

FINANCIAL STATEMENTS

THE JOHN LOCKE FOUNDATION, INC.

June 30, 2024 and 2023

THE JOHN LOCKE FOUNDATION, INC.

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For the Years Ended June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The John Locke Foundation, Inc.

Opinion

We have audited the accompanying financial statements of The John Locke Foundation, 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 cash flows for the years 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 The John Locke Foundation, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The John Locke Foundation, 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 The John Locke Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The John Locke Foundation, 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 The John Locke Foundation, 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.

Hollingsworth Avent Auerre & Purvis, PA

Raleigh, North Carolina
December 16, 2024

THE JOHN LOCKE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 2,399,760	\$ 2,315,454
Restricted cash	165,591	285,953
Certificates of deposit	250,849	300,000
Unconditional promises to receive	48,087	408,231
Prepaid expenses	73,899	110,958
Operating lease right of use asset	1,935,439	2,141,594
Property and equipment, net of accumulated depreciation	<u>141,554</u>	<u>150,998</u>
TOTAL ASSETS	<u>\$ 5,015,179</u>	<u>\$ 5,713,188</u>
LIABILITIES		
Accounts payable	120,731	87,514
Payroll taxes and accrued compensation	209,583	216,633
Operating lease liabilities	<u>2,188,895</u>	<u>2,386,593</u>
TOTAL LIABILITIES	2,519,209	2,690,740
NET ASSETS		
Without donor restrictions	2,282,292	2,328,264
With donor restrictions	<u>213,678</u>	<u>694,184</u>
Total Net Assets	<u>2,495,970</u>	<u>3,022,448</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,015,179</u>	<u>\$ 5,713,188</u>

The accompanying notes are an integral part of the financial statements.

THE JOHN LOCKE FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT						
Grants and contributions	\$ 4,591,950	\$ 490,059	\$ 5,082,009	\$ 4,616,477	\$ 1,235,731	\$ 5,852,208
REVENUE						
Interest income	55,687	-	55,687	3,837	-	3,837
Event income	34,344	-	34,344	4,005	-	4,005
Miscellaneous	36,311	-	36,311	32,833	-	32,833
NET ASSETS RELEASED FROM RESTRICTIONS						
	970,565	(970,565)	-	1,071,411	(1,071,411)	-
Total Support and Revenue	5,688,857	(480,506)	5,208,351	5,728,563	164,320	5,892,883
EXPENSES						
Program	4,754,756	-	4,754,756	4,987,558	-	4,987,558
Management and general	185,112	-	185,112	184,732	-	184,732
Fundraising	794,961	-	794,961	659,795	-	659,795
Total Expenses	5,734,829	-	5,734,829	5,832,085	-	5,832,085
INCREASE (DECREASE) IN NET ASSETS						
	(45,972)	(480,506)	(526,478)	(103,522)	164,320	60,798
NET ASSETS, beginning of year						
	2,328,264	694,184	3,022,448	2,431,786	529,864	2,961,650
NET ASSETS, end of year						
	\$ 2,282,292	\$ 213,678	\$ 2,495,970	\$ 2,328,264	\$ 694,184	\$ 3,022,448

The accompanying notes are an integral part of the financial statements.

THE JOHN LOCKE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	Program				Program	Management & General	Fund- raising	Total
	CJ	Communications	F in F	Research				
Wages	\$ 459,458	\$ 438,169	\$ 386,662	\$ 768,822	\$ 2,053,111	\$ 47,499	\$ 426,815	\$ 2,527,425
Consultants and professional services	195,780	251,843	411,088	182,971	1,041,682	52,870	118,508	1,213,060
Travel and events	10,353	31,323	419,455	11,693	472,824	23,887	31,730	528,441
Rent	82,839	72,484	69,033	86,291	310,647	25,715	17,258	353,620
Fringe benefits	53,364	55,237	46,927	108,276	263,804	7,897	36,027	307,728
Postage and printing	128,120	4,246	10,212	19,452	162,030	744	118,504	281,278
Payroll taxes	36,818	36,518	30,582	63,670	167,588	3,922	31,143	202,653
Dues and registration fees	5,006	25,976	32,346	7,660	70,988	3,375	3,909	78,272
Grants	-	-	31,400	34,000	65,400	-	-	65,400
Insurance	13,014	11,050	10,506	14,251	48,821	2,146	4,018	54,985
Office supplies and expense	4,395	15,513	18,517	2,798	41,223	4,461	1,562	47,246
Amortization and depreciation	8,343	8,343	8,343	8,343	33,372	3,033	1,667	38,072
Utilities	3,818	3,241	10,640	4,182	21,881	629	1,181	23,691
Miscellaneous	369	308	292	416	1,385	8,934	2,639	12,958
	<u>\$ 1,001,677</u>	<u>\$ 954,251</u>	<u>\$ 1,486,003</u>	<u>\$ 1,312,825</u>	<u>\$ 4,754,756</u>	<u>\$ 185,112</u>	<u>\$ 794,961</u>	<u>\$ 5,734,829</u>

The accompanying notes are an integral part of the financial statements.

THE JOHN LOCKE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2023

	Program				Program	Management & General	Fund- raising	Total
	CJ	Communications	F in F	Research				
Wages	\$ 396,912	\$ 454,290	\$ 482,633	\$ 810,086	\$ 2,143,921	\$ 78,241	\$ 336,629	\$ 2,558,791
Consultants and professional services	167,547	275,134	491,622	97,798	1,032,101	23,104	89,904	1,145,109
Travel and events	3,930	57,025	301,958	39,951	402,864	12,499	17,185	432,548
Rent	85,919	75,179	71,599	89,499	322,196	17,900	17,900	357,996
Fringe benefits	46,699	63,655	56,843	125,257	292,454	31,083	40,206	363,743
Postage and printing	123,341	3,388	204,523	13,384	344,636	979	114,313	459,928
Payroll taxes	29,778	34,207	35,916	60,158	160,059	5,193	24,454	189,706
Dues and registration fees	2,236	40,306	39,183	1,397	83,122	73	8,625	91,820
Grants	-	-	25,000	750	25,750	-	-	25,750
Insurance	8,305	7,267	6,921	8,649	31,142	1,730	1,730	34,602
Office supplies and expense	12,095	9,446	13,564	4,157	39,262	3,787	933	43,982
Amortization and depreciation	7,347	7,348	7,348	7,348	29,391	2,043	1,314	32,748
Utilities	18,272	15,916	24,323	18,947	77,458	4,747	3,790	85,995
Miscellaneous	1,638	461	554	549	3,202	3,353	2,812	9,367
	<u>\$ 904,019</u>	<u>\$ 1,043,622</u>	<u>\$ 1,761,987</u>	<u>\$ 1,277,930</u>	<u>\$ 4,987,558</u>	<u>\$ 184,732</u>	<u>\$ 659,795</u>	<u>\$ 5,832,085</u>

The accompanying notes are an integral part of the financial statements.

THE JOHN LOCKE FOUNDATION, INC.
STATEMENTS OF CASH FLOW
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Support and revenue received	\$ 5,562,446	\$ 5,977,179
Wages	(2,544,018)	(2,515,114)
Consultants and professional services	(1,213,060)	(1,145,109)
Travel and events	(528,441)	(432,548)
Fringe benefits	(298,167)	(363,421)
Rent	(345,163)	(339,745)
Postage and printing	(281,278)	(460,194)
Payroll taxes	(202,653)	(187,320)
Other operating expenses	(147,941)	(248,393)
Insurance	<u>(54,985)</u>	<u>(34,602)</u>
Net cash provided (used) by operating activities	(53,260)	250,733
CASH FLOWS FROM INVESTING ACTIVITIES		
Certificates of deposit redeemed	300,000	-
Certificates of deposit purchased	(250,000)	(300,000)
Property and equipment purchased	<u>(32,796)</u>	<u>(31,298)</u>
Net cash provided (used) by investing activities	17,204	(331,298)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used by financing activities	<u>-</u>	<u>-</u>
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(36,056)	(80,565)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning of period	<u>2,601,407</u>	<u>2,681,972</u>
End of period	<u>\$ 2,565,351</u>	<u>\$ 2,601,407</u>
Reconciliation of cash, cash equivalents and restricted cash to statement of financial position:		
Cash and cash equivalents	\$ 2,399,760	\$ 2,315,454
Cash restricted for special projects	<u>165,591</u>	<u>285,953</u>
	<u>\$ 2,565,351</u>	<u>\$ 2,601,407</u>

The accompanying notes are an integral part of the financial statements.

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The John Locke Foundation, Inc. (the “Organization”) was incorporated to conduct research, disseminate information, and advance public understanding of society based on the principles of individual liberty, the voluntary exchanges of a free market economy, and limited government. Management hopes to provide focused, informative discussion on public policy issues of interest to citizens of North Carolina, principally by means of the scholarly publications and public conferences it will publish and present. The Organization is supported by contributions and grants from individuals, private foundations, and businesses.

The Organization’s current programs include:

Research - The Organization conducts and analyzes research in several areas, including fiscal policy, health and human services, education, legal policy, agriculture, energy and the environment, regulation, election security, and transportation. Research efforts also include the Center for Public Integrity, the North Carolina History Project, the Center for Agricultural Innovation, and the Center for Effective Education.

Communications - The Organization’s mission and objectives is supported through mediums such as the Locke website, social media platforms, and email. The communications infrastructure also includes a state-of-the-art studio designed for creating sound and video content.

Carolina Journal - Carolina journal offers daily commentary and analysis of North Carolina politics and policy and is a leader in investigative journalism in the state. The outfit maintains a news media structure that includes print, digital, and radio and reaches markets state-wide.

First in Freedom - This is a robust program area that encompasses the foundation's outreach efforts, including but not limited to: leadership programs such as the EA Morris Fellowship and Internship program, both intended to train a new generation of leaders using free-market ideas; Grassroots Outreach: an effort to identify, recruit and engage grassroots leaders throughout the state; Government Affairs: educates elected officials and community leaders about limited government policies at the state level; as well as events such as the Carolina Liberty Conference.

Basis of Accounting

The financial statements of The John Locke Foundation, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Income Taxes

The Organization is a not-for-profit entity that is exempt from income taxes under section 501(c) (3) of the internal revenue code. The Organization’s Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed. In addition, the Organization 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) (2).

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are subject to donor-imposed restrictions. Donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Fixed and Intangible Assets

Furniture and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization has adopted a capitalization policy of \$2,500 and capitalizes items purchased above this amount. Depreciation is computed using the straight line method over the useful life of the asset as follows:

Leasehold improvement	11 years
Furniture and equipment	10 years
Website	3 years

Depreciation and amortization expense for the years ended June 30, 2024 and 2023 are \$38,072 and \$32,748, respectively.

In Kind Donations

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

Donated services are recorded in two circumstances. First, the fair value of the services are recorded if they result in the creation of a non-financial asset. Secondly, the services are recorded if they require specialized skill, are provided by a person having those skills and the Organization would normally have to pay for those services.

Advertising and Promotional Costs

Advertising and promotional costs are expensed as incurred. Such costs amounted to \$141,271 and \$132,584 in 2024 and 2023, respectively, and are included in consultants and professional services in the Statement of Functional Expenses.

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Expense Allocation

Certain costs, especially compensation, have characteristics related to programs, management/general and fundraising. Such costs have been allocated on the basis of periodic studies of time and expense. Management and general expenses include those expenses that are not directly identifiable with any other specific program but provided for the overall support and direction of the Organization. Activities that meet the criteria for both fundraising and program expenditures are generally classified as fundraising. Program expenses are as follows:

	<u>2024</u>	<u>2023</u>
Research	\$ 1,312,825	\$ 1,277,930
Communications	954,251	1,043,622
Carolina Journal	1,001,677	904,019
First in Freedom	<u>1,486,003</u>	<u>1,761,987</u>
	<u>\$ 4,754,756</u>	<u>\$ 4,987,558</u>

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period the promise is received. Conditional promises to give are recognized when the condition on which they depend are substantially met. Promises to give with payments due in future periods are recorded at net present value. The discount rate applied is the risk-free investment rate. Uncollectible promises are accounted for on the allowance method. At June 30, 2024 and 2023, the present value computation was not material and not recorded.

Management estimates the amount of the allowance based on a periodic review of accounts and on the Organization's prior experience. Management believes that all promises are fully collectible, so no allowance has been provided for in these financial statements.

At June 30, 2024 and 2023, unconditional promises to give amounted to \$48,087 and \$408,231, respectively, and were expected to be received in the subsequent year.

With and Without Donor Restriction Revenue and Support

Contributions received are recorded as with or without donor restricted support, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the Statement of Activities as net assets released from restrictions.

Cash, Cash Equivalents, and Restricted Cash

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long term purposes, to be cash and cash equivalents.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Date of Management Evaluation

Management has evaluated subsequent events through December 16, 2024, the date on which the financial statements were available to be issued.

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 2 – NET ASSETS WITH DONOR RESTRICTIONS

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. A schedule of the programs supported by net assets with donor restrictions at June 30, 2024 and 2023, respectively, follows:

	<u>2024</u>	<u>2023</u>
Subject to the passage of time	\$ 48,087	\$ 408,231
Subject to expenditure for a specific purpose:		
E A Morris Foundation	58,112	45,476
Future Energy Infrastructure Study	41,453	-
Carolina Journal Expansion	20,000	-
Funding Our Future	18,640	-
Legislative Reform	17,194	-
Engaged Audience	6,420	50,000
School Board Project	-	156,888
Community Outreach	-	24,848
Freedom Grant	-	8,741
Other Various Programs	3,772	-
	<u>165,591</u>	<u>285,953</u>
	<u>\$ 213,678</u>	<u>\$ 694,184</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Passage of time	\$ 408,231	\$ 480,129
Satisfaction of purpose restrictions:		
School Board Project	156,888	43,113
Sowing Resilience	150,000	-
E A Morris Foundation	87,364	103,896
Engaged Audience	43,580	-
Future Energy Infrastructure	38,547	-
Funding Our Future	26,360	-
Community Outreach	24,848	25,151
Legislative Reform	17,806	-
Freedom Grant	8,741	43,759
Raleigh Children’s Business Fair	5,972	-
Civic Engagement Project	-	270,000
Spring 2022	-	70,000
Regulatory Reform Partnership	-	15,000
Succession and Transition Planning	-	10,000
FLAF	-	10,000
Other Various Programs	2,228	363
	<u>\$ 970,565</u>	<u>\$ 1,071,411</u>

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment additions over \$2,500 are recorded at cost. A summary of property and equipment, at cost, and their respective accumulated depreciation and amortization at June 30, 2024 and 2023 follows:

	<u>2024</u>	<u>2023</u>
Furniture and equipment	\$ 147,856	\$ 140,458
Leasehold improvement	63,480	63,480
Web site and software	<u>70,107</u>	<u>49,710</u>
	281,443	253,648
Less accumulated depreciation	<u>139,889</u>	<u>102,650</u>
	<u>\$ 141,554</u>	<u>\$ 150,998</u>

NOTE 4 – RETIREMENT PLAN

The Organization offers a SIMPLE retirement plan to its employees. The Organization provides a matching provision limited to 4% of the participating employee’s salary. The matching contributions amounted to \$75,608 and \$76,901 in 2024 and 2023, respectively, and are included in the “fringe benefits” expense account in these financial statements.

NOTE 5 - CONCENTRATIONS

During the year ended June 30, 2024 and 2023, most of the Organization’s contributions came from one source which accounted for 72% and 73%, respectively, of total contributions. The remaining donors accounted for less than 10% each.

Additionally, on June 30, 2024, the Organization had cash in banks not covered by FDIC insurance in the amount of \$2,313,766.

NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2024</u>	<u>2023</u>
Cash (less board designations)	\$ 2,399,760	\$ 2,315,454
Certificates of deposit	250,849	300,000
Unconditional promises to receive	<u>48,087</u>	<u>408,231</u>
	<u>\$ 2,698,696</u>	<u>\$ 3,023,685</u>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

THE JOHN LOCKE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 7 – COMMITMENTS

Operating Leases

Operating leases are for office space and storage. These leases are fixed-rate leases with annual escalators. The following summarizes the line items in the balance sheet which includes amounts for operating leases at June 30:

	<u>2024</u>	<u>2023</u>
Operating lease right-of-use assets	\$ 1,935,439	\$ 2,141,594
Operating lease liabilities	\$ 2,188,895	\$ 2,386,593

Operating lease expenses amounted to \$353,620 and \$357,996 in 2024 and 2023, respectively. The weighted average remaining lease term is 7 years and the weighted average discount rate is 6%. The maturities of operating lease liabilities as of June 30, 2024, were as follows:

June 30, 2025	345,609
2026	355,977
2027	366,656
2028	377,656
2029	388,989
Thereafter	<u>884,004</u>
Total lease payments	2,718,891
Less: interest	<u>(529,996)</u>
Present value of lease liability	<u>\$ 2,188,895</u>