.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 8 *(Continued)*

Program and operating supplies are valued using estimated pricing for like-kind items while considering the goods' condition and utility for use at the time of contributions. These items are used in program and supporting services for daily operations.

All gifts in-kind received during the year ended September 30, 2024 were unrestricted.

In addition, LBFE's programs are heavily dependent upon volunteers whose services, while integral to the Organization's mission, do not meet the criteria for recognition in the financial statements. Management estimates the value of volunteer time contributed to be approximately \$76,538 and \$73,720 for the years ended September 30, 2025 and 2024, respectively.

NOTE 9 COMMITMENTS

In September 2023, the Organization entered into a lease agreement for approximately 1,425 square feet of office space in Boston, Massachusetts. This lease is set to expire in September 2028. Annual payments under this agreement escalate from \$52,250 to \$64,154. The lease agreement requires a security deposit of \$5,000 which is recorded as *Security Deposit* in the accompanying Statements of Financial Position.

The lease cost and other information for the years ended September 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Operating Lease Cost included in <i>Occupancy</i>	\$59,588	\$59,588
Other Operating Lease Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liability	\$58,710	\$52,250
Remaining Lease Term in Years	3	4
Discount Rate	4.72%	4.72%

Future minimum payments for the remainder of the non-cancellable facility lease agreement as of September 30, 2025 are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
September 30, 2026	\$ 60,471
September 30, 2027	62,285
September 30, 2028	<u>64,154</u>
Total Undiscounted Cash Flows	186,910
Less: Discount to Present Value	<u>(12,426)</u>
Present Value of Lease Liabilities	<u>\$174,484</u>

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 10 CONCENTRATIONS

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of the Organization's investments and receivables.

Investments:

The Organization maintains a professionally managed portfolio that contains various types of marketable securities. The Organization's investments are exposed to various risks, such as fluctuations in market value, and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances. The Organization's investment performance is reviewed by the Board of Directors on a periodic basis. To minimize risk, the Organization's cash accounts are placed with high credit quality financial institutions and the investment portfolio is diversified.

Grants and Contributions Receivable Concentrations:

As of September 30, 2025 and 2024, two pledges accounted for 71% and 66%, respectively, of total *Grants and Contributions Receivable*.

Revenue:

For the years ended September 30, 2025 and 2024, revenue from one and three donors account for 30% and 32%, respectively, of total support and revenues.

NOTE 11 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's goal is generally to maintain financial assets to meet 180 days of operating expenses (approximately \$250,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and investments.

To manage liquidity, the Organization maintains various sources of liquidity at its disposal, including cash and investments. Additionally, the Organization has endowment investment funds that, while Management does not intend to spend these for purposes within the next year, these amounts could be made available for current operations, if necessary. As discussed in Note 3, the Board of Directors has approved a spending policy to allow the use of endowment income for operations. As part of the Organization's liquidity management, it has adopted a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

LITTLE BROTHERS FRIENDS OF THE ELDERLY - BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

(With Summarized Comparative Information for 2024)

(Continued)

NOTE 11 *(Continued)*

The following table reflects the Organization's financial assets as of September 30, 2025 and 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, perpetual endowments and accumulated earnings net of appropriations within one year, or because the governing board has set aside the funds for a specific contingency reserve or a long-term investment as board designated endowments.

	<u>2025</u>	<u>2024</u>
Financial Assets:		
Cash	\$ 69,829	\$ 149,024
Board Designated Operating Reserves	265,374	509,135
Grants and Contributions Receivable	93,627	157,975
Endowment Investments	<u>897,318</u>	<u>820,928</u>
Total Financial Assets as of September 30 th	1,326,148	1,637,062
Less Amounts Not Available to be Used Within One Year:		
Grants and Contributions Receivable, Non-Current	-	(30,000)
Endowment Investments, Net of Spending Policy	<u>(890,841)</u>	<u>(814,659)</u>
Financial Assets Available to Meet		
General Expenditures Within One Year	<u>\$ 435,307</u>	<u>\$ 792,403</u>

NOTE 12 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through February 4, 2026, the date which the financial statements were available for issue and noted no events that met the criteria for recognition or disclosure.