



New Jersey Theatre Alliance, Inc.

**Financial Statements
With Independent Auditor's Report
June 30, 2025**

**Fylstra & Associates, LLC
Certified Public Accountants
Allendale, New Jersey**

New Jersey Theatre Alliance, Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of New Jersey Theatre Alliance, Inc.

Opinion

We have audited the accompanying financial statements of New Jersey Theatre Alliance, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 New Jersey Theatre Alliance, Inc. as of June 30, 2025, and the changes in net assets and its cash flows for the year 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 New Jersey Theatre Alliance, 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 New Jersey Theatre Alliance, 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 New Jersey Theatre Alliance, 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 New Jersey Theatre Alliance, 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.

Report on Summarized Comparative Information

We have previously audited New Jersey Theatre Alliance, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Allendale, New Jersey
September 11, 2025



Fylstra & Associates, LLC

New Jersey Theatre Alliance, Inc.
Statement of Financial Position
June 30, 2025
With Comparative Totals for 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 524,772	\$ 482,423
Accounts receivable	22,465	4,340
Grants receivable	173,500	96,773
Prepaid expense	4,488	
Investments - Cash Reserve	856,506	795,959
Investments - Endowment	1,466,501	1,333,184
Property and equipment at cost, net of accumulated depreciation	27,573	41,865
Total assets	<u>\$ 3,075,805</u>	<u>\$ 2,754,544</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 17,207	\$ 15,126
Total liabilities	<u>17,207</u>	<u>15,126</u>
Net Assets		
Without donor restrictions	1,876,630	1,546,850
With donor restrictions	1,181,968	1,192,568
Total net assets	<u>3,058,598</u>	<u>2,739,418</u>
Total liabilities and net assets	<u>\$ 3,075,805</u>	<u>\$ 2,754,544</u>

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.
Statement of Activities
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>			<u>2024</u>		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support						
Government	\$ 442,550		442,550	\$ 363,742		363,742
Foundations	205,000	45,000	250,000	259,100	50,000	309,100
Corporations	42,835		42,835	63,375		63,375
Individuals	99,018		99,018	77,317		77,317
Special events	254,904		254,904	63,573		63,573
Net assets released from restrictions	55,600	(55,600)		38,660	(38,660)	
	1,099,907	(10,600)	1,089,307	865,767	11,340	877,107
Revenue						
Dues	50,727		50,727	48,728		48,728
Program revenue	11,860		11,860	1,370		1,370
Fees for service	3,650		3,650	4,350		4,350
Interest income	7,752		7,752	4,956		4,956
In-kind contributions	12,000		12,000	4,000		4,000
Total support and revenue	1,185,896	(10,600)	1,175,296	929,171	11,340	940,511
Expenses						
Program Services	681,596		681,596	588,927		588,927
Management and general	161,952		161,952	137,886		137,886
Fundraising	206,433		206,433	160,573		160,573
Total expenses	1,049,981		1,049,981	887,386		887,386
Change in Net Assets from Operations	135,915	(10,600)	125,315	41,785	11,340	53,125
Investment Return	193,865		193,865	215,155		215,155
Change in Net Assets	329,780	(10,600)	319,180	256,940	11,340	268,280
Net Assets						
Beginning of Year	1,546,850	1,192,568	2,739,418	1,289,910	1,181,228	2,471,138
End of Year	\$ 1,876,630	\$ 1,181,968	\$ 3,058,598	\$ 1,546,850	\$ 1,192,568	\$ 2,739,418

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.
Statement of Functional Expenses
Year Ended June 30, 2025
With Comparative Totals for 2024

	Program Services	Management and general	Fundraising	Total 2025	Total 2024
Salaries	\$ 306,895	\$ 67,203	\$ 79,268	\$ 453,366	\$ 411,511
Payroll taxes	22,713	7,781	6,403	36,897	34,890
Payroll benefits	33,697	7,758	8,703	50,158	37,593
Theatre worker relief fund					20,900
NJ marketing campaign	89,084			89,084	96,688
Contracted services	6,340	712		7,052	15,200
Bank fees	271	2,888		3,159	1,990
Fundraising expense			17,189	17,189	11,387
Hospitality	17,354	5,496		22,850	4,321
Insurance		3,519		3,519	2,018
Internet expense	7,574	11,404		18,978	16,800
Marketing	15,320	1,702		17,022	10,026
Meetings	9,416	1,919		11,335	12,739
Miscellaneous	9,706	299		10,005	4,578
Outside fees and services	1,403	5,451		6,854	8,559
Postage		678		678	704
Printing	1,541	441		1,982	1,047
Professional affiliation	10,461	2,361		12,822	5,503
Professional fees	126,484	13,846		140,330	88,909
Rent		16,138		16,138	7,133
Special event			94,870	94,870	53,326
Supplies	1,378	1,657		3,035	4,775
Telephone		2,677		2,677	3,507
Equipment Rental	1,100			1,100	500
Travel	6,567	8,022		14,589	14,913
	667,304	161,952	206,433	1,035,689	869,517
Depreciation	14,292			14,292	17,869
Total	\$ 681,596	\$ 161,952	\$ 206,433	\$ 1,049,981	\$ 887,386

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.
Statement of Cash Flows
Year Ended June 30, 2025
With Comparative Totals for 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ 319,180	\$ 268,280
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Depreciation	14,292	17,869
(Gain) loss on investments	(139,465)	(151,498)
Changes in operating assets and liabilities:		
Receivables	(94,852)	6,025
Prepaid expense	(4,488)	
Payables	2,081	(3,820)
Net cash provided by (applied to) operating activities	<u>96,748</u>	<u>136,856</u>
Cash Flows from Investing Activities		
Decrease (increase) in investments	<u>(54,399)</u>	<u>(117,657)</u>
Net cash provided by (applied to) investing activities	<u>(54,399)</u>	<u>(117,657)</u>
Net Increase (Decrease) in Cash	42,349	19,199
Cash and Cash Equivalents		
Beginning of Year	<u>482,423</u>	<u>463,224</u>
End of Year	<u><u>\$ 524,772</u></u>	<u><u>\$ 482,423</u></u>

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

1. Nature of Activities:

Organization - The New Jersey Theatre Alliance, Inc. (the Organization) unites, promotes, strengthens, and cultivates New Jersey's professional theatres. We advance the theatre community by developing innovative, collaborative, and engaging programs and services for member theatres and their diverse audiences.

2. Summary of Significant Accounting Policies:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - Net assets that are not subject to or are no longer subject to donor imposed stipulations.

Net Assets With Donor Restrictions - Net assets whose use is limited by donor imposed time and/or purpose restrictions.

Revenue Recognition - The financial statements are prepared on the accrual basis of accounting, whereby income is recorded when earned and expenses when incurred.

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.

Cash and Cash Equivalents - The Organization considers all cash on hand and in the bank, money market funds, and certificates of deposit with an original maturity of less than three months to be cash equivalents.

Contributions - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

2. Summary of Significant Accounting Policies (continued):

Property and Equipment - Property and equipment over \$3,000 are recorded at cost or if donated as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the various assets.

Investments - Investment in equity securities with readily determinable fair market values and all investments in debt securities are measured at fair market value in the statement of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest, dividends and investment custodial fees) is included in the statement of activities as increases or decreases in net assets.

Income Taxes - The Organization is a not-for-profit organization exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code. There is, therefore, no provision for income taxes in these financial statements. Annually, the Organization files Form 990, Return of Organizations Exempt from Income Tax with the Internal Revenue Service. The Organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Tax returns are open for examination by the Internal Revenue Service for three years after filing. Returns for this year and the last three years remain open.

Functional allocation of expenses - The costs of providing the various programs and activities have been summarized on a functional basis. Accordingly certain costs have been allocated among the programs and supporting services benefited.

Donated Services - The value of donated services to the Organization meeting the requirements for recognition in the financial statements is disclosed in Note 13.

Comparative Financial Information - The financial statements include a statement of functional expenses that is presented only for the year ended June 30, 2025, with comparative totals for the year ended June 30, 2024. That information for 2024 does not include sufficient detail to constitute a presentation in conformity with GAAP. Such information should be read in conjunction with the financial statements for the year ended June 30, 2024, from which the summarized information was derived.

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

2. Summary of Significant Accounting Policies (continued):

Concentration of Risk - The Organization's investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Fair Value Measurement - The fair value of financial assets and liabilities is measured according to the *Fair Value Measurements and Disclosures* topic of the FASB Accounting Standards Codification. Fair value is required to be evaluated and adjusted according to the following valuation techniques.

Level 1 - Fair value is determined using quoted market prices in active markets for identical assets and liabilities. Assets in this level typically include publicly traded equities, mutual fund investments, cash equivalents, and listed derivatives.

Level 2 - Fair value is determined using quoted market prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market for substantially the full term of the assets and liabilities. Assets in this level include debt securities and partnerships that hold Level 1 assets, provided that the organization has the ability to redeem the investment in the near term, and real estate held for investment if measured by a current appraisal.

Level 3 - Fair value is determined using inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The market for assets and liabilities using Level 3 measures is typically inactive. Assets in this level include alternative investments, real estate held for investment if measured using management estimates, investment in partnerships and limited liability companies, and beneficial interests in charitable remainder trusts.

Subsequent Events - The Organization has evaluated subsequent events for potential recognition or disclosure through September 11, 2025, the date the financial statements were available to be issued.

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

3. Investments:

Investments as of June 30, 2025 are stated at fair value and are summarized as follows:

Cash Reserve investments:

	Cost	Level 1	Level 2	Level 3	Fair Value
City National Bank:					
Money Market	\$ 137,811	\$137,811	\$ -	\$ -	\$ 137,811
Fixed Income Funds	536,385		536,385		536,385
Equity Funds	182,310	182,310			182,310
	<u>\$ 856,506</u>	<u>\$320,121</u>	<u>\$ 536,385</u>	<u>\$ -</u>	<u>\$ 856,506</u>

Endowment investments:

City National Bank:					
Money Market	\$ 22,234	\$ 22,234	\$ -	\$ -	\$ 22,234
Fixed Income Securities	516,547		516,547		516,547
Mutual Funds	927,720	927,720			927,720
	<u>\$ 1,466,501</u>	<u>\$949,954</u>	<u>\$ 516,547</u>	<u>\$ -</u>	<u>\$1,466,501</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year. Income from the Endowment fund is unrestricted.

	Cash Reserve	Endowment	Total
Interest and dividends	\$ 28,602	\$ 38,025	\$ 66,627
Custodial fees	(3,897)	(8,331)	(12,228)
	<u>24,705</u>	<u>29,694</u>	<u>54,399</u>
Investment gain or (loss)	35,843	103,623	139,466
	<u>\$ 60,548</u>	<u>\$ 133,317</u>	<u>\$ 193,865</u>

4. Grants Receivable:

	2025	2024
Due within one year	\$ 173,500	\$ 96,773
	<u>\$ 173,500</u>	<u>\$ 96,773</u>

No allowance for uncollectible amounts is deemed necessary.

5. Property and Equipment:

	2025	2024
Program equipment	\$ 89,347	\$ 89,347
Less accumulated depreciation	61,774	47,482
Property and Equipment, net	<u>\$ 27,573</u>	<u>\$ 41,865</u>

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

6. Concentrations:

The Organization operates primarily in New Jersey. The Organization is thus subject to fluctuations in local economic conditions. In planning and budgeting during a fiscal year, significant reliance is placed on meeting revenue goals in order for the Organization to sustain successful operations.

7. Line of Credit:

The Organization has an unsecured line-of-credit arrangement with an area bank, with interest at the prime rate. The line of credit limit is \$100,000, of which no amount is currently outstanding.

8. Net Assets:

The Organization has \$235,000 in net assets with donor restrictions set aside for future periods along with \$946,968 in endowment assets.

9. Program Expenses are as follows:

	2025	2024
Access Projects	\$ 102,076	\$ 76,373
Marketing	62,551	48,528
Website	57,585	39,705
Theatre Worker Relief		20,900
Salary Survey	42,626	16,728
EDI Initiatives		4,873
Creating Change	91,972	47,302
Career Accelerator Program	83,248	61,668
Theatre and Health Project	38,561	42,370
NJ Theatre Marketing Campaign	89,084	96,688
Audio Description & Sign Interp Training	9,389	9,145
Other Program Costs	90,212	124,647
Total program costs	<u>\$ 667,304</u>	<u>\$ 588,927</u>

10. Retirement Plans:

All full time employees may participate in a 403(b) Tax Deferred Annuity Plan sponsored by the organization. After one year of service, the Organization will match 4% of employee contributions. The matching contribution for the year ended June 30, 2025 was \$11,244.

New Jersey Theatre Alliance, Inc.

Notes to Financial Statements

June 30, 2025

11. Contingencies:

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting the gifts and their terms, it has accommodated the objectives of the gift provisions.

12. Liquidity and Availability of Financial Assets:

The Organization's primary sources of revenue are government and foundation grants. They monitor their liquidity so they are able to meet all operating needs. They have the following financial assets that could readily be made available within one year of the balance sheet date to fund expenses without limitations.

	2025	2024
Cash and cash equivalents	\$ 524,772	\$ 482,423
Accounts receivable	22,465	4,340
Grants receivable	173,500	96,773
Investments - Cash Reserve	856,506	795,959
	<u>\$ 1,577,243</u>	<u>\$ 1,379,495</u>

13. Rent Expense:

The Organization recognized in-kind contribution of facilities and related expenses. Donated goods and services are recorded as contributions at their estimated fair values at the date of donation. As of March 1, 2024 the Organization has office space at 432 Lakehurst Road Suite 1 in Toms River, NJ that is owned by the Grunin Foundation. The Organization recognizes \$1,000 monthly of in-kind contributions and related expenses for the office space. Total in-kind contributions and related expenses are \$12,000 for the year ended June 30, 2025.