

**STUDENTS 2 SCIENCE, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED AUGUST 31, 2025 AND 2024**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Students 2 Science, Inc.  
Whippany, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Students 2 Science, Inc., a nonprofit organization, which comprise the statements of financial position as of August 31, 2025 and 2024, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Students 2 Science, Inc. as of August 31, 2025 and 2024, 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Students 2 Science, 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 Audits of 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 Students 2 Science, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audits 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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Students 2 Science, 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 Students 2 Science, 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.



**CliftonLarsonAllen LLP**

Livingston, New Jersey  
December 11, 2025

**STUDENTS 2 SCIENCE, INC..  
STATEMENTS OF FINANCIAL POSITION  
AUGUST 31, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,207,493	\$ 1,508,100
Investments	2,535,794	3,012,742
Promises to Give	625,663	606,300
Prepaid Expenses	148,894	169,460
Total Current Assets	5,517,844	5,296,602
<b>PROPERTY AND EQUIPMENT, Net</b>	691,566	174,441
<b>OTHER ASSETS</b>		
Security Deposits	60,000	20,000
Right of Use Asset	2,607,896	46,983
Total Assets	\$ 8,877,306	\$ 5,538,026
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 177,424	\$ 108,845
Current Portion of Long-Term Debt	53,201	-
Current Portion Right of Use Liability	176,904	48,448
Total Current Liabilities	407,529	157,293
<b>Long-Term Debt, Net of Current Portion</b>	829,544	500,000
<b>Right-of-Use Liability, Net Current Portion</b>	2,459,479	-
Total Liabilities	3,696,552	657,293
<b>NET ASSETS</b>		
Without Donor Restrictions	3,792,507	3,663,233
With Donor Restrictions	1,388,247	1,217,500
Total Net Assets	5,180,754	4,880,733
Total Liabilities and Net Assets	\$ 8,877,306	\$ 5,538,026

See accompanying Notes to Financial Statements.

**STUDENTS 2 SCIENCE, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED AUGUST 31, 2025 AND 2024**

	Year Ended August 31, 2025			Year Ended August 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Contributions	\$ 1,373,534	\$ 1,263,247	\$ 2,636,781	\$ 998,764	\$ 1,217,500	\$ 2,216,264
Program Income	1,695,846	-	1,695,846	1,690,075	-	1,690,075
In-Kind Contributions	951,408	-	951,408	1,035,320	-	1,035,320
Government Contributions	22,415	-	22,415	28,000	-	28,000
Net Assets Released from Restriction	1,092,500	(1,092,500)	-	1,505,986	(1,505,986)	-
Total Support and Revenue	<u>5,135,703</u>	<u>170,747</u>	<u>5,306,450</u>	<u>5,258,145</u>	<u>(288,486)</u>	<u>4,969,659</u>
<b>EXPENSES</b>						
Program Services	4,152,216	-	4,152,216	3,909,692	-	3,909,692
General and Administrative	841,013	-	841,013	880,882	-	880,882
Fundraising	122,801	-	122,801	84,570	-	84,570
Total Expenses	<u>5,116,030</u>	<u>-</u>	<u>5,116,030</u>	<u>4,875,144</u>	<u>-</u>	<u>4,875,144</u>
<b>CHANGE IN NET ASSETS</b>	19,673	170,747	190,420	383,001	(288,486)	94,515
<b>NONOPERATING INCOME</b>						
Investment Income	151,120	-	151,120	120,829	-	120,829
Investment Gains	7,211	-	7,211	54,848	-	54,848
Miscellaneous Revenue	2,503	-	2,503	2,461	-	2,461
Loss on Abandonment of Assets	(57,758)	-	(57,758)	-	-	-
Gain on Sale of Assets	6,525	-	6,525	-	-	-
Total Nonoperating Income	<u>109,601</u>	<u>-</u>	<u>109,601</u>	<u>178,138</u>	<u>-</u>	<u>178,138</u>
<b>CHANGE IN NET ASSETS</b>	129,274	170,747	300,021	561,139	(288,486)	272,653
Net Assets - Beginning of Year	<u>3,663,233</u>	<u>1,217,500</u>	<u>4,880,733</u>	<u>3,102,094</u>	<u>1,505,986</u>	<u>4,608,080</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 3,792,507</u>	<u>\$ 1,388,247</u>	<u>\$ 5,180,754</u>	<u>\$ 3,663,233</u>	<u>\$ 1,217,500</u>	<u>\$ 4,880,733</u>

See accompanying Notes to Financial Statements.

**STUDENTS 2 SCIENCE, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED AUGUST 31, 2025 AND 2024**

	Year Ended August 31, 2025				Year Ended August 31, 2024			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 1,969,588	\$ 402,557	\$ 40,584	\$ 2,412,729	\$ 1,844,252	\$ 318,575	\$ 43,960	\$ 2,206,787
Salaries In-Kind	214,175	-	-	214,175	328,022	-	-	328,022
Payroll Taxes and Benefits	271,911	51,208	5,045	328,164	273,450	36,840	5,026	315,316
Total Salaries and Related Costs	<u>2,455,674</u>	<u>453,765</u>	<u>45,629</u>	<u>2,955,068</u>	<u>2,445,724</u>	<u>355,415</u>	<u>48,986</u>	<u>2,850,125</u>
Facilities Cost	806,573	70,487	35,253	912,313	494,627	36,750	18,375	549,752
Supplies	574,685	1,776	-	576,461	562,039	2,547	-	564,586
Consultants	29,380	-	2,090	31,470	150,024	206,858	3,220	360,102
Equipment Service	132,817	-	-	132,817	103,474	-	-	103,474
Depreciation	41,723	-	-	41,723	40,245	-	-	40,245
Professional Fees	-	122,240	-	122,240	-	75,933	-	75,933
Production Equipment	1,252	-	-	1,252	4,166	-	-	4,166
IT Services	-	50,273	-	50,273	-	80,303	-	80,303
Meals	26,467	8,750	2,228	37,445	24,589	12,614	2,410	39,613
Website	-	6,585	-	6,585	6,198	6,658	-	12,856
Insurance	-	38,026	-	38,026	-	31,155	-	31,155
Laundry	31,410	-	-	31,410	29,836	-	-	29,836
Program Services	9,791	-	-	9,791	14,204	-	-	14,204
Interest Expense	-	35,534	-	35,534	-	17,612	-	17,612
Subscriptions	18,450	15,276	-	33,726	-	13,496	-	13,496
Office Expenses	-	21,609	-	21,609	-	19,600	-	19,600
Advertising	-	-	27,069	27,069	-	-	6,733	6,733
Hiring	-	8,377	-	8,377	-	12,621	-	12,621
Business Development	-	-	8,363	8,363	-	-	1,819	1,819
Miscellaneous Expense	8,629	1,577	-	10,206	12,130	598	-	12,728
Education and Training	-	2,741	-	2,741	-	4,264	-	4,264
Credit Card Processing Fees	-	-	2,169	2,169	-	-	3,027	3,027
Content Development	10,727	-	-	10,727	22,436	-	-	22,436
Conference, Convention, Meetings	4,638	3,997	-	8,635	-	2,899	-	2,899
License and Fees	-	-	-	-	-	1,559	-	1,559
Total Expenses	<u>\$ 4,152,216</u>	<u>\$ 841,013</u>	<u>\$ 122,801</u>	<u>\$ 5,116,030</u>	<u>\$ 3,909,692</u>	<u>\$ 880,882</u>	<u>\$ 84,570</u>	<u>\$ 4,875,144</u>

See accompanying Notes to Financial Statements.

**STUDENTS 2 SCIENCE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED AUGUST 31, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	\$ 300,021	\$ 272,653
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities:		
Donated Stock	-	(5,209)
Noncash Lease Expense	27,022	(3,195)
Depreciation	41,723	40,245
Unrealized Gain on Investments	(7,211)	(54,848)
Loss on Abandonment of Assets	57,758	-
Gain on Sale of Assets	(6,525)	-
Contributed Furniture and Equipment Capitalized	(65,068)	(65,956)
Changes in Certain Assets and Liabilities:		
Promises to Give	(19,363)	18,960
Prepaid Expenses	20,566	(167,380)
Security Deposits	(40,000)	-
Accounts Payable and Accrued Expenses	68,579	138
Net Cash Provided by Operating Activities	377,502	35,408
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(551,538)	(9,751)
Purchase of Investments	(140,841)	(1,565,409)
Sale of Investments	625,000	1,429,424
Proceeds from Sale of Assets	6,525	-
Net Cash Used by Investing Activities	(60,854)	(145,736)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Note Payable	(17,255)	-
Proceeds from Notes Payable	400,000	-
Net Cash Provided by Financing Activities	382,745	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	699,393	(110,328)
Cash and Cash Equivalents - Beginning of Year	1,508,100	1,618,428
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 2,207,493	\$ 1,508,100

See accompanying Notes to Financial Statements.

**STUDENTS 2 SCIENCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES**

Students 2 Science, Inc. (the Organization) is a nonprofit corporation formed on March 20, 2009, in the state of New Jersey. The Organization's mission is to inspire and empower students from communities in need through experiential learning to pursue careers in science, technology, engineering, and math (STEM) to foster a more diverse, equitable, and inclusive workforce. Students 2 Science has proven to be an essential supplemental program for STEM learning for over forty-five school districts, charter school networks, and community-based out-of-school programs throughout central and northern New Jersey. The Organization provides three signature programs; the Virtual Lab (V-Lab) program for experiments in the classroom, the "Improving Student Affinity and Aptitude for Careers in STEM" (ISAAC) in-laboratory program delivered through their state-of-the-art Technology Centers, and the Career Advancement Program (CAP), which provides high school students with opportunities for STEM career and education pathways exploration.

For the year ended August 31, 2025, Students 2 Science operated Technology Centers in Newark and in East Hanover. Through both sites, the Organization provided 288 ISAAC programs, 1,821 V-Lab sessions, and 29 CAP events allowing them to reach 47,250 students.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Financial Statement Presentation**

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets not subject to donor-imposed stipulations.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. Also, other net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as Net Assets Released from Restrictions.

**STUDENTS 2 SCIENCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Related Party Receivable**

As of August 31, 2025, the Company had receivables from related parties totaling \$77,260. There were no such related party receivables as of August 31, 2024. These amounts represent unpaid balances from the donations during the years.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of funds maintained in bank accounts and short-term, highly liquid money market investments.

**Fair Value**

Fair value measurements are defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three defined hierarchical levels based on the quality of inputs used that directly relate to the amount of subjectivity associated with the determination of fair value.

The fair value hierarchy defines the three levels as follows:

*Level 1* – Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

*Level 2* – Valuations based on observable inputs other than Level 1 prices, such as: quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

*Level 3* – Valuations based on unobservable inputs are used when little or no market is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

The fair values of investments are as follows:

*Common Stock* – Shares in companies traded on national securities exchanges are valued at the closing price reported in the active market in which the individual securities are traded.

*Mutual Funds* – Shares in companies traded on national securities exchanges are valued at the closing price reported in the active market in which the individual securities are traded.

*Treasury Bills* – Short-term U.S. government debt obligation based on quoted market prices in active markets.

**STUDENTS 2 SCIENCE, INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable**

Accounts receivable consist of program revenue earned but not received at year-end. Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Organization charges uncollectible accounts receivable to operations when determined to be uncollectible, and believes that, as of August 31, 2025 and 2024, an allowance for credit losses was deemed not necessary.

**Promises to Give**

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statements of activities. We determine the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. As of August 31, 2025 and 2024, an allowance was not deemed necessary.

**Property and Equipment**

Property and equipment purchases greater than \$2,000 that extend the useful lives of the assets are capitalized and recognized in the statements of financial position at cost. Donated property and equipment is recorded at fair value on the date of donation. The Organization received donated furniture equipment totaling \$65,068 and \$65,956 during the years ended August 31, 2025 and 2024, respectively.

Depreciation is recorded on a straight-line basis over the estimated useful lives of such assets as follows:

	Method	Estimated Useful Life
Lab Equipment and Software	Straight-line	5 to 10 Years
Lab Fixtures	Straight-line	10 to 20 Years
Furniture Fixtures	Straight-line	5 Years
Office Equipment	Straight-line	5 Years
Software	Straight-line	3 Years

When assets are retired, or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. Maintenance, repairs, and minor replacements that do not improve or extend the life of an asset are expensed as incurred.

**STUDENTS 2 SCIENCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment (Continued)**

We review the carrying values of property and equipment for impairment whenever events or 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. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years August 31, 2025 and 2024, respectively

**Revenue Recognition**

Contributions are recognized as revenue when they are received or unconditionally pledged. Conditional contributions are not recognized until the conditions are substantially met, or explicitly waived.

Contributions are recorded as revenue as either with or without donor restrictions according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor 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 restrictions and reported in the statements of activities and changes in net assets as Net Assets Released from Restrictions.

Revenue from government agencies is considered a conditional contribution and is not recognized until the conditions related to this revenue are substantially met, or explicitly waived. Cash received in excess of revenue recognized is reported as refundable advances.

The Organization derives a portion of its revenue from programs. This revenue is recognized over time as services are provided to customers, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for providing the service. There are no significant financing components or variable considerations provided to clients.

**In-Kind Contributions**

The Organization receives donated equipment, supplies and professional services from various donors to fulfill its mission. The Organization also regularly receives services from volunteers who are not acting in a professional capacity. Volunteer services do not meet the criteria for financial statement recognition and are not included in the financial statements.

**Advertising**

All advertising costs are expensed in the period they are incurred. During the years ended August 31, 2025 and 2024, the Organization reported approximately \$27,000 and \$6,700 of advertising expenses, respectively, that is included in advertising expense on the statements of functional expenses.

**STUDENTS 2 SCIENCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not liable for federal and state income taxes.

The Organization follows standards that provide clarification on accounting for uncertainty in income taxes recognized in the Organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the years ended August 31, 2025 and 2024. At August 31, 2025 and 2024, there are no significant income tax uncertainties.

**Use of Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Leases**

During the years ended August 31, 2025 and 2024, the Organization leased office and laboratory space in Whippany, East Hanover, and Newark, New Jersey. The Organization determines if an arrangement is a lease at inception. Operating leases, including the operating lease right of use assets, liabilities and operating leases are recorded on the statements of financial position.

ROU assets represent the Organization's right of use to an underlying asset for the lease term and the lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. As most leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU assets also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain the Organization will exercise that option. The lease expenses for the lease payments are recognized on a straight-line basis of the lease term. The Organization has elected to recognize payments for the short-term leases with a lease term of 12 months or less an expense incurred, and the leases are not included as lease liabilities or right of use assets on the statements of financial position.

**STUDENTS 2 SCIENCE, INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization obtained substantially all of the rights of the underlying assets through exclusivity, if the Organization can direct the use of the assets by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive rights. This evaluation may require significant judgment.

**Subsequent Events**

The Organization has evaluated its subsequent events and transactions occurring after August 31, 2025 through December 11, 2025, the date the financial statements were available to be issued.

**NOTE 3 INVESTMENTS**

Investments stated at fair value are as follows for the years ended August 31:

	2025		2024	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stock	\$ 196,878	\$ 249,245	\$ 196,878	\$ 231,598
Mutual Funds	520,233	520,369	518,114	517,499
Treasury Bills	1,742,884	1,766,180	2,231,637	2,263,645
Total	<u>\$ 2,459,995</u>	<u>\$ 2,535,794</u>	<u>\$ 2,946,629</u>	<u>\$ 3,012,742</u>

Investment income from these investments is summarized as follows for the years ended August 31:

	<u>2025</u>	<u>2024</u>
Interest and Dividend Income	\$ 151,120	\$ 120,829
Unrealized Gain on Investments	7,211	54,848
Total	<u>\$ 158,331</u>	<u>\$ 175,677</u>

**STUDENTS 2 SCIENCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2025 AND 2024**

**NOTE 3 INVESTMENTS (CONTINUED)**

Fair value measurements are as follows for the years ended August 31:

	2025			
	Level 1	Level 2	Level 3	Total
Common Stock	\$ 249,245	\$ -	\$ -	\$ 249,245
Mutual Funds	520,369	-	-	520,369
Treasury Bills	1,766,180	-	-	1,766,180
Total	\$ 2,535,794	\$ -	\$ -	\$ 2,535,794
	2024			
	Level 1	Level 2	Level 3	Total
Common Stock	\$ 231,598	\$ -	\$ -	\$ 231,598
Mutual Funds	517,499	-	-	517,499
Treasury Bills	2,263,645	-	-	2,263,645
Total	\$ 3,012,742	\$ -	\$ -	\$ 3,012,742

**NOTE 4 PROMISES TO GIVE**

Unconditional promises to give are estimated to be collected as follows at August 31:

	2025	2024
Within One Year	\$ 254,963	\$ 606,300
In One to Five Years	370,700	-
Total	\$ 625,663	\$ 606,300

Calculation of discount was deemed immaterial and is not reflected in the promises to give balance at August 31, 2025 and 2024.

**NOTE 5 LEASES – ASC 842**

During the years ended August 31, 2025 and 2024, the Organization conducted all its operations from a leased facility under an operating lease that expired in October 2024. Beginning November 2024, the Organization entered into a month-to-month lease agreement in the same leased facility until their new leased facility was ready in 2025. In June 2025, the Organization commenced its lease in the new facility.

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**NOTE 5 LEASES – ASC 842 (CONTINUED)**

The following table provides quantitative information concerning the Organization's leases:

Lease Costs:	<u>2025</u>	<u>2024</u>
Operating Lease Costs	<u>\$ 85,042</u>	<u>\$ 286,390</u>
Other Information:		
Operating Cash Flows from Operating Leases	\$ 37,500	\$ 281,730
Right-of-use assets obtained in exchange for new operating lease liabilities:	\$ 2,652,098	\$ -
Weighted-Average Remaining Lease Term - Operating Leases	9.8 Years	0.2 Years
Weighted-Average Discount Rate - Operating Leases	4.93%	2.88%

The Organization classifies the total undiscounted lease payments that are used in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2025 is as follows:

<u>Year Ending August 31,</u>	<u>Amount</u>
2026	\$ 302,250
2027	311,318
2028	320,657
2029	330,277
2030	340,185
Thereafter	1,748,646
Undiscounted cash flows	3,353,333
Less: Imputed Interest	(716,950)
Total	<u>\$ 2,636,383</u>

**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment is comprised of the following:

	<u>2025</u>	<u>2024</u>
Lab Equipment and Software	\$ 1,334,927	\$ 2,354,577
Lab Fixtures	-	186,951
Leasehold Improvements	471,042	-
Furniture and Fixtures	65,068	158,596
Office Equipment	28,250	95,452
Software	-	220,764
Total Fixed Assets	1,899,287	3,016,340
Less: Accumulated Depreciation	1,207,721	2,841,899
Property and Equipment, Net	<u>\$ 691,566</u>	<u>\$ 174,441</u>

**STUDENTS 2 SCIENCE, INC.**  
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**NOTE 7 LONG-TERM DEBT**

The Organization had the following debt as of August 31, 2025 and 2024:

	2025	2024
<p>In June 2020, the Organization secured an emergency injury disaster loan for \$149,900 from the Small Business Administration, which is to be used for working capital purposes. In July 2021, the Organization increased the loan to \$500,000. The loan is payable over 30 years, beginning 12 months after the loan proceeds have been disbursed. Interest accrues at a rate of 2.75%. The loan was originally scheduled to be repaid starting in June 2021 and was deferred by the Small Business Administration twice until December 2022. Installment payments, including interest and principal, are due monthly beginning December 2022 in the amount of \$2,210. The loan is collateralized with all of the Organization's tangible assets.</p>	\$ 487,745	\$ 500,000
<p>In connection with the new facility lease, the Organization is responsible for tenant improvement costs totaling approximately \$400,000. Under the terms of the agreement, the landlord has agreed to allow the Organization to repay these costs in monthly installments of \$3,333.33, commencing June 1, 2025, concurrent with monthly base rent. These payments are interest-free.</p>	395,000	-
Total Debt	882,745	500,000
Less: Current Portion of Long-Term Debt	53,201	-
Total Long-Term Debt	\$ 829,544	\$ 500,000

Long-term debt matures as follows at August 31, 2025:

Year Ending August 31,	Amount
2026	\$ 53,201
2027	53,569
2028	53,948
2029	54,134
2030	54,535
Thereafter	613,358
Total	\$ 882,745

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**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

The following net assets with donor restrictions are available for the following purposes:

	<u>2025</u>	<u>2024</u>
Time Restrictions	\$ 563,487	\$ 721,250
Time Restrictions - Promises to Give	482,260	-
Apollo	125,000	125,000
Career Advancement Program	12,500	166,250
Internship Program	25,000	-
Pittsburgh Schools	-	55,000
Somerset Schools	180,000	150,000
Total Net Assets with Donor Restrictions	<u>\$ 1,388,247</u>	<u>\$ 1,217,500</u>

Net assets released from time and use restrictions consist of the following:

	<u>2025</u>	<u>2024</u>
Time Restrictions	\$ 721,250	\$ 838,736
Capital Advancement Program	166,250	322,250
Pittsburgh Schools	55,000	65,000
Somerset Schools	150,000	175,000
Boys and Girls Club - V Lab	-	105,000
Total Net Assets Released from Restrictions	<u>\$ 1,092,500</u>	<u>\$ 1,505,986</u>

**NOTE 9 IN-KIND CONTRIBUTIONS**

The Organization receives donated equipment, supplies and professional services that create or enhance nonfinancial assets and allow the Organization to fulfill its mission. Donated professional services are recognized if the services received: create or enhance long-lived assets or require specialized skills; are provided by individuals possessing those skills; and would typically need to be purchased if not provided by donation. The amounts are recorded at fair market value by donors.

The Organization also regularly receives services from volunteers who are not acting in a professional capacity; such volunteer services do not meet the criteria for financial statement recognition and are not included in the financial statements. Volunteers worked approximately 2,800 and 1,600 hours in 2025 and 2024, respectively.

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**NOTE 9 IN-KIND CONTRIBUTIONS (CONTINUED)**

In-kind contributions received by the Organization for the years ended August 31, 2025 and 2024 were considered to be contributions without donor restrictions and are able to be used by the Organization as determined by the board of directors and management. All amounts were used in program activities with the exception of professional services, which were used for management and general purposes. In-kind contributions were valued at fair market value, with the exception of those provided by Newark Public Schools and professional services, which were based on actual costs. For equipment and supplies, fair value is based on current price lists for similar assets.

In-kind contributions consist of the following:

	2025	2024
Newark Rent and Utilities	\$ 384,219	\$ 182,246
Newark Salaries and Benefits	244,160	389,100
Professional Services	83,180	254,393
Lab Supplies and Equipment	174,781	143,626
Capitalized Equipment	65,068	65,955
Total In-Kind Contributions	\$ 951,408	\$ 1,035,320

**NOTE 10 FUNCTIONAL EXPENSES**

The costs of providing the various programs and other activities have been summarized on a functional basis on the statements of functional expenses. Accordingly, certain costs have been allocated among the program services and supporting services. Management and general expenses are those not directly identifiable with any specific function, but which provide for the overall support and direction of the Organization.

The financial statements contain certain categories of expense that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Facility costs have been allocated based on square footage ratably between program services, management and general, and fundraising. All other expenses, including salaries and related expenses, are direct costs.

**NOTE 11 PENSION PLAN**

In April 2021, the Organization implemented a 403(b) plan. The plan allows for employee contributions and discretionary employer contributions based on certain eligibility criteria. During the years ended August 31, 2025 and 2024, there were no discretionary employer contributions made.

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**NOTE 12 CONCENTRATIONS**

At August 31, 2025, two donors accounted for approximately 56% of promises to give. At August 31, 2024, three donors accounted for approximately 76% of promises to give.

**NOTE 13 SIGNIFICANT RISKS AND UNCERTAINTIES**

We manage deposit concentration risk by placing cash and money market accounts with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of August 31, 2025 and 2024, the Organization had approximately \$1,340,000 and \$1,280,000 respectively, in excess of FDIC insurance limits.

The Organization's investments are concentrated in bonds, mutual funds, and stocks. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of financial position.

**NOTE 14 COMMITMENTS AND CONTINGENCIES**

**Newark Public Schools Agreement**

In July 2021, the Organization entered into a memorandum of understanding with Newark Board of Education that expires on June 30, 2026, to continue to inspire, motivate, and educate Newark students to pursue careers in science technology and mathematics. Newark Board of Education will continue to donate commercial office space, related utilities, and staffing associated with the program. The value of the donated space and employee contribution is estimated at approximately \$449,000 and \$571,000, respectively, and these amounts are included in In-Kind Contributions on the statements of activities and changes in net assets, and Facilities Cost and Salaries In-Kind on the statement of functional expenses for the years ended August 31, 2025 and 2024. In addition, Newark Public Schools is responsible for an annual commitment of \$1,100,000 of expense reimbursement. This amount has been recorded as Program Income on the statements of activities and changes in net assets for the years ended August 31, 2025 and 2024.

**STUDENTS 2 SCIENCE, INC.**  
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**NOTE 15 LIQUIDITY AND AVAILABILITY**

The following represents the Organization's financial assets, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditure in the following year.

	2025	2024
Cash and Cash Equivalents	\$ 2,207,493	\$ 1,508,100
Investments	2,535,794	3,012,742
Promises to Give	625,663	606,300
Total Financial Assets	5,368,950	5,127,142
Less: Amounts not Available to be Used Within		
One Year:		
Net Assets with Donor Restrictions	(1,388,247)	(1,217,500)
Net Assets with Purpose Restrictions to be Met in		
Less Than One Year	980,047	721,250
Financial Assets Available to Meet General		
Expenditures Over the Next 12 Months	\$ 4,960,750	\$ 4,630,892

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity plan, excess cash is invested in short-term investments, such as money market accounts and Level 1 investments.



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