

SPECIAL NEEDS SUPPORT CENTER  
OF THE UPPER VALLEY

FINANCIAL STATEMENTS

(REVIEWED)

June 30, 2025 and 2024

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## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
Special Needs Support Center of the Upper Valley  
White River JCT, Vermont

We have reviewed the accompanying financial statements of Special Needs Support Center of the Upper Valley (a nonprofit organization), which comprise the statement of financial position as of June 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Special Needs Support Center of the Upper Valley and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review. considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

## **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

## **Summarized Comparative Information**

We previously reviewed the Special Needs Support Center of the Upper Valley's June 30, 2024 financial statements and in our conclusion dated November 26, 2024 stated that based on our review, we were not aware of any material modifications that should be made to the 2024 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2024, for it to be consistent with the reviewed financial statements from which it has been derived.

*Rowley & Associates, PC*

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Rowley & Associates, P.C.  
Concord, New Hampshire  
November 26, 2025

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30 2025, With Comparative Totals for June 30, 2024**

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>2025 Total</u>	<u>2024 Total</u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash				
Operating	\$ 287,802	\$ 21,044	\$ 308,846	\$ 186,390
Board designated cash	-	-	-	61,290
Total Cash	<u>287,802</u>	<u>21,044</u>	<u>308,846</u>	<u>247,680</u>
Accounts receivable	25,824	-	25,824	3,744
Prepaid expenses	<u>21,230</u>	<u>-</u>	<u>21,230</u>	<u>13,510</u>
Total Current Assets	<u>334,856</u>	<u>21,044</u>	<u>355,900</u>	<u>264,934</u>
<b>FIXED ASSETS</b>				
Office equipment & furniture	31,828	-	31,828	11,903
Less accumulated depreciation	<u>12,804</u>	<u>-</u>	<u>12,804</u>	<u>8,337</u>
Total Fixed Assets	<u>19,024</u>	<u>-</u>	<u>19,024</u>	<u>3,566</u>
<b>LONG-TERM ASSETS</b>				
Security deposits	1,409	-	1,409	1,409
Finance lease right of use obligation	<u>663</u>	<u>-</u>	<u>663</u>	<u>1,276</u>
	2,072	-	2,072	2,685
Total Assets	<u>355,952</u>	<u>21,044</u>	<u>376,996</u>	<u>271,185</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	23,731	-	23,731	1,392
Accrued expenses	19,157	-	19,157	29,535
Finance lease right of use obligation, current portion	<u>721</u>	<u>-</u>	<u>721</u>	<u>592</u>
Total Current Liabilities	<u>43,609</u>	<u>-</u>	<u>43,609</u>	<u>31,519</u>
<b>LONG TERM LIABILITIES</b>				
Finance lease right of use obligation, less current portion	-	-	-	765
Total Long Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>765</u>
<b>TOTAL LIABILITIES</b>	<u>43,609</u>	<u>-</u>	<u>43,609</u>	<u>32,284</u>
<b>NET ASSETS</b>				
Net Assets Without Donor Restriction				
Undesignated	312,343	-	312,343	88,482
Board designated	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,290</u>
Net Assets With Donor Restriction	<u>-</u>	<u>21,044</u>	<u>21,044</u>	<u>89,129</u>
Total Net Assets	<u>312,343</u>	<u>21,044</u>	<u>333,387</u>	<u>238,901</u>
Total Liabilities and Net Assets	<u>\$ 355,952</u>	<u>\$ 21,044</u>	<u>\$ 376,996</u>	<u>271,185</u>

See Accompanying Notes and Independent Accountant's Review Report

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**Year Ended June 30, 2025**  
**With Comparative Totals for Year Ended June 30, 2024**

	<b>Net Assets Without Donor Restrictions</b>	<b>Net Assets With Donor Restrictions</b>	<b>2025 Total</b>	<b>2024 Total</b>
<b>SUPPORT AND REVENUE</b>				
Corporate	\$ 23,035	\$ -	\$ 23,035	\$ 7,916
Annual giving - Individuals	300,287	-	300,287	81,695
Foundation grants	243,795	-	243,795	305,382
Town appropriations	29,200	-	29,200	10,600
Contributions, In-Kind	-	-	-	150
Program revenue	4,670	-	4,670	4,665
Fundraising	20,493	-	20,493	9,596
Other income	571	-	571	-
Interest income	7,728	-	7,728	4,509
Total support and revenue	<u>629,779</u>	<u>-</u>	<u>629,779</u>	<u>424,513</u>
Net Asset Transfers				
Net assets released from donor-imposed restriction	<u>68,085</u>	<u>(68,085)</u>	<u>-</u>	<u>-</u>
<b>EXPENSES</b>				
Program	422,327	-	422,327	355,050
Administrative	46,335	-	46,335	42,901
Fundraising	66,631	-	66,631	32,180
Total Expenses	<u>535,293</u>	<u>-</u>	<u>535,293</u>	<u>430,131</u>
Net increase (decrease) in net assets	162,571	(68,085)	94,486	(5,618)
Net assets at beginning of year	<u>149,772</u>	<u>89,129</u>	<u>238,901</u>	<u>244,519</u>
Net assets at end of year	<u>\$ 312,343</u>	<u>\$ 21,044</u>	<u>\$ 333,387</u>	<u>\$ 238,901</u>

See Accompanying Notes and Independent Accountant's Review Report

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2025**  
**With Comparative Totals for Year Ended June 30, 2024**

	<b>2025</b>				<b>2024</b> <b>Total</b>
	<b>Program Services</b>	<b>Administrative</b>	<b>Fundraising</b>	<b>Total</b>	
Salaries	\$ 268,997	\$ 10,915	\$ 37,302	\$ 317,214	272,831
Payroll taxes	29,048	1,179	4,028	34,255	21,708
Employee benefits	35,547	1,443	4,929	41,919	26,998
Retirement	6,959	282	965	8,206	3,943
Professional fees	3,525	9,691	-	13,216	17,310
Consulting services	11,027	7,285	-	18,312	21,085
Occupancy	18,573	3,416	264	22,253	21,876
Office expenses & supplies	1,684	1,848	-	3,532	1,172
Website	2,036	-	359	2,395	4,244
Advertising, public relations	-	-	17,007	17,007	1,711
Fundraising expense	8,709	-	-	8,709	3,279
Postage	-	746	747	1,493	449
Insurance	2,496	5,181	-	7,677	6,658
Adult programs	8,866	-	-	8,866	11,708
Youth programs	3,955	-	-	3,955	9,099
Enabled program	11,211	-	-	11,211	-
Travel & Transportation	2,903	-	1,030	3,933	1,384
Depreciation	2,234	2,233	-	4,467	1,835
Interest	-	35	-	35	394
Staff training & meetings	2,477	-	-	2,477	1,549
Dues & Subscriptions	2,080	2,081	-	4,161	898
	<u>\$ 422,327</u>	<u>\$ 46,335</u>	<u>\$ 66,631</u>	<u>\$ 535,293</u>	<u>\$ 430,131</u>

See Accompanying Notes and Independent Accountant's Review Report

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in net assets	\$ 94,486	\$ (5,618)
Adjustments to reconcile excess of revenues and support over expenses to net cash provided by operating activities:		
Depreciation	4,467	1,835
Amortization on right of use assets	613	5,227
(Increase) Decrease in operating assets:		
Accounts receivables	(22,080)	(2,561)
Prepaid Expenses	(7,720)	(5,761)
(Decrease) Increase in operating liabilities:		
Accounts Payable	22,339	159
Accrued Expenses	(10,378)	16,416
Net Cash Provided by Operating Activities	<u>81,727</u>	<u>9,697</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of equipment	<u>(19,925)</u>	<u>(1,251)</u>
Net cash (used) by Investing Activities	<u>(19,925)</u>	<u>(1,251)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on operating lease right of use	-	(4,613)
Payments on finance lease right of use obligation	<u>(636)</u>	<u>(609)</u>
Net Cash (used) by financing activities	<u>(636)</u>	<u>(5,222)</u>
 Net Increase in cash	 61,166	 3,224
 Cash, Beginning of Year	 <u>247,680</u>	 <u>244,456</u>
 Cash , End of Year	 <u>\$ 308,846</u>	 <u>\$ 247,680</u>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Contributions, In-Kind	<u>\$ -</u>	<u>\$ 150</u>
Cash Payments for Interest	<u>\$ 35</u>	<u>\$ 394</u>

See Accompanying Notes and Independent Accountant's Review Report

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

Special Needs Support Center of the Upper Valley ("the Agency") is a nonprofit organization and a group of individuals and families throughout the Upper Valley and beyond who proudly work together to create a community where people with special needs, across the spectrum and throughout the lifespan, can live their best lives. Since its inception in 1979, The Special Needs Support Center has expanded into a comprehensive system of resources and programs that empowers and supports families in Upper Valley Vermont and New Hampshire with children with disabilities; Aids children and adults with disabilities, along with their families, in addressing their unique challenges through advocacy and program support; encourages families and individuals with disabilities to empower themselves through learning, sharing, and collaboration with one another; trains businesses and organizations to develop and implement practices to support all individuals in the community, regardless of disability. The Agency receives a substantial portion of its funding from various grantors.

Significant Accounting Policies

The summary of significant accounting policies of the Agency is presented to assist in understanding the Agency's financial statements. The financial statements and notes are representations of the Agency's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The financial statements of the Agency have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Agency did not have any cash equivalents as of June 30, 2025 and 2024.

Board Designated Cash and Net Assets

Included in the financial statements are cash and net assets given a special restriction by the Board of Directors to represent a reserve of cash and net assets not readily available for use in general operations.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Restricted Cash

The Agency identifies cash received with donor-imposed restrictions under the caption “restricted cash” on the statement of financial position. The Agency classifies cash received with donor-imposed restrictions limiting its use to long-term purposes as a long-term asset on the statement of financial position.

Basis of Presentation

The Agency has prepared these financial statements on the accrual basis of accounting and has adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 958, Not-for-Profit Entities, Section 205, Presentation of Financial Statements, and Section 605, Revenue Recognition. ASC Section 958-205 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to externally (donor) imposed restrictions. ASC Section 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenue. It also requires the Agency to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the two net asset categories follows:

Net assets without donor restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services raising contributions, and performing administrative functions.

Net assets with donor restrictions - These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capitalization Policy

Property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair market value. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with specific restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are recorded as donor-imposed restriction support. Absent donor stipulations regarding how long those donations must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies net assets with donor restrictions to net assets without donor restriction at that time.

The Agency uses the straight-line method for determining the annual charge for depreciation. Depreciation expense for the years ended June 30, 2025 and 2024 was \$3,361 and \$1,835, respectively.

Estimated lives are as follows:	<u>Years</u>
Leasehold improvements	5
Other equipment and furniture	3

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized.

The Agency reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends, and prospects, as well as the effects of obsolescence, demand, competition, and other economic factors.

Advertising costs

The Agency follows the policy of charging advertising costs to expense as incurred. Advertising expense was \$17,007 and \$1,711 for the years ended June 30, 2024 and 2023, respectively.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Agency is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Agency's tax-exempt purposes would be subject to taxation as unrelated business income, if incurred. In addition, the Agency qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

Donated Services

The Agency records the value of in-kind contributions of professional services in the financial statements. A like amount is also recorded as an expense of the program in which the services are contributed. The professional services are based upon the hours of service at their applicable rates as documented on their invoices. There were no donated services for the years ended June 30, 2025 or 2024.

Additionally, the Agency records the value of other in-kind contributions such as the value of rent reduction and supplies. Again, a like amount is also recorded as an expense of the appropriate program. There were \$0 and \$150 in-kind contributions during the years ended June 30, 2025 or 2024.

Unpaid volunteers contribute their time and sometimes travel costs to the Agency's programs for various support services rendered and leadership of groups. No value of this contributed time is reflected in the statements as in-kind services as it was not determinable for the years ended June 30, 2025 and 2024.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Contributions and Promises to Give

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Donor-imposed restricted contributions are reported as an increase to net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

The Agency adopted Accounting Standards Update (ASU) 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, for fiscal year 2020. This ASU includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. The determining factor for whether an organization will account for a grant/contract/agreement as a contribution is whether the asset provider is receiving commensurate value in return for those assets. Based upon management's review of the Agency's grant agreements, it was determined all of the grants and town appropriations were considered contributions. The Agency has retroactively applied this ASU and reclassified certain amounts to contributions.

Functional Expenses and Cost Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Directly identifiable expenses are charged to programs and supporting services. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Accordingly, certain costs have been allocated on either a personnel-cost or square-footage basis, whichever is more reasonable for the cost.

Donations of long-lived assets

Donations of services and materials which increase long-lived assets are recorded at their fair values and recognize these revenues as increases in net assets without donor restriction.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

With and Without Donor Restricted Revenue

All donor-restricted support is reported as an increase in net assets with donor restriction. When a restriction expires (that is, when a stipulated time restriction ends or restriction purpose is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

Gifts and donations of investments or equipment are recorded at fair-market value on the date of the gift.

Concentration of Risk

The Agency maintains cash balances in several accounts at local banks. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency may have cash balances at the financial institution that exceeds the insured amount. Management does not believe this concentration of cash results in a high level of risk for the Agency. At June 30, 2025 and 2024 the Agency had no uninsured cash balances.

Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, and accrued expenses and deferred revenue are stated at carrying cost at June 30, 2025 and 2024, respectively, which approximates fair value due to the relatively short maturity of these instruments.

Leases

Lessees are required to recognize the following for all leases (with the exception of leases with a term of 12 months or less) at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Leases are classified as either operating or finance. Operating leases result in straight-line expense in the statement of operations (similar to previous operating leases), while finance leases result in more expense being recognized in the earlier years of the lease term (similar to previous capital leases). The Agency adopted this standard on July 1, 2022 using the modified retrospective approach. The Agency elected the transition method that allows for the application of the standard at the adoption date rather than at the beginning of the earliest comparative period presented in the financial statements.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Liquidity

Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

**NOTE 2. FAIR VALUE MEASUREMENTS**

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Agency is required to disclose certain information about its financial assets and liabilities. As of June 30, 2025 and 2024, respectively, Special Needs Support Center of the Upper Valley had no financial instruments subject to the disclosure requirements. Cash and receivables reported in the statement of financial position approximate fair values because of the short maturities of those instruments or because of the fixed rate of interest required to be paid.

**NOTE 3. BOARD DESIGNATED NET ASSETS**

The Agency had the following in board designated net assets as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash	\$ <u>    -</u>	\$ <u>61,290</u>

**NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS**

Net Assets subject to donor-imposed restrictions as of June 30:

	<u>2024</u>	<u>2023</u>
Time restriction for operations	20,843	88,928
Assets to be held in perpetuity	<u>    201</u>	<u>    201</u>
Total Net Assets with Donor Restrictions	\$ <u>21,044</u>	\$ <u>89,129</u>

**NOTE 5. ENDOWMENT**

The Agency has a cash account whose corpus is permanently restricted, and income is to be used for operations. This account was \$201 and \$201 as of June 30, 2024 and 2023.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 6. LIQUIDITY & AVAILABILITY OF FINANCIAL ASSETS**

The Agency has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Agency’s primary source of support is *program* service revenue and contributions. That support is held for the purpose of supporting the Agency’s budget. The Agency had the following financial assets that could be readily made available within one year to fund expenses without limitations:

	<u>2024</u>	<u>2024</u>
Operating	\$ 308,846	\$ 186,390
Board designated cash	-	61,290
Accounts Receivable	25,824	3,744
Less amounts with donor restriction	<u>(21,044)</u>	<u>(89,129)</u>
Total	<u>\$ 313,626</u>	<u>\$ 229,578</u>

**NOTE 7. LINE OF CREDIT**

The Agency has a \$20,000 revolving line of credit, with \$0 drawn and outstanding at June 30, 2025 and 2024. The bank advances on the credit line are payable on demand and carry an interest rate at the Wall Street Journal Prime rate with an interest rate floor of 4.25%. The interest rate on the line was 7.75% and 8.5% at June 30, 2025 and 2024, respectively. The credit line matured on November 13, 2025 and was extended to November 13, 2026.

**NOTE 8. LEASES**

In February 2016, the FASB issued ASU 2016-02 (Topic 842), Leases. Topic 842 supersedes the lease requirements in Accounting Standards Codification Topic 840, Leases. Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. Leases will be classified as either finance or operating. The Agency adopted Topic 842 effective July 1, 2022.

The Agency applied Topic 842 to all leases as of July 1, 2022 with comparative periods continuing to be reported under Topic 840. The Agency has elected the practical expedient package to not reassess at adoption: (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. The Agency has also elected the policy exemption that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 8. LEASES (continued)**

The Agency determined if an arrangement is or contains a lease at inception of the contract. Right-of-use asset represents a right to use the underlying asset for the lease term and the right-of-use obligation represent the obligation to make lease payments arising from the leases. The right-of-use asset and right-of-use lease obligation are recognized at commencement date based on the present value of lease payments over the lease term. The Agency uses the implicit rate noted within the contract. If not readily available, the Agency uses the estimated incremental borrowing rate, which is derived using a collateralized borrowing rate for the same currency and term as the associated lease. A right-of-use asset and right-of-use lease obligation are not recognized for leases with an initial term of 12 months or less and the Agency recognizes lease expense for these leases on a straight-line basis over the lease term within lease as rental expense.

The Agency's finance lease is for a copier. The Agency's copier lease agreement has a remaining term of 13 months as of June 30, 2025. The finance lease does not include lease renewal options. The Agency would consider any lease renewal option when determining the lease term and would include options to extend or terminate the lease when it is reasonably certain that management will exercise that option.

The finance lease as of adoption, was characterized as a capital lease in the financial statements as of and for the year ended June 30, 2022. There have been no changes or amendments to these leases or to management's assumptions underlying the term, discount rates or cash flows used to calculate the lease obligations.

The Agency's operating lease is for office space and continues as a month-to-month basis unless terminated or renewed. The Agency has elected the short-term lease recognition exemption for its office space lease. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that we are reasonably certain to exercise, are not recorded on the statement of financial position.

Finance Lease

Equipment rent and amortization expenses are included in equipment rental on the statement of functional expenses

The Agency has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The risk-free rate option has been applied to the office equipment.

**SPECIAL NEEDS SUPPORT CENTER OF THE UPPER VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**NOTE 8. LEASES (continued)**

Total right-of-use assets and lease liabilities at June 30, 2025 are as follows:

Lease Assets – Classification in Statement of Financial Position  
 Finance Lease Right of Use Asset \$ 663

Lease Liabilities – Classification in Statement of Financial Position:  
 Finance Lease Liability, Current Portion 721  
 Finance Lease Liability, Long-Term Portion -  
 Total \$ 721

The weighted-average remaining lease term and weighted-average discount rate are as follows:

Weighted-average remaining lease term in years: 1.08

Weighted-average discount rate: 4.2%

The future minimum lease payments on this agreement as of June 30 are:

2026	\$ 682
2027	<u>57</u>
Total payments	739
Net present value discount	<u>(18)</u>
Present Value of lease liabilities	\$ 721

**NOTE 9. RETIREMENT**

During fiscal year 2019, the Agency has adopted a Code Section 403(b) Custodial Account Plan effective August 21, 2018. Employees are eligible for matching contributions if they have completed three months of service. The Agency matches a discretionary amount of matching contributions. Retirement plan expense was \$8,206 and \$3,942 for the years ended June 30, 2025 and 2024, respectively.

**NOTE 10. COMPENSATED ABSENCES**

Employees of the Agency are entitled to paid vacation depending on job classification, length of services and other factors. Beginning in July 2025 accrued vacation time is reset at the beginning of each fiscal year. As of June 30, 2025 and 2024 there was \$0 and \$10,156 of accrued paid time off, respectively.

**NOTE 11. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 26, 2025, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure.