# NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.

## FINANCIAL STATEMENTS

## JUNE 30, 2024 AND 2023

**NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.**
**FINANCIAL STATEMENTS**
**JUNE 30, 2024 AND 2023**

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# INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
New York International Children's Film Festival Inc.
New York, New York 10007

We have reviewed the accompanying financial statements of New York International Children's Film Festival Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 New York International Children's Film Festival Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying June 30, 2024 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Sincerely,

Wagner Ferber Fine & Ackerman PLLC

Wagner, Ferber, Fine & Ackerman, PLLC

Floral Park, New York
November 13, 2024



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# NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.
# STATEMENTS OF FINANCIAL POSITION

## ASSETS

| | June 30, 2024 | June 30, 2023 |
|---|---|---|
| **Current Assets** | | |
| Cash and cash equivalents | $ 470,541 | $ 591,668 |
| Accounts receivable | 54,426 | 49,051 |
| Prepaid expenses | 5,140 | 1,479 |
| Other current assets | 178 | 5,619 |
| Investments at market (cost $7,913) | 40,680 | 34,462 |
| Total current assets | 570,965 | 682,279 |
| Property and Equipment, net | 2,374 | 1,132 |
| Right-of-use lease asset - operating lease, net | 48,676 | 89,126 |
| Total property and equipment and right-of-use lease asset, net | 51,050 | 90,258 |
| **Other Assets** | | |
| Security deposit | 17,327 | 17,327 |
| Total assets | $ 639,342 | $ 789,864 |

## LIABILITIES AND NET ASSETS

| | 2024 | 2023 |
|---|---|---|
| **Current Liabilities** | | |
| Accounts payable | $ 24,887 | $ 39,410 |
| Current portion of lease liability - operating lease | 42,313 | 39,887 |
| Deferred income | 4,214 | 375 |
| Total current liabilities | 71,414 | 79,672 |
| Long-term portion of lease liability - operating lease | 7,205 | 49,518 |
| Total liabilities | 78,619 | 129,190 |
| Commitments and Contingencies | | |
| **Net Assets** | | |
| Without donor restrictions | 560,723 | 660,674 |
| Total liabilities and net assets | $ 639,342 | $ 789,864 |

**NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.**
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

| | Years Ended June 30, 2024 | Years Ended June 30, 2023 |
|---|---|---|
| Revenues and Support | | |
| Contributions | | |
| Individuals and corporate | $ 178,676 | $ 207,246 |
| Foundations | 68,750 | 62,000 |
| Government | 106,920 | 162,415 |
| Admissions and performance fees | 125,379 | 117,615 |
| Programming services | 92,589 | 106,890 |
| Contributed services, merchandise and other in-kind contributions at fair value | - | 30,721 |
| Special event, net of direct donor benefits of $25,846 and $14,644 in 2024 and 2023, respectively | 139,855 | 131,078 |
| Interest income | 780 | - |
| Employer retention credit | 38,450 | 21,000 |
| Investment income | 6,218 | 7,160 |
| Total revenues and support | 757,617 | 846,125 |
| Expenses | | |
| Program services | | |
| Production costs | 98,082 | 74,316 |
| Program expenses | 531,819 | 455,104 |
| Support services | | |
| General and administrative expenses | 166,986 | 179,443 |
| Fundraising | 60,681 | 33,510 |
| Total expenses | 857,568 | 742,373 |
| Change in net assets | (99,951) | 103,752 |
| Net assets without donor restrictions - beginning | 660,674 | 556,922 |
| Net assets without donor restrictions - ending | $ 560,723 | $ 660,674 |

**NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.**
**STATEMENT OF FUNCTIONAL EXPENSES**
**JUNE 30, 2024**

| | Program Services | Support Services | | |
|---|---|---|---|---|
| | **Production Costs** | **General and Administrative** | **Fundraising** | **Total Expenses** |
| Programming services | $ 98,082 | $ - | $ - | $ 98,082 |
| Annual appeal | - | - | 8,598 | 8,598 |
| Payroll expense | 371,858 | 46,482 | 46,482 | 464,822 |
| Payroll taxes | 40,822 | 5,103 | 5,103 | 51,028 |
| Depreciation | - | 802 | - | 802 |
| Lease costs | - | 42,383 | - | 42,383 |
| Utilities | - | 4,672 | - | 4,672 |
| Insurance | - | 7,910 | - | 7,910 |
| Telephone | - | 1,862 | - | 1,862 |
| Postage and delivery | - | 5 | - | 5 |
| Dues and subscriptions | - | 2,076 | - | 2,076 |
| Office expense | - | 2,310 | - | 2,310 |
| Bookkeeping and accounting | - | 36,526 | - | 36,526 |
| Outside services | 37,595 | 14,928 | 498 | 53,021 |
| Filing fees | - | 70 | - | 70 |
| Working meals | - | 1,178 | - | 1,178 |
| Web and graphic design | 3,846 | 679 | - | 4,525 |
| Public relations | 12,641 | - | - | 12,641 |
| Special events | - | - | 25,846 | 25,846 |
| Printing | 6,709 | - | - | 6,709 |
| Merchandise | 11,502 | - | - | 11,502 |
| Film research | 1,037 | - | - | 1,037 |
| School partnership program | 114 | - | - | 114 |
| Catering | 3,683 | - | - | 3,683 |
| Production and supplies | 2,400 | - | - | 2,400 |
| Working meals | 68 | - | - | 68 |
| Theater rental | 39,544 | - | - | 39,544 |
| Total expenses | 629,901 | 166,986 | 86,527 | 883,414 |
| Less: direct donor benefits included with revenue on the Statement of Activities and changes in Net Assets | - | - | 25,846 | 25,846 |
| Total functional expenses | $ 629,901 | $ 166,986 | $ 60,681 | $ 857,568 |

## NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.
## STATEMENT OF FUNCTIONAL EXPENSES
## JUNE 30, 2023

| | Program Services | Support Services | | |
|---|---|---|---|---|
| | Production Costs | General and Administrative | Fundraising | Total Expenses |
| Programming services | $ 74,316 | $ - | $ - | $ 74,316 |
| Annual appeal | - | - | 476 | 476 |
| Payroll expense | 228,170 | 28,521 | 28,521 | 285,212 |
| Payroll taxes | 26,501 | 3,313 | 3,313 | 33,127 |
| Depreciation | - | 984 | - | 984 |
| Lease costs | - | 42,383 | - | 42,383 |
| Utilities | - | 2,118 | - | 2,118 |
| Insurance | - | 10,195 | - | 10,195 |
| Telephone | - | 1,743 | - | 1,743 |
| Postage and delivery | - | 5 | - | 5 |
| Dues and subscriptions | - | 1,073 | - | 1,073 |
| Office expense | - | 1,423 | - | 1,423 |
| Bookkeeping and accounting | - | 47,749 | - | 47,749 |
| Outside services | 90,629 | 35,987 | 1,200 | 127,816 |
| Filing fees | - | 125 | - | 125 |
| Working meals | - | 3,042 | - | 3,042 |
| Web and graphic design | 4,434 | 782 | - | 5,216 |
| Public relations | 11,096 | - | - | 11,096 |
| Special events | - | - | 14,644 | 14,644 |
| Printing | 12,352 | - | - | 12,352 |
| Merchandise | 6,844 | - | - | 6,844 |
| Film research | 2,713 | - | - | 2,713 |
| School partnership program | 578 | - | - | 578 |
| Production and supplies | 1,428 | - | - | 1,428 |
| Theater rental | 70,359 | - | - | 70,359 |
| Total expenses | 529,420 | 179,443 | 48,154 | 757,017 |
| Less: direct donor benefits included with revenue on The Statement of Activities and changes in net assets | - | - | 14,644 | 14,644 |
| Total functional expenses | $ 529,420 | $ 179,443 | $ 33,510 | $ 742,373 |

See independent accountant's review report and accompanying notes to the financial statements.

**NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.**
**STATEMENTS OF CASH FLOWS**

| | Years Ended June 30, 2024 | Years Ended June 30, 2023 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Increase (decrease) in net assets | $ (99,951) | $ 103,752 |
| Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities | | |
| Depreciation | 802 | 984 |
| Unrealized gain on investment | (6,218) | (7,160) |
| Noncash portion of lease costs | 42,383 | 42,383 |
| Repayments of lease liability - operating lease | (41,820) | (42,104) |
| Changes in operating assets and liabilities | | |
| Accounts receivable | (5,375) | 17,973 |
| Accounts payable | (14,523) | (27,828) |
| Prepaid expenses | (3,661) | 1,509 |
| Other current assets | 5,441 | (5,619) |
| Deferred income | 3,839 | (25,034) |
| Net cash provided by (used in) operating activities | (119,083) | 58,856 |
| **Cash Flows from Investing Activities** | | |
| Purchase of property and equipment | (2,044) | - |
| Net increase (decrease) in cash and cash equivalents | (121,127) | 58,856 |
| Cash and cash equivalents - beginning | 591,668 | 532,812 |
| Cash and cash equivalents - ending | $ 470,541 | $ 591,668 |

# NEW YORK INTERNATIONAL CHILDREN'S FILM FESTIVAL INC.
# NOTES TO FINANCIAL STATEMENTS
# JUNE 30, 2024 AND 2023

## NOTE 1 - NATURE OF BUSINESS

New York International Children's Film Festival Inc. (the "Organization") is a New York not-for-profit organization and was founded in August 2004. The Organization plans children's film festivals for the benefit of the general public.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Accounting***

The Organization's financial statements have been prepared in conformity with accounting policies generally accepted in the United States of America, which involves the application of the accrual method of accounting; accordingly, the financial statements reflect all material receivables, payables and other liabilities.

***Basis of Presentation***

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605, "Revenue Recognition", contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

The financial statement presentation is in conformity with FASB ASC 958, "Not-for-Profit Entities" which requires the Organization to report information regarding its financial position according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

1) Net assets without donor restrictions include assets, revenues, and gains that are available for support of the Organization's general operations. The net assets without donor restrictions at June 30, 2024 and 2023 were $560,723 and $660,674.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

***Basis of Presentation*** *(Continued)*

2) Net assets with donor restrictions include contributions that are donor restricted for uses which have not yet been fulfilled whether by the passage of time or by purpose. When a time restriction ends or a purpose restriction is accomplished, they are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from donor restrictions. The Organization had no net assets with donor restrictions at June 30, 2024 and 2023.

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

***Investments***

Investments in marketable securities are classified and accounted for as available-for-sale and accordingly, are carried at fair value based on market quotes, with unrealized and realized gains and/or losses reported included in earnings along with charges for impairments that are other than temporary. All other investments are carried at fair value based on management’s estimate.

***Unconditional Promises to Give / Accounts Receivable***

Contributions are recognized when the donor makes a promise to give the Organization a contribution that is, in substance, unconditional. The fair value of promises to give that are due in more than one year is estimated by discounting the future cash flows using a current risk-free rate of return based on the yield of a U.S. Treasury security with a maturity date similar to the expected collection period.

The Organization provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The Organization’s estimate is based on historical collection experience and a review of the current status of unconditional promises to give (accounts receivable). It is reasonably possible that the Organization’s estimate of the allowance for doubtful accounts will change. At June 30, 2024 and 2023, no allowance for uncollectible unconditional promises to give was deemed necessary.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

***Unconditional Promises to Give*** *(Continued)*

The unconditional promises to give from various sources are as follows:

| | 2024 | 2023 |
|---|---|---|
| In less than one year | $ 54,426 | $ 49,051 |
| After one year | - | - |
| | $ 54,426 | $ 49,051 |

***Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation. Major expenditures for property and those which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets.

***Leases***

The Organization categorizes leases with contractual terms longer than twelve months as either operating or finance leases. Leases are classified as finance leases when the Organization expects to consume a major part of the economic benefits of the leased assets over the remaining lease term. Conversely, the Organization is not expected to consume a major part of the economic benefits of assets classified as operating leases. The lease classification affects both the pattern and presentation of the expense recognized in the statement of income, the categorization of assets and liabilities in the balance sheet, and classification of cash flows in the statement of cash flows.

Total lease cost consists of two components; amortization expense related to the write-off of right-of-use assets, and interest expense from lease obligations.

For financing leases, total lease cost is recorded on an accelerated basis whereby interest expense is recorded using the effective interest method and right-of-use assets are amortized on a straight-line basis over the remaining lease term. For operating leases, total lease cost is measured and recorded on a straight-line basis over the lease term.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

***Leases*** *(Continued)*

Non-lease components, such as common area maintenance charges, are separated from lease components based on terms of related lease. Variable lease components consist of real estate taxes and insurance charges related to the real estate lease, and are recorded as lease expense as incurred.

Lease obligations are measured and recorded at the present value of future lease payments using a discount rate. Because the Organization generally does not have access to the rate implicit in each lease, lease obligations are measured using the incremental borrowing rate as the discount rate. The incremental borrowing rate is the rate that would be paid to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment.

Right-of-use assets are generally measured and recorded at the sum of the lease obligation, any initial direct costs to consummate the lease, and any lease payments made on or before the commencement date.

***Impairment of Long-Lived Assets***

In accordance with FASB ASC 360, long-lived assets, including property and equipment and intangible assets subject to amortization, if any, are reviewed for impairment and written down to fair value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through future undiscounted cash flows. An impairment loss is measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No impairment losses have been recognized for the years ended June 30, 2024 and 2023.

***Contributions***

Contributions, including unconditional promises to give, are recorded in the period received, at fair value which is net of estimated uncollectible amounts. All contributions are considered to be available without donor restrictions unless specifically restricted by the donor. Amounts received that are designated by the donor for future periods or are restricted by the donor for specified purposes are reported as contributions with donor restrictions.

A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished. Upon expiration, contributions with donor restrictions are reclassified to contributions without donor restrictions and are reported in the statement of activities and changes in net assets as net assets released from restrictions.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

***Donated Assets***

Donated marketable securities and other non-cash donations, if any, are recorded as contributions at their estimated fair value at the date of the donation.

***Donated Services***

Donated services, if any, are recognized as contributions in accordance with FASB ASC 958, 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. Volunteers provide services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC 958 were not met.

***Income Taxes***

The Organization has been approved as a tax-exempt organization under the Internal Revenue Code Section 501(c)(3). The organization is also exempt from state and local income taxes. Accordingly, no provision for income taxes is made in the financial statements.

The Organization has concluded that there are no uncertain tax positions that would require recognition in the financial statements. If the Organization was to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. The Organization’s conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, federal, state, and local authorities may examine the Organization’s tax returns for three years from the date of filing; consequently, the respective tax returns for years prior to 2021 are no longer subject to examination by tax authorities.

***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, liabilities, revenues, and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

***Expense Allocation***

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and support services benefited.

***Subsequent Events***

Management has evaluated subsequent events or transactions through November 20, 2024, the date the financial statements were available to be issued.

## NOTE 3 - INVESTMENTS

Investments in marketable securities as of June 30, 2024 and 2023 are reported at fair value and are summarized as follows:

| | Cost | Gross Unrealized Gain | Fair Value |
|---|---|---|---|
| | **6/30/24** | | |
| Equity securities | $ 7,913 | $ 32,767 | $ 40,680 |
| | **6/30/23** | | |
| Equity securities | $ 7,913 | $ 26,549 | $ 34,462 |

Investments in securities are generally exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term.

The following schedule summarizes the related investment income and its classification in the statement of activities and changes in net assets for the years ended:

| | June 30, | |
|---|---|---|
| | **2024** | **2023** |
| Net unrealized gain on investments | $ 6,218 | $ 7,160 |

## NOTE 4 - FAIR VALUE MEASUREMENTS

The Organization accounts for marketable securities in accordance with FASB ASC 820-10, *Fair Value Measurements.* FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

***Basis of Fair Value Measurement***

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements.

The following tables present by level, within the fair value hierarchy, the investment assets at fair value, as of June 30, 2024 and 2023. As required by FASB ASC 820-10, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

| Description | 06/30/24 | Quoted Prices in Active Market for Identical Assets (Level 1) |
|---|---|---|
| Available-for-sale-securities | $ 40,680 | $ 40,680 |
| | **06/30/23** | |
| Available-for-sale-securities | $ 34,462 | $ 34,462 |

The carrying amounts of the Organization's other financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, approximate their fair values at June 30, 2024 and 2023 due to the short-term nature of these instruments.

## NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and consist of the following as of June 30:

| | 2024 | 2023 |
|---|---|---|
| Computer | $ 16,828 | $ 15,414 |
| Furniture and fixtures | 7,946 | 7,316 |
| | 24,774 | 22,730 |
| Less: accumulated depreciation | 22,400 | 21,598 |
| | $ 2,374 | $ 1,132 |

Depreciation expense aggregated $802 and $984 for the years ended June 30, 2024 and 2023.

## NOTE 6 - LEASES

In September 2017, the Organization entered into a five-year lease which was extended in September 2022 for an additional three years, for the office located in New York, New York. This lease extension will expire in August 2025. The renewal option was included in the Organization’s determination of the right-of asset and related lease liability since the additional renewal was considered reasonably certain at the expiration date. The Organization has elected the practical expedient to not separate lease components from non-lease components for its operating lease.

Operating right-of-use asset is recognized based on the net present value of the remaining lease payments over the lease term. Since this lease does not provide an implicit rate of return, the Organization uses its incremental borrowing rate based on information available at the remeasurement date in determining the present value of lease payments.

The Organization adopted Topic 842, Leases beginning on July 1, 2022 through a modified retrospective approach for leases existing at the adoption date. Amounts recognized as right-of-use asset related to the operating lease is included as an asset in the statement of financial position, while related lease liabilities are also included in current and long-term liabilities in the statement of financial position.

**NOTE 6 - LEASES** *(Continued)*

As of June 30, 2024 and 2023, right-of-use asset and lease liability related to the operating lease was as follows:

| | 2024 | 2023 |
|---|---|---|
| Right-of-use asset: | | |
| Cost | $ 128,471 | $ 128,471 |
| Less: Accumulated amortization | 79,795 | 39,345 |
| | $ 48,676 | 89,126 |
| Lease liability: | | |
| Current portion | $ 42,313 | 39,887 |
| Long-term portion | 7,205 | 49,518 |
| | $ 49,518 | $ 89,405 |

A summary of total lease cost, by component, and other lease information for the years ended June 30, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|---|---|---|
| Total operating lease cost | $ 42,383 | $ 42,383 |
| Other lease information: | | |
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash flows from operating leases | $ (41,820) | $ (42,104) |
| Non-cash transactions: | | |
| Right-of-use assets obtained in exchange for new operating lease liabilities | - | $ 128,471 |

The remaining lease term is 1.17 years and the discount rate is 2.85%.

**NOTE 6 - LEASES** *(Continued)*

A summary of the future lease payments for operating and finance leases, reconciled to the lease liability recorded at June 30, 2024 is as follows:

| **Year Ending June 30,** | |
|---|---|
| 2025 | $ 43,075 |
| 2026 | 7,214 |
| Total future lease payments | 50,289 |
| Less effects of discounting | 771 |
| Lease liability recorded at June 30, 2024 | 49,518 |
| Less current portion | 42,313 |
| Long-term lease liability | $ 7,205 |

**NOTE 7 - CONTRIBUTED SERVICES, MERCHANDISE, AND OTHER IN-KIND CONTRIBUTIONS**

New York International Film Festival recorded contributed services of $0 and $30,721 in the form of professional services, catering, and theater rentals for the years ended June 30, 2024 and 2023, respectively.

**NOTE 8 - CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the entity to concentrations of credit risk consist principally of cash in banks in excess of the U.S. Federal Deposit Insurance Corporation (“FDIC”) insured $250,000 limit. Management believes the entity is not exposed to any significant credit risk related to cash. On June 30, 2024 and 2023, the Organization had bank balances of approximately $75,000 and $250,000 respectively, in excess of FDIC insured limit.

**NOTE 9 - COMMITMENTS AND CONTINGENCIES**

In September 2017, the Organization moved their office and entered into a five-year lease. The lease expired on August 31, 2022. On September 13, 2022 the Organization extended the lease for a three-year period. The lease expires on August 31, 2025. (See Note 6).

## NOTE 10 - LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

| | | |
|---|---|---|
| Cash and cash equivalents | $ | 470,541 |
| Accounts receivable | | 54,426 |
| Investments | | 40,680 |
| Total financial assets available within one year | $ | 565,647 |