

A NOISE WITHIN
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**A NOISE WITHIN
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF FUNCTIONAL EXPENSES	6
STATEMENTS OF CASH FLOWS	8
NOTES TO FINANCIAL STATEMENTS	9



INDEPENDENT AUDITORS' REPORT

Board of Directors
A Noise Within
Pasadena, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of A Noise Within (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, 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 A Noise Within, as of June 30, 2025 and 2024, and the changes in its net assets and 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 A Noise Within and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 A Noise Within'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 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 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 A Noise Within'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 A Noise Within'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

Pasadena, California
January 28, 2026

**A NOISE WITHIN
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 438,421	\$ 558,063
Investments (Note 5)	4,054,806	2,862,313
Accounts and Other Receivable	3,558	9,920
Contributions Receivable (Note 4)	-	50,268
Prepaid Expenses and Other Assets	79,255	98,016
Deferred Compensation Investments (Note 5)	673,116	553,962
Property and Equipment, Net (Note 6)	<u>9,523,235</u>	<u>9,714,279</u>
Total Assets	<u><u>\$ 14,772,391</u></u>	<u><u>\$ 13,846,821</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 153,932	\$ 130,920
Deferred Revenue	365,149	372,942
Deferred Compensation Liability	673,116	553,962
Loans Payable (Note 7)	<u>80,768</u>	<u>87,978</u>
Total Liabilities	1,272,965	1,145,802
NET ASSETS		
Without Donor Restrictions:		
Undesignated	11,697,324	11,010,979
Board Designated - Plant Fund	<u>486,941</u>	<u>421,732</u>
Total Without Donor Restrictions	12,184,265	11,432,711
With Donor Restrictions (Note 8)	<u>1,315,161</u>	<u>1,268,308</u>
Total Net Assets	<u>13,499,426</u>	<u>12,701,019</u>
Total Liabilities and Net Assets	<u><u>\$ 14,772,391</u></u>	<u><u>\$ 13,846,821</u></u>

See accompanying Notes to Financial Statements.

A NOISE WITHIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
REVENUE AND SUPPORT				
Revenue:				
Ticket Sales	\$ 1,849,168	\$ -	\$ 1,849,168	\$ 1,717,615
Education Programs	178,152	-	178,152	137,966
Other Income, net	133,631	-	133,631	98,278
Total Revenue	<u>2,160,951</u>	<u>-</u>	<u>2,160,951</u>	<u>1,953,859</u>
Support:				
Contributions and Grants	2,393,033	181,296	2,574,329	1,915,035
Special Event, Net	240,241	-	240,241	218,147
Investment Gain	117,126	111,136	228,262	212,994
Total Support	<u>2,750,400</u>	<u>292,432</u>	<u>3,042,832</u>	<u>2,346,176</u>
Net Assets Released from Restrictions	<u>245,579</u>	<u>(245,579)</u>	<u>-</u>	<u>-</u>
 Total Revenue and Support	 5,156,930	 46,853	 5,203,783	 4,300,035
EXPENSES				
Program:				
Theatre Productions	2,183,003	-	2,183,003	2,043,042
Education Programs	1,131,215	-	1,131,215	1,129,132
Total Program	<u>3,314,218</u>	<u>-</u>	<u>3,314,218</u>	<u>3,172,174</u>
Supporting Services:				
General and Administrative	369,535	-	369,535	370,400
Fundraising and Development	309,461	-	309,461	307,933
Total Supporting Services	<u>678,996</u>	<u>-</u>	<u>678,996</u>	<u>678,333</u>
 Total Expenses Before Depreciation and Interest	 <u>3,993,214</u>	 <u>-</u>	 <u>3,993,214</u>	 <u>3,850,507</u>
CHANGE IN NET ASSETS BEFORE DEPRECIATION AND INTEREST	 1,163,716	 46,853	 1,210,569	 449,528
Depreciation	(354,189)	-	(354,189)	(349,127)
Interest	(4,790)	-	(4,790)	(6,777)
Credit Loss Expense	<u>(53,183)</u>	<u>-</u>	<u>(53,183)</u>	<u>-</u>
CHANGE IN NET ASSETS	 751,554	 46,853	 798,407	 93,624
Net Assets – Beginning of Year	<u>11,432,711</u>	<u>1,268,308</u>	<u>12,701,019</u>	<u>12,607,395</u>
NET ASSETS – END OF YEAR	<u><u>\$ 12,184,265</u></u>	<u><u>\$ 1,315,161</u></u>	<u><u>\$ 13,499,426</u></u>	<u><u>\$ 12,701,019</u></u>

See accompanying Notes to Financial Statements.

**A NOISE WITHIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Revenue:			
Ticket Sales	\$ 1,717,615	\$ -	\$ 1,717,615
Education Programs	137,966	-	137,966
Other Income	98,278	-	98,278
Total Revenue	<u>1,953,859</u>	<u>-</u>	<u>1,953,859</u>
Support:			
Contributions and Grants	1,819,299	95,736	1,915,035
Special Event, Net	218,147	-	218,147
Investment Gains	85,072	127,922	212,994
Total Support	<u>2,122,518</u>	<u>223,658</u>	<u>2,346,176</u>
Net Assets Released from Restrictions	94,101	(94,101)	-
Total Revenue and Support	<u>4,170,478</u>	<u>129,557</u>	<u>4,300,035</u>
EXPENSES			
Program:			
Theatre Productions	2,043,042	-	2,043,042
Education Programs	1,129,132	-	1,129,132
Total Program	<u>3,172,174</u>	<u>-</u>	<u>3,172,174</u>
Supporting Services:			
General and Administrative	370,400	-	370,400
Fundraising and Development	307,933	-	307,933
Total Supporting Services	<u>678,333</u>	<u>-</u>	<u>678,333</u>
Total Expenses Before Depreciation and Interest	<u>3,850,507</u>	<u>-</u>	<u>3,850,507</u>
CHANGE IN NET ASSETS BEFORE DEPRECIATION AND INTEREST	319,971	129,557	449,528
Depreciation	(349,127)	-	(349,127)
Interest	(6,777)	-	(6,777)
NET CHANGE IN NET ASSETS	(35,933)	129,557	93,624
Net Assets – Beginning of Year	<u>11,468,644</u>	<u>1,138,751</u>	<u>12,607,395</u>
NET ASSETS – END OF YEAR	<u>\$ 11,432,711</u>	<u>\$ 1,268,308</u>	<u>\$ 12,701,019</u>

See accompanying Notes to Financial Statements.

A NOISE WITHIN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR 2024)

	Program Services		Management and General	Fundraising	2025 Total	2024 Total
	Theater Productions	Education Programs				
Salaries and Benefits	\$ 1,299,897	\$ 629,456	\$ 172,338	\$ 258,945	\$ 2,360,636	\$ 2,441,157
Production Artistic and Technical Fees	181,722	89,509	43	43	271,317	241,895
Production Supplies, Materials, and Expenses	124,578	61,359	-	-	185,937	123,728
Royalties and Fees	58,561	28,843	-	-	87,404	68,295
Education Related Expenses	-	75,731	-	-	75,731	58,988
Marketing and Public Relations	211,252	84,821	171	10,738	306,982	304,165
Merchant and Bank Charges	79,659	47,795	15,932	15,932	159,318	93,506
Professional Fees	20,318	10,159	150,835	-	181,312	129,202
Utilities	79,480	39,740	13,247	-	132,467	142,707
Repairs and Maintenance	45,457	22,728	7,576	-	75,761	76,273
Insurance and Taxes	51,491	25,526	3,670	-	80,687	108,047
Office Expenses	30,588	15,548	5,723	23,803	75,662	62,544
Total Expenses Before Depreciation and Interest	2,183,003	1,131,215	369,535	309,461	3,993,214	3,850,507
Depreciation	212,513	106,257	35,419	-	354,189	349,127
Interest	2,874	1,437	479	-	4,790	6,777
Credit Loss Expense	-	-	53,183	-	53,183	-
Total Expenses Before Special Events Costs	2,398,390	1,238,909	458,616	309,461	4,405,376	4,206,411
Special Events Costs	-	-	-	30,059	30,059	27,603
Cost of Concessions Sales	30,078	-	-	-	30,078	27,358
Total Expenses	<u>\$ 2,428,468</u>	<u>\$ 1,238,909</u>	<u>\$ 458,616</u>	<u>\$ 339,520</u>	<u>\$ 4,465,513</u>	<u>\$ 4,261,372</u>

See accompanying Notes to Financial Statements.

A NOISE WITHIN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services		Management and General	Fundraising	Total
	Theater Productions	Education Programs			
Salaries and Benefits	\$ 1,269,629	\$ 667,715	\$ 241,105	\$ 262,708	\$ 2,441,157
Production Artistic and Technical Fees	162,033	79,810	26	26	241,895
Production Supplies, Materials, and Expenses	82,898	40,830	-	-	123,728
Royalties and Fees	45,758	22,537	-	-	68,295
Education Related Expenses	-	58,988	-	-	58,988
Marketing and Public Relations	185,680	104,429	2,537	11,519	304,165
Merchant and Bank Charges	46,753	28,051	9,351	9,351	93,506
Professional Fees	32,312	16,156	80,734	-	129,202
Utilities	85,625	42,811	14,271	-	142,707
Repairs and Maintenance	45,764	22,882	7,627	-	76,273
Insurance and Taxes	64,828	32,414	10,805	-	108,047
Office Expenses	21,762	12,509	3,944	24,329	62,544
Total Expenses Before Depreciation and Interest	<u>2,043,042</u>	<u>1,129,132</u>	<u>370,400</u>	<u>307,933</u>	<u>3,850,507</u>
Depreciation	209,477	104,737	34,913	-	349,127
Interest	4,066	2,033	678	-	6,777
Total Expenses Before Special Events Costs	<u>2,256,585</u>	<u>1,235,902</u>	<u>405,991</u>	<u>307,933</u>	<u>4,206,411</u>
Special Events Costs	-	-	-	27,603	27,603
Cost of Concessions Sales	27,358	-	-	-	27,358
Total Expenses	<u>\$ 2,283,943</u>	<u>\$ 1,235,902</u>	<u>\$ 405,991</u>	<u>\$ 335,536</u>	<u>\$ 4,261,372</u>

See accompanying Notes to Financial Statements.

A NOISE WITHIN
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 798,407	\$ 93,624
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation	354,189	349,127
Realized and Unrealized Investment Gains	(150,870)	(162,096)
Noncash Changes in Contributions Receivable Allowance	50,268	-
Changes in Assets and Liabilities:		
Contributions Receivable, Net	-	(44,416)
Accounts and Other Receivable	6,362	6,029
Prepaid Expenses and Other Assets	18,761	34,458
Deferred Compensation Investment	(119,154)	(148,212)
Accounts Payable and Accrued Expenses	23,012	21,352
Deferred Revenue	(7,793)	74,672
Deferred Compensation Liability	119,154	148,212
Net Cash Provided by Operating Activities	<u>1,092,336</u>	<u>372,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of Investment	503,815	378,800
Purchase of Investment	(1,545,438)	(268,664)
Purchase of Property and Equipment	(163,145)	(181,729)
Net Cash Used by Investing Activities	<u>(1,204,768)</u>	<u>(71,593)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Loans Payable	<u>(7,210)</u>	<u>(7,812)</u>
Net Cash Used by Financing Activities	<u>(7,210)</u>	<u>(7,812)</u>
NET CHANGE IN CASH	(119,642)	293,345
Cash - Beginning of Year	<u>558,063</u>	<u>264,718</u>
CASH - END OF YEAR	<u>\$ 438,421</u>	<u>\$ 558,063</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	<u>\$ 4,790</u>	<u>\$ 6,777</u>

See accompanying Notes to Financial Statements.

**A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 ORGANIZATION

A Noise Within (the Organization) is a California public benefit corporation organized in 1992 which operates a classical theatre company in Pasadena, California. The Organization produces classic theatre as an essential means to enrich our community by embracing universal human experiences, expanding personal awareness and challenging individual perspectives.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting to conform to generally accepted accounting principles in the United States of America (U.S. GAAP) as applicable to nonprofit entities. Net assets, 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 have been classified and are reported as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are resources available to support operations, including donor-restricted contributions whose restrictions are met in the same reporting period and net assets designated by the board of directors for specific purposes. The board of directors has designated a plant fund for the use of major facilities expenses.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Ticket revenue is recognized at a point in time of the related performance. Payments for ticket sales for performances that occur subsequent to year-end are shown as deferred revenue. As of June 30, 2025 and 2024, program related accounts receivable and deferred revenue are as follows:

	Program Related	
	Accounts Receivable	Deferred Revenue
Balance - July 1, 2023	\$ 15,949	\$ 298,270
Net Change	(6,029)	74,672
Balance - June 30, 2024	9,920	372,942
Net Change	(6,362)	(7,793)
Balance - June 30, 2025	<u>\$ 3,558</u>	<u>\$ 365,149</u>

**A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Education program revenue is recognized in the period during which the academic services are rendered (over time).

Contributions revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions.

Investments

Investments are stated at fair value which is based on quoted market prices. Unrealized gains or losses on investments resulting from fair value fluctuations are recorded in the statements of activities.

Property and Equipment

Property and equipment which is purchased or constructed is stated at cost; assets acquired by gift are stated at fair value at the date of acquisition. The Organization capitalizes property and equipment purchases of \$5,000 or more. The Organization uses the straight-line method for the computation of depreciation of long-lived assets according to the following schedule of useful lives:

Buildings	40 Years
Building Improvements	5 to 20 Years
Furniture and Equipment	5 to 10 Years
Website	3 Years

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment losses, if any, are recognized when estimated future cash flows (undiscounted and without interest charges) derived from such assets are less than their carrying values. Management believes no such impairment occurred during the years ended June 30, 2025 and 2024.

Contributions and Grants

Unconditional promises to give are recorded as contribution receivables and revenues. For financial reporting purposes, the Organization distinguishes between contributions without donor restrictions and contributions with donor restrictions. Contributions on which donors have imposed restrictions which limit the use of the donated assets are reported as restricted. When such donor-imposed restrictions are met in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Contributed assets for which donors have not stipulated restrictions, as well as contributions on which donors have placed restrictions which are met within the same reporting period, are reported as contributions without donor restrictions.

**A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Grants (Continued)

Unconditional promises that are expected to be collected within one year are recorded at net realizable value. Unconditional promises that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. As of June 30, 2025 and 2024, contributions receivable is expected to be collected within one year. An allowance for uncollectible contributions receivable may be estimated by management, based on such factors as prior collection history, type of contribution, and the nature of the fundraising activity. Conditional promises to give are not included as support until the conditions are substantially met. During the year ended June 30, 2025, the Organization received a conditional grant of \$2,250,000; as of June 20, 2025, \$1,500,000 remains conditional and has not been collected. For the year ended June 30, 2025, one donor accounted for 29% of the total contribution revenue.

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for ticket sales. The allowance for credit losses is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivables are written off when deemed uncollectible.

Functional Expense Allocation Methodology

The Organization's estimate of the functional expenses shared between program, management and general, and fundraising is based on a reasonable and consistent basis. Salaries and related expenses are allocated based upon management's estimated time expended by the employees. Facility related expenses, such as depreciation and utilities, are allocated based on the estimated facility square footage usage. Other expenses are allocated according to the Organization's estimates or on a direct basis.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures* (ASC 820) establish a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring fair value. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 – Quoted market prices are available in active market for identical assets or liabilities as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3 – Pricing inputs are unobservable and shall be used to measure fair value to the extent that observable inputs are not available. The inputs into the determination of fair value are based upon the best information available and require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk are cash, investments, and receivables. The Organization's cash and investments are held by major financial institutions insured by Federal Deposit Insurance Corporation and Securities Investor Protection Corporation up to their statutory limits. Concentrations of credit risk for student receivables are generally limited due to the dispersion over a wide creditor base.

Income Taxes

The Organization is a nonprofit, tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from federal income and state franchise taxes on related income pursuant to Section 501(a) of IRC and similar provisions of the California Franchise Tax Code. The Organization does not engage in any significant unrelated trades or businesses. Accordingly, no provision for income taxes is required.

U.S. GAAP provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes all of the positions taken by the Organization are more likely than not to be sustained upon examination.

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 28, 2026, the date the financial statements were available to be issued. There were no subsequent events that would require additional adjustments or disclosures in these financial statements.

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2025	2024
Cash	\$ 438,421	\$ 558,063
Investments	2,336,467	1,268,009
Accounts and Other Receivables	3,558	9,920
Contribution Receivables Within One Year	-	50,268
Subtotal	2,778,446	1,886,260
Less: Donor Purpose-Restricted Net Assets	(83,763)	(20,736)
Total	<u>\$ 2,694,683</u>	<u>\$ 1,865,524</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments; cash in excess of daily requirements are invested in an investment account. Although the Organization does not intend to spend from its board-designated reserves, these amounts could be made available if necessary.

NOTE 4 CONTRIBUTIONS RECEIVABLE

Contributions Receivable were as follows as of June 30:

	2025	2024
Contributions Receivable	\$ -	\$ 53,666
Less: Allowance for Credit Losses	-	(3,398)
Contributions Receivable, Net	<u>\$ -</u>	<u>\$ 50,268</u>

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 5 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following are the fair value for investments measured on a recurring basis at June 30:

2025				
	Total	Level 1	Level 2	Level 3
Investments:				
Money Market Fund	\$ 26,605	\$ 26,605	\$ -	\$ -
Exchange - Traded Product	1,007,695	1,007,695	-	-
Fixed Income:				
Equity	246,774	246,774	-	-
U.S. Treasury	2,656,781	-	2,656,781	-
Cash Bank Sweep	116,951	-	-	-
Total	4,054,806	1,281,074	2,656,781	-
Deferred Compensation				
Investment:				
Equity Exchange Traded Fund	673,116	673,116	-	-
Total Investments	<u>\$ 4,727,922</u>	<u>\$ 1,954,190</u>	<u>\$ 2,656,781</u>	<u>\$ -</u>
2024				
	Total	Level 1	Level 2	Level 3
Investments:				
Money Market Fund	\$ 216,283	\$ 216,283	\$ -	\$ -
Exchange - Traded Product	907,231	907,231	-	-
Fixed Income:				
Equity	39,409	39,409	-	-
U.S. Treasury	1,670,686	-	1,670,686	-
Cash Bank Sweep	28,704	-	-	-
Total	2,862,313	1,162,923	1,670,686	-
Deferred Compensation				
Investment:				
Equity Exchange Traded Fund	553,962	553,962	-	-
Total Investments	<u>\$ 3,416,275</u>	<u>\$ 1,716,885</u>	<u>\$ 1,670,686</u>	<u>\$ -</u>

Investment income for the years ended June 30 are comprised of the following:

	2025	2024
Interest and Dividends	\$ 77,392	\$ 50,898
Realized and Unrealized Gain	150,870	162,096
Total Investment Income	<u>\$ 228,262</u>	<u>\$ 212,994</u>

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 6 PROPERTY AND EQUIPMENT

At June 30, property and equipment are as follows:

	2025		
	Cost	Accumulated Depreciation	Total
Land	\$ 2,013,000	\$ -	\$ 2,013,000
Building and Improvements	11,022,800	3,840,222	7,182,578
Furniture and Equipment	828,384	500,727	327,657
Website	25,000	25,000	-
Total Property and Equipment	<u>\$ 13,889,184</u>	<u>\$ 4,365,949</u>	<u>\$ 9,523,235</u>

	2024		
	Cost	Accumulated Depreciation	Total
Land	\$ 2,013,000	\$ -	\$ 2,013,000
Building and Improvements	10,980,452	3,538,146	7,442,306
Furniture and Equipment	707,587	448,614	258,973
Website	25,000	25,000	-
Total Property and Equipment	<u>\$ 13,726,039</u>	<u>\$ 4,011,760</u>	<u>\$ 9,714,279</u>

NOTE 7 LOANS PAYABLE

Pathway Agreement

In March 2018, the Organization entered into an unsecured reimbursement agreement with an unrelated entity in the amount of \$190,000 for a portion of costs relating to construction of a shared pedestrian walkway. The monthly payments are \$1,000 for 190 months. The reimbursement agreement is noninterest bearing and the Organization imputed interest at 5%. As of June 30, 2025 and 2024, the outstanding principal of this reimbursement agreement was \$80,768 and \$87,978, respectively. During the years ended June 30, 2025 and 2024, the imputed interest expense was \$4,790 and \$6,776 respectively.

At June 30, 2025, future principal payments on the pathway loan payable are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 7,950
2027	8,347
2028	8,764
2029	9,203
2030	9,663
Thereafter	36,841
Total	<u>\$ 80,768</u>

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

At June 30, net assets with donor restrictions were for the following purposes:

	2025	2024
Subject to Expenditure for Specified Purposes:		
Production	\$ 69,467	\$ -
Support of Personnel Expense	14,296	20,736
Accumulated Earnings on Endowment	231,398	172,572
Total Subject to Expenditure for Specified Purposes	315,161	193,308
Subject to Passage of Time	-	75,000
Perpetual in Nature	1,000,000	1,000,000
Total	<u>\$ 1,315,161</u>	<u>\$ 1,268,308</u>

During the years ended June 30, net assets were released as follows:

	2025	2024
Production	\$ 97,533	\$ -
Support of Personnel Expense	20,736	16,200
Passage of Time	75,000	23,549
Appropriation from Endowment	52,310	-
Capital Improvements	-	25,000
Professional Development	-	29,352
Total	<u>\$ 245,579</u>	<u>\$ 94,101</u>

NOTE 9 ENDOWMENT

The Organization's endowment consists of a donor-restricted endowment. As required by U.S. GAAP, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board of trustees of the Organization have interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the state of California, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as donor-restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not required to be maintained in perpetuity is classified as donor-restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 9 ENDOWMENT (CONTINUED)

Interpretation of Relevant Law (Continued)

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Endowment Investment and Spending Policy

The Organization maintains a permanent endowment fund to ensure the long-term sustainability and growth of its mission. The endowment is invested with the dual goals of preserving principal and providing a reliable source of annual support. In accordance with the spending policy, a prudent annual draw from the endowment is calculated as a percentage of the fund's average market value based on the same spending percentage as the UCLA Foundation's annual draw. This annual distribution is restricted to support the Organization's educational programming and related activities, including curriculum-based student matinees, teacher resources, educational staff, workshops, community engagement initiatives, and other mission-driven learning opportunities. For the year ended June 30, 2025, the Organization's endowment spending was approximately 4.25%.

The Organization's endowment by net asset class at June 30, 2025 and 2024, in total and by type of endowment fund, are as follows:

2025			
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount			
to be Maintained in Perpetuity by Donor	\$ -	\$ 1,000,000	\$ 1,000,000
Accumulated Investment Gain	-	231,398	231,398
Total	<u>\$ -</u>	<u>\$ 1,231,398</u>	<u>\$ 1,231,398</u>
2024			
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount			
to be Maintained in Perpetuity by Donor	\$ -	\$ 1,000,000	\$ 1,000,000
Accumulated Investment Gain	-	172,572	172,572
Total	<u>\$ -</u>	<u>\$ 1,172,572</u>	<u>\$ 1,172,572</u>

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 9 ENDOWMENT (CONTINUED)

Changes in endowment assets for the years ended June 30, 2025 and 2024, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - July 1, 2023	\$ -	\$ 1,044,650	\$ 1,044,650
Investment Return:			
Interest Income	-	23,911	23,911
Net Appreciation	-	104,011	104,011
Total Investment Return	-	127,922	127,922
Endowment Net Assets - June 30, 2024	\$ -	\$ 1,172,572	\$ 1,172,572
Investment Return:			
Interest Income	-	26,125	26,125
Net Appreciation	-	85,011	85,011
Total Investment Return	-	111,136	111,136
Appropriation	-	(52,310)	(52,310)
Endowment Net Assets - June 30, 2025	\$ -	\$ 1,231,398	\$ 1,231,398

NOTE 10 SPECIAL EVENTS

Fundraising revenue comprise an exchange element based on the value of the benefits provided, and a contribution element for the difference between the total support and the exchange element. Special events activities consisted of the following for the years ended June 30, 2025 and 2024.

	2025	2024
Contribution Revenue	\$ 150,050	\$ 26,250
Tickets and Tables Sales	120,250	219,500
Subtotal	270,300	245,750
Less: Special Events Costs	(30,059)	(27,603)
Total	\$ 240,241	\$ 218,147

NOTE 11 RETIREMENT PLAN

In July 2018, the Organization adopted a simple IRA plan (the Plan) for substantially all of its employees. The Organization matches participants' contribution up to 3% of the participants' base salary. During the years ended June 30, 2025 and 2024, the Organization made \$29,122 and \$22,605 contributions to the Plan, respectively.

A NOISE WITHIN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 12 RETENTION PAYMENT PLAN

In 2016, the Organization set up a 457(b) deferred compensation plan for the benefit of the two Artistic Directors. Benefits may be forfeited due to involuntary separation from service for cause. Benefits may be paid to the recipient in either a lump-sum or over time, between 1 and 20 years. Under the agreement, the Organization makes annual credits to each of the Artistic Directors until January 1, 2029.

As of June 30, 2025 and 2024, accrued deferred compensation liability was \$673,116 and \$553,962, respectively. The Organization has set aside funds in marketable securities selected by the Artistic Directors. The marketable securities are considered as Level 1 in the fair value measurement measured on a recurring basis.

