

ACT NOW EDUCATION ORGANIZATION, INC.

Financial Statements

June 30, 2023

ACT NOW EDUCATION ORGANIZATION, INC.

Table of Contents

June 30, 2023

	<u>Pages</u>
Accountant's Compilation Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 10



McGee Maruca & Associates, P.C.

Certified Public Accountants
3111 Banksville Road, Suite 200
Pittsburgh, PA 15216
Ph 412.344.9006
Fax 412.344.9475
Email: office@mcgeemaruca.com
Website: mcgeemaruca.com

Leslie A. McGee, C.P.A.
Lisa Maruca DiPardo, C.P.A.

Independent Accountant's Compilation Report

To the Board of Directors
Act Now Education Organization, Inc.
Ellicott City, Maryland

Management is responsible for the accompanying financial statements of Act Now Education Organization, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the six-month period then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

McGee Maruca & Associates, P.C.

Pittsburgh Pennsylvania
August 11, 2023

Act Now Education Organization, Inc.
Statement of Financial Position
June 30, 2023

Assets

Current assets:	
Cash and cash equivalents	\$ 15,020
Total current assets	<u>15,020</u>
Fixed assets:	
Equipment and software	8,000
Accumulated depreciation	<u>(1,600)</u>
Net equipment and software	<u>6,400</u>
Total assets	<u><u>\$ 21,420</u></u>

Liabilities and Net Assets

Current liabilities:	
Accounts payable	\$ -
Total current liabilities	<u>-</u>
Total liabilities	<u>-</u>
Net assets:	
Without donor restrictions	21,420
With donor restrictions	<u>-</u>
Total net assets	<u>21,420</u>
Total liabilities and net assets	<u><u>\$ 21,420</u></u>

See accompanying notes and accountant's compilation report.

Act Now Education Organization, Inc.
Statement of Activities
For the Six Month period ended June 30, 2023

<u>Operating activities:</u>	<u>Without</u>	<u>With</u>	<u>Total</u>
Revenue and Support:	<u>Donor Restrictions</u>	<u>Donor Restrictions</u>	
Grants	\$ 257,910	\$ -	\$ 257,910
Contributions	4,269	-	4,269
Interest income	10	-	10
Net assets released from restrictions:			
Restrictions satisfied by payments	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenue and other support	262,189	-	262,189
	<hr/>	<hr/>	<hr/>
Expenses:			
Program services	223,824	-	223,824
Management and general	9,995	-	9,995
Fundraising	8,144	-	8,144
	<hr/>	<hr/>	<hr/>
Total expenses	241,963	-	241,963
	<hr/>	<hr/>	<hr/>
Change in net assets	20,226	-	20,226
Net assets at beginning of year	1,194	-	1,194
	<hr/>	<hr/>	<hr/>
Net assets at end of year	<u>\$ 21,420</u>	<u>\$ -</u>	<u>\$ 21,420</u>

See accompanying notes and accountant's compilation report.

Act Now Education Organization, Inc.
Statement of Functional Expenses
For the Six Month period Ended June 30, 2023

	Program Services	Management and General	Fundraising	Total
Advertising	\$ -	\$ -	\$ 444	\$ 444
Consulting expense	1,400	1,200	1,200	3,800
Depreciation expense	-	1,600	-	1,600
Professional fees	6,528	6,500	6,500	19,528
Subscriptions	-	695	-	695
Training and education services	215,896	-	-	215,896
 Total functional expenses	 <u>\$ 223,824</u>	 <u>\$ 9,995</u>	 <u>\$ 8,144</u>	 <u>\$ 241,963</u>

See accompanying notes and accountant's compilation report.

Act Now Education Organization, Inc.

Statement of Cash Flows

For the Six Month period Ended June 30, 2023

Cash flows from operating activities:	
Change in net assets	\$ 20,226
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	<u>1,600</u>
Net cash provided by operating activities	<u>21,826</u>
Cash flows from investing activities:	
Purchases of equipment and software	<u>(8,000)</u>
Net cash used for investing activities	<u>(8,000)</u>
Net increase in cash and cash equivalents	13,826
Cash and cash equivalents at beginning of year	<u>1,194</u>
Cash and cash equivalents at end of year	<u><u>\$ 15,020</u></u>
Supplemental disclosure:	
Cash paid for interest expense	<u><u>\$ -</u></u>

See accompanying notes and accountant's compilation report.

ACT NOW EDUCATION, ORGANIZATION INC.

Notes to the Financial Statements

June 30, 2023

(1) **Organization**

Act Now Education Organization, Inc. (the Organization) was incorporated October 26, 2021 as a private, non-profit organization. The purpose of the Organization is to empower the military community with reliable resources and opportunities.

(2) **Summary of Significant Accounting Policies**

(a) **Basis of Presentation**

The financial statements of the organization have been prepared in accordance with accounting principles generally accepted in the United States of America, which requires Act Now Education Organization, Inc. to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

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

(b) **Measure of Operations**

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of more unusual or nonrecurring nature. There are no non-operating activities for the Organization for the six-month period ended June 30, 2023.

ACT NOW EDUCATION ORGANIZATION, INC.

Notes to the Financial Statements, continued

June 30, 2023

(2) **Summary of Significant Accounting Policies, continued**

(c) **Contributions**

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

(d) **Functional Allocation of Expenses**

Costs of providing the various programs and other activities are summarized on a functional basis in the Statement of Functional Expenses. Expenses directly related to a specific program are charged to that program. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. Allocation is based on the estimated time and effort spent related to each function.

(e) **Donated Services and Materials**

A number of individuals have donated their time and services to the Organization. These services include legal and Board of Director support. In instances where an objective basis for valuing the services or materials contributed exists, the value is reflected in the financial statements as support and a related expense in the period the services are used. Services or materials for which it is impractical to estimate a fair market value are not reflected in the accompanying financial statements.

ACT NOW EDUCATION ORGANIZATION, INC.

Notes to the Financial Statements, continued

June 30, 2023

(2) **Summary of Significant Accounting Policies, continued**

(f) **Property and Equipment**

Expenditures for property and equipment are capitalized at their original cost. Donated assets are capitalized at their fair market value at the time of their donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Gain or loss on sale or disposition of assets is recognized in the year of disposition. The Organization assesses for impairment losses when conditions warrant.

(g) **Income Taxes**

Act Now Education Organization, Inc. is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation.

The Financial Accounting Standards Board has issued FASB ASC No. 740, which clarifies accounting principles generally accepted in the United States of America for recognition, measurement, presentation and disclosure relating to uncertain tax positions. FASB ASC No. 740 applies to business enterprises, not-for-profit entities, and pass-through entities, such as S corporations and limited liability companies. The Organization evaluates uncertain tax positions in accordance with FASB ASC No. 740 and has determined there is no material impact on the Organization's financial position or results of operations for the six-month period ended June 30, 2023.

The Organization files Federal Exempt Organization Tax Returns (Form 990) as applicable. The filed forms are subject to examination by the IRS, generally for three years after they are filed. The Organization has not been notified of any such examination as of the date of the accountant's compilation report.

(h) **Cash Equivalents**

For purposes of cash flows, the Organization considers all unrestricted highly liquid investments with original maturities of three months or less to be cash equivalents.

(i) **Estimates**

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

ACT NOW EDUCATION ORGANIZATION, INC.

Notes to the Financial Statements, continued

June 30, 2023

(2) **Summary of Significant Accounting Policies, continued**

(j) **Fair Value of Financial Instruments**

The carrying amount of the Organization's cash and cash equivalents approximates fair value primarily because of the short maturity of these instruments.

(3) **Concentrations of Credit Risk**

The Organization maintains cash balances at a financial institution located in Maryland. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Balances in these accounts did not exceed federally insured limits at June 30, 2023.

(4) **Liquidity**

The following represents the Organization's financial assets at June 30, 2023:

Financial assets at year-end:	
Cash and cash equivalents	\$ <u>15,020</u>
Total financial assets	<u>15,020</u>
Less amounts not available for general expenditures within one year:	
Net assets with donor or time restrictions	<u>0</u>
Financial assets available to meet general expenditures over the next twelve months	\$ <u>15,020</u>

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts

(5) **Contributions Receivable**

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. There are no unconditional promises to give at June 30, 2023.

Conditional promises to give are recognized when the condition on which they depend are substantially met. There are no conditional promises to give at June 30, 2023.

ACT NOW EDUCATION ORGANIZATION, INC.

Notes to the Financial Statements, continued

June 30, 2023

(6) **Net Assets**

Net Assets without Donor Restrictions

Net assets without donor restrictions for the six-month period ended June 30, 2023 are as follows:

Undesignated	<u>\$ 21,420</u>
Total	<u>\$ 21,420</u>

(7) **Subsequent Events**

Subsequent events were evaluated through the Independent Accountant's Report date, which is the date the financial statements were available to be issued. No subsequent events were noted.