



IGNITE

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2025

(With summarized totals for the year ended June 30, 2024)

IGNITE
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Ignite
Oakland, California

Opinion

We have audited the accompanying financial statements of Ignite (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 Ignite as of June 30, 2025, and the changes in its 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 Ignite 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 these 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 Ignite's ability to continue as a going concern within one year after the date 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 misstatements 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 Ignite'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 Ignite'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 Ignite's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 21, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Zuehls, Legassi & Co.

Los Angeles, California
October 21, 2025

IGNITE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 131,545	\$ 821,321
Accounts Receivable, net	-	2,000
Promises to give	820,000	540,000
Employee advance	92	-
Prepaid expenses	87,837	27,690
TOTAL CURRENT ASSETS	1,039,474	1,391,011
NON-CURRENT ASSETS		
Fixed assets, net	-	-
Deposits	-	-
TOTAL NON-CURRENT ASSETS	-	-
TOTAL ASSETS	\$ 1,039,474	\$ 1,391,011
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 47,287	\$ 118,690
Accrued vacation	35,172	53,910
Accrued expenses	48,818	59,025
TOTAL CURRENT LIABILITIES	131,277	231,625
TOTAL LIABILITIES	131,277	231,625
NET ASSETS		
Without donor restrictions	(170,970)	337,352
With donor restrictions	1,079,167	822,034
TOTAL NET ASSETS	908,197	1,159,386
TOTAL LIABILITIES AND NET ASSETS	\$ 1,039,474	\$ 1,391,011

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

IGNITE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025
(with summarized totals for the year ended June 30, 2024)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2025 TOTAL	2024 TOTAL
REVENUE AND SUPPORT				
Foundation grants	\$ 250,073	\$ 1,557,981	\$ 1,808,054	\$ 762,000
Corporation grants	22,000	10,000	32,000	142,701
Contributions	302,831	22,625	325,456	521,340
Government grants	-	-	-	619,891
Board contributions	62,780	-	62,780	82,772
Program service fees	15,000	-	15,000	10,434
Event income	-	-	-	200
Ticket sales	-	-	-	2,133
Other donations	-	-	-	350
In-kind donations	-	-	-	3,000
Other Income				
Interest and dividends	8,288	-	8,288	33,455
Realized gain/(loss)	72	-	72	(765)
Unrealized gain/(loss)	-	-	-	(492)
Other miscellaneous income	14,792	-	14,792	15,809
Assets relieved of restrictions	1,333,473	(1,333,473)	-	-
TOTAL REVENUE AND SUPPORT	2,009,309	257,133	2,266,442	2,192,828
EXPENSES				
Program services	1,952,899	-	1,952,899	3,336,124
Management and general	233,542	-	233,542	216,739
Fundraising	331,190	-	331,190	422,062
TOTAL EXPENSES	2,517,631	-	2,517,631	3,974,925
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(508,322)	257,133	(251,189)	(1,782,097)
NET ASSETS, BEGINNING OF YEAR	337,352	822,034	1,159,386	2,941,483
NET ASSETS, END OF YEAR	\$ (170,970)	\$ 1,079,167	\$ 908,197	\$ 1,159,386

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

IGNITE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING ACTIVITIES		
Change in net assets	\$ (251,189)	\$ (1,782,097)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized gain/(loss)	-	765
Unrealized gain/(loss)	-	492
Depreciation	-	-
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable, net	2,000	-
(Increase) decrease in promises to give	(280,000)	197,085
(Increase) decrease in employee advance	(92)	-
(Increase) decrease in prepaid expenses	(60,147)	60,986
Increase (decrease) in accounts payable	(71,403)	79,478
Increase (decrease) in accrued vacation	(18,738)	(15,721)
Increase (decrease) in accrued expenses	(10,207)	43,255
Net cash (used in) provided by operating activities	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> (689,776)	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> (1,415,757)
INVESTING ACTIVITIES		
Purchase of investments	-	(507,822)
Proceeds from sale of investments	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> -	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> 507,165
Net cash provided by (used in) investing activities	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> -	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> (657)
CHANGE IN CASH AND CASH EQUIVALENTS	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> (689,776)	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> (1,416,414)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> 821,321	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 5px;"/> 2,237,735
CASH AND CASH EQUIVALENTS, END OF YEAR	<hr style="border-top: 1px solid black; border-bottom: 3px double black; border-left: none; border-right: none; margin-bottom: 5px;"/> \$ 131,545	<hr style="border-top: 1px solid black; border-bottom: 3px double black; border-left: none; border-right: none; margin-bottom: 5px;"/> \$ 821,321

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

IGNITE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(with summarized totals for the year ended June 30, 2024)

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	2025 TOTAL	2024 TOTAL
Personnel	\$ 1,393,689	\$ 59,781	\$ 235,816	\$ 1,689,286	\$ 2,465,075
Advertising	157,338	2,708	11,854	171,900	546,258
Board expenses	-	-	-	-	193
Information technology	48,030	11,618	11,642	71,290	117,031
Interest	-	3,398	-	3,398	276
Insurance	5,319	7,021	848	13,188	10,270
Professional development	1,713	14,326	1,614	17,653	3,173
Professional fees and services	139,153	97,283	50,782	287,218	340,175
Occupancy	389	7,699	23	8,111	10,891
Operating expenses and supplies	8,642	15,735	5,245	29,622	35,801
Other program costs	76,075	1,063	749	77,887	116,720
Travel	122,551	12,910	12,617	148,078	329,062
TOTAL EXPENSES	\$ 1,952,899	\$ 233,542	\$ 331,190	\$ 2,517,631	\$ 3,974,925

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

IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING PRINCIPLES

Organization

Ignite (we, us, our) is located in Oakland, California, and is a California tax-exempt, non-profit corporation organized in 2009. Ignite is a non-partisan 501(c)(3) organization that builds political ambition in young women, with a focus on those who are underserved. Ignite provides civic education, exposure to women in political leadership, hands-on training and work opportunities, and a peer network of women who support and nurture each other's aspirations for civic engagement and political leadership. Ignite serves young women (ages 14-26) in their own communities, with an emphasis on lower-income women.

Ignite is primarily funded by foundation grants, private gifts, and event fees.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents for Ignite include demand deposits with financial institutions. For the purpose of the statement of cash flows, cash equivalents are defined as short-term, highly liquid amounts of cash or were purchased so near their maturity that they present insignificant risk of change in value because of changes in interest rates.

Ignite records money market funds as cash equivalents rather than investments or cash because they meet specific criteria as follows:

Ignite considers money market funds to be cash equivalents if they are short-term, highly liquid investments that meet these conditions:

1. **Maturity:** Original maturity of three months or less from the date of purchase.
2. **Readily Convertible:** Easily convertible to known amounts of cash.
3. **Low Risk:** Subject to an insignificant risk of changes in value due to interest rate fluctuations.

Investments

Investments are stated at fair value. Investment income is reported net of related investment expenses. Realized and unrealized gains and losses, in total, are included in the net investment income reported on the statement of activities.

Promises to Give

Promises to give that are expected to be collected within one year are recorded at net realizable value. Promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions revenue. Conditional contributions are not included as support until the conditions are substantially met.

**IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Fixed Assets

Fixed asset purchases by Ignite are made principally with grant funds. Under the terms of its grant agreements, fixed asset purchases are considered to be the property of the grantor and are expensed on the grantee's books. At the end of the grant period, the grantor could reclaim all fixed assets acquired with grant funds. Accordingly, these properties and equipment have not been reflected in the accompanying statements of financial position.

Depreciation of equipment cost is computed using the straight-line method over a 5-10-year useful life. Donated property and equipment are recorded as support at their estimated fair value at the date of the donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset 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 these donated assets must be maintained, Ignite reports the expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Ignite reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Net Assets

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

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor (or grantor) restrictions 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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 statement of activities as net assets released from restrictions. We report conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Revenue Recognition

Ignite recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Revenues from fee-for-service activities are recognized when the services are provided. Ignite records special event revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services based on estimates of employees' time and the usage of resources.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated (amongst others) include occupancy, travel, and other program costs, which are allocated based on an allocation study that encompasses various management-identified factors. Salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and others are allocated based on estimated time and effort.

Accordingly, certain costs have been allocated to program services, management, and general and fundraising. The functional classifications are defined as follows:

- *Program service expenses* – consist of costs incurred in connection with providing services and conducting programs.
- *Management and general expenses* – consist of costs incurred in connection with the overall activities of Ignite, which are allocable to another functional expense category.
- *Fundraising costs* – are expensed as incurred, even though they may result in contributions received in future years. Ignite generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgments contain requests for contributions, joint costs (if any) would be allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising.

Income Taxes

Ignite is exempt from income taxes under Internal Revenue Code (IRC) Section 501(c)(3) and related California code sections. It is considered a public charity and has been classified as an organization that is not a private foundation under IRC Sections 509(a)(1) and Section 170(b)(1)(A)(vi).

Management has processes presently in place to ensure the maintenance of Ignite's tax-exempt status; to identify and report unrelated business income; to determine the filing and tax obligations for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Ignite has evaluated its tax positions and related income tax contingencies and does believe that any material uncertain tax positions exist that require recognition or disclosure in the financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Ignite to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Reclassifications

Certain prior year amounts may have been reclassified to conform to the current year's financial statement presentation. The nature of reclassification has no impact on previously reported net assets.

Financial Instruments and Credit Risk

Ignite manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit (if any) with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, Ignite has not experienced losses in any of these accounts. Credit risk associated with contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from donors supportive of its mission. Investments are made by diversified investment managers whose performance is monitored by Ignite and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the investment committee and Ignite believe that the investment policies and guidelines are prudent for the long-term welfare of Ignite.

NOTE 2: LIQUIDITY AND AVAILABILITY

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

	2025	2024
Cash and cash equivalents	\$ 131,545	\$ 821,321
Accounts receivable, net	-	2,000
Promises to give, net	<u>820,000</u>	<u>540,000</u>
Total	<u>\$ 951,545</u>	<u>\$ 1,363,321</u>

Ignite maintains a liquid cash balance in checking and money market accounts in an amount necessary to meet anticipated expenditures for at least the next 60 days. Cash in excess of this may be invested in short-term investments.

As of June 30, 2025, and 2024, the financial assets available for general expenditures total \$951,545 and \$1,363,321, respectively.

NOTE 3: PROMISES TO GIVE

Promises to give are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to promises to give. Management believes that the full amount of promises to give are collectible because such receivables are with the contributors and other parties. The allowance for promises to give during the years ended June 30, 2025, and 2024 were both \$0. The total promises to give, net, for the years ended June 30, 2025, and 2024 were \$820,000 and \$540,000, respectively.

IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4: INVESTMENTS

In accordance with generally accepted accounting principles, Ignite uses the following prioritized input levels to measure fair value. The input levels used for valuing instruments are not necessarily an indication of risk.

Level 1— Observable inputs that reflect quoted prices for identical assets or liabilities in active markets such as stock quotes.

Level 2 — Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3 — Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, such as bid/ask spreads and liquidity discounts.

There are no investments to be reported as of June 30, 2025, and 2024.

	2025	Total	Level 1	Level 2	Level 3
Bond funds	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Equity funds	-	-	-	-	-
Investments carried at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total investments	<u><u>\$ -</u></u>				

	2024	Total	Level 1	Level 2	Level 3
Bond funds	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Equity funds	-	-	-	-	-
Investments carried at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total investments	<u><u>\$ -</u></u>				

Net investment return is comprised of the following for the years ended June 30:

	2025	2024
Interest and dividends	\$ 8,288	\$ 33,455
Realized gain/(loss) on investments	72	(765)
Unrealized gain/(loss) on investments	-	(492)
Investment income	<u>8,360</u>	<u>32,198</u>
Less: investment expenses	-	-
Investment income, net	<u><u>\$ 8,360</u></u>	<u><u>\$ 32,198</u></u>

IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5: FIXED ASSETS, NET

A summary of the Ignite fixed assets as of June 30, 2025, and 2024 consists of the following:

	2025	2024
Website	\$ 10,386	\$ 10,386
Computers	11,083	11,083
Total	<u>21,469</u>	<u>21,469</u>
Less: accumulated depreciation	(21,469)	(21,469)
Fixed assets, net	<u>\$ -</u>	<u>\$ -</u>

Depreciation expenses for the years ended June 30, 2025, and 2024 were both \$0, respectively.

NOTE 6: ACCRUED VACATION / COMPENSATED ABSENCES

Compensated absences consist of vacation and other compensated absences with similar characteristics that were earned but not used during the current or prior periods and for which employees can receive compensation in a future period. Benefits that have been earned but are expected to lapse and thus not result in compensation to employees are not accrued as a liability. Benefits that have been earned but are not yet available for use as paid time off or as some other form of compensation, because employees have not met certain conditions (i.e., a minimum service period for new employees), are accrued to the extent the employees will probably meet the conditions for compensation in the future. For the years ended June 30, 2025, and 2024, compensated absences were \$35,172 and \$53,910, respectively.

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2025, and 2024 consisted of the following:

	2025	2024
Subject to expenditure for a specified purpose:		
State program	\$ -	\$ -
Bay Area Programming	31,250	-
Ignite the Vote	15,000	-
ITC (Ignite the Capitol)	9,999	-
New York	833	-
Fellows Program	-	15,000
Equality Can't-Wait Challenge program	-	111,111
Advocacy program	-	2,500
Subject to the passage of time:		
Promises to give that are not purpose-restricted but are unavailable until the passage of time (1-3 years)	1,022,085	693,423
Total net assets with donor restrictions	<u><u>\$ 1,079,167</u></u>	<u><u>\$ 822,034</u></u>

**IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS (Continuation)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors for the years ended June 30, 2025, and 2024, totaling \$1,333,473 and \$1,608,193, respectively.

NOTE 8: IN-KIND DONATIONS

Ignite received an in-kind contribution of \$3,000 in the year ended June 30, 2024, from Kate Purcellin, a designer who donated half of her services for making their “Interactive Annual Report 2022-23”. This annual report showed how Ignite trains and helps each participant and alum, including cis and trans women, as well as non-binary youth, develop their political leadership skills, give special access to elected leaders, and expand the network of politically ambitious peers.

For the years ended June 30, 2025, and 2024, in-kind donations were \$0 and \$3,000, respectively.

NOTE 9: RELATED PARTIES

During the years ended June 30, 2025, and 2024, Ignite received contributions from various board members totaling \$62,780 and \$82,772, respectively.

NOTE 10: CONTINGENCIES

Ignite has been awarded certain grants and contracts that are subject to financial and compliance requirements of the grantors or their representatives. The amount of expenses, if any, which may be disallowed by the granting parties, cannot be determined at this time, although management does not expect any such disallowed amounts, if any, to affect the financial statements materially.

NOTE 11: ADVERTISING

Advertising costs are expensed as incurred and included in the statement of functional expenses. Advertising expenses for the years ended June 30, 2025, and 2024 were \$171,900 and \$546,258, respectively.

NOTE 12: CONCENTRATION OF RISK

For the year ended June 30, 2025, contributions from one significant grantor provided 22% of total revenue and support, and two grantors were responsible for 48% of promises to give.

For the year ended June 30, 2024, contributions from one significant grantor provided 17% of total revenue and support, and eight grantors were responsible for 42% of promises to give.

**IGNITE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 13: FINANCIAL INSTRUMENTS AND CREDIT RISK

Deposit concentration risk was managed by placing cash, money market accounts and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, Ignite has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from large corporations with strong performance histories, governmental agencies, and foundations supportive of the mission.

Ignite maintains its cash balances at two financial institutions. Cash accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 per financial institution. At June 30, 2025, Ignite's uninsured cash balance was \$0.

Ignite also invests in money market funds in U.S. financial institutions, where they are measured at their net asset value. Ignite is potentially subject to the concentration of credit risk in such investment securities. Currently, all of its investment securities are held at a financial institution which is a member of the Securities Investor Protection Corporation (SIPC). SIPC protects clients against the custodial risk of a member investment firm becoming insolvent by replacing missing securities and cash up to \$500,000, inclusive of up to \$250,000 in cash, per client in accordance with SIPC rules. The money market funds are comprised solely of investments in U.S. Treasury Bills, which are backed by the full faith, credit, and taxing power of the United States. As a result, Treasury Bills are considered the safest investments in today's global financial markets. Ignite's uninsured investment as of June 30, 2025, was \$0.

NOTE 14: NEW ACCOUNTING PRONOUNCEMENTS

ASU 2016-02

For lessees, any leases that are over 12 months in duration will need to be presented on the entity's statement of financial position as a right-to-use asset and corresponding liability for the obligation to pay rent. The asset and liability should be initially measured at the present value of the lease payments, including payments to be made in optional renewal periods if the lessee is reasonably certain to exercise an option to extend the lease. The present value should be calculated using the discount rate implicit in the lease (if determinable) or the lessee's incremental borrowing rate. The asset will be depreciated, and the liability will be reduced by lease payments. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. As amended, ASU 2016-02 will be effective for most nonprofit organizations for fiscal years beginning after December 15, 2021, and the interim period from fiscal years beginning after December 15, 2022. Early adoption is allowed.

Ignite does not expect this new update to have a material impact on Ignite's financial statements.

NOTE 15: SUBSEQUENT EVENTS

In accordance with ASC 855, subsequent events through October 21, 2025, the date of these financial statements, were evaluated. There were no material subsequent events that required recognition or additional disclosure in these financial statements.