Educate the Children, Inc.

Ithaca, New York

Financial Report

For the Years Ended
June 30, 2026 and 2025

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Educate the Children, Inc.

Table of Contents

Independent Accountant's Review Report	1 - 2
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expenses - 2026	5
Statement of Functional Expenses - 2025	6
Statements of Cash Flows	7
Notes to the Financial Statements	8 - 11

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Educate the Children, Inc.
Ithaca, New York

We have reviewed the accompanying financial statements of Educate the Children, Inc. (ETC), a nonprofit organization, which comprise the Statements of Financial Position as of June 30, 2026 and 2025, and the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the ETC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 28, 2026

Educate the Children, Inc.

Statements of Financial Position

June 30,

	2026	2025
ASSETS		
Current Assets		
Cash and Cash Equivalents	**$ 585,077**	$ 610,521
Prepaid Expenses	**534**	158
Total Current Assets	**$ 585,611**	$ 610,679
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accrued Liabilities	**$ 87**	$ 138
Deferred Revenue	**873**	11,457
Total Current Liabilities	**960**	11,595
Net Assets Without Donor Restrictions	**584,651**	599,084
Total Liabilities and Net Assets	**$ 585,611**	$ 610,679

See Independent Accountants' Review Report and Notes to Financial Statements

Educate the Children, Inc.

Statements of Activities
For the Years Ended June 30,

	2026	2025
Public Support and Revenues		
Contributions	**$ 359,843**	$ 402,034
Interest and Dividends	**15,643**	15,836
Total Public Support and Revenues	**375,486**	417,870
Expenses		
Program Services	**321,812**	313,028
Fundraising	**52,613**	50,043
Management and General	**15,494**	14,673
Total Expenses	**389,919**	377,744
Excess of Public Support and Revenues Over (Expenses)	**(14,433)**	40,126
Net Assets - Beginning of Year	**599,084**	558,958
Net Assets - End of Year	**$ 584,651**	$ 599,084

See Independent Accountants' Review Report and Notes to Financial Statements

Educate the Children, Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2026
(With Comparative Totals for the Year Ended June 30, 2025)

	Program Services	Fundraising	Management and General	2026	2025
Salaries	$ 15,796	$ 34,631	$ 10,329	**$ 60,756**	$ 58,417
Payroll Taxes and Employee Benefits	1,471	3,225	962	**5,658**	5,716
Total Salaries and Related Expenses	17,267	37,856	11,291	**66,414**	64,133
Transfers to Other Organizations	296,773	-	-	**296,773**	288,892
Professional Fees	2,783	6,100	1,819	**10,702**	11,496
Dues and Subscriptions	752	1,648	491	**2,891**	2,891
Bank and Credit Fees	1,343	662	-	**2,005**	2,522
Postage	418	918	274	**1,610**	1,137
Printing	567	1,241	370	**2,178**	2,150
Telephone and Communications	312	684	204	**1,200**	1,214
Supplies	328	720	215	**1,263**	1,394
Filing Fees	37	82	24	**143**	154
Advertising	64	143	43	**250**	524
Computer and Other Services	294	644	192	**1,130**	887
Travel	874	1,915	571	**3,360**	350
Total Expenses	**$ 321,812**	**$ 52,613**	**$ 15,494**	**$ 389,919**	**$ 377,744**

See Independent Accountants' Review Report and Notes to Financial Statements

Educate the Children, Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services	Fundraising	Management and General	2025
Salaries	$ 15,188	$ 33,298	$ 9,931	**$ 58,417**
Payroll Taxes and Employee Benefits	1,486	3,258	972	**5,716**
Total Salaries and Related Expenses	16,674	36,556	10,903	**64,133**
Transfers to Other Organizations	288,892	-	-	**288,892**
Professional Fees	2,989	6,553	1,954	**11,496**
Dues and Subscriptions	752	1,648	491	**2,891**
Bank and Credit Fees	1,690	832	-	**2,522**
Postage	296	648	193	**1,137**
Printing	559	1,226	365	**2,150**
Telephone and Communications	316	692	206	**1,214**
Supplies	362	795	237	**1,394**
Filing Fees	40	88	26	**154**
Advertising	136	299	89	**524**
Computer and Other Services	231	506	150	**887**
Travel	91	200	59	**350**
Total Expenses	**$ 313,028**	**$ 50,043**	**$ 14,673**	**$ 377,744**

See Independent Accountants' Review Report and Notes to Financial Statements

Educate the Children, Inc.

Statements of Cash Flows

For the Years Ended June 30, 2026 and 2025

	2026	2025
Cash Flows from Operating Activities		
Contributions, Program, and Other Receipts	**$ 364,902**	$ 420,661
Cash Paid to Suppliers and Other Organizations	**(323,932)**	(313,527)
Cash Paid to Employees	**(66,414)**	(64,133)
Net Cash (Used in) Provided by Operating Activities	**(25,444)**	43,001
Net Cash (Used In) Provided by Investing Activities	**-**	-
Net Cash (Used In) Provided by Financing Activities	**-**	-
Change in Cash and Cash Equivalents	**(25,444)**	43,001
Cash and Cash Equivalents - Beginning of Year	**610,521**	567,520
Cash and Cash Equivalents - End of Year	**$ 585,077**	$ 610,521

See Independent Accountants' Review Report and Notes to Financial Statements

Educate the Children, Inc.

Notes to the Financial Statements
June 30, 2026 and 2025

1. Summary of Significant Accounting Policies

a. Nature of Organization

Educate the Children, Inc. (ETC) is a not-for-profit organization originally formed in Ithaca, New York. ETC's programs benefit women and children through educational opportunities, skills training, kindergarten programs, teacher training, and agricultural development. ETC provides funding for these programs to take place in Nepal, through independent organizations. ETC's programs benefit more than 10,000 Nepalese people each year.

b. Basis of Accounting

The financial statements of ETC have been prepared on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenditures when incurred.

c. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Basis of Presentation

The financial statements of ETC have been prepared in accordance with U.S. GAAP, which requires ETC to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of ETC. These net assets may be used at the discretion of ETC's management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ETC or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities. There were no net assets with donor restrictions as of June 30, 2026 and 2025.

e. Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, ETC considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

f. Concentration of Credit Risk

ETC maintains its cash balances in two financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC). During the year, ETC may have cash balances in excess of FDIC insurance limits. The uninsured balance is $60,256 as of June 30, 2026, and $87,826 as of June 30, 2025.

g. Property and Equipment

Property and equipment are stated at cost. Donated items are stated at fair market value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the property and equipment; generally, five to seven years. Maintenance and repairs are charged to expenses as incurred; major renewals and betterments are capitalized. Upon retirement or disposal of an asset, the cost and related depreciation are eliminated, and any gain or loss is included in the Statements of Activities.

h. Contributions

Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions depending on the existing and/or nature of any donor restrictions at the earlier point of when they are pledged or received.

i. Advertising

ETC expenses all advertising costs as they are incurred. ETC uses advertising to promote its programs and raise additional funds to support its programs. The production costs of advertising are expensed as incurred. During the years ended June 30, 2026 and 2025, advertising expense was $250 and $524, respectively.

j. Functional Expenses

The Statements of Functional Expenses present expenses by function and natural classification. Expenses directly attributable to a specific function of ETC are reported as expenses of that function. A portion of costs that benefit multiple functions (indirect costs) have been allocated across program services, management and general, and fundraising expenses. Expenses were allocated by function using a reasonable and consistent approach that was primarily based on the costs attributable by function based on estimated percentage of time and effort, square footage, or full time equivalent.

k. Income Taxes

ETC is exempt from income taxes under §501(c)(3) of the Internal Revenue Code. In addition, ETC qualifies for the charitable contribution deduction under §170(b)(1)(A) and has been classified as an organization that is not a private foundation under §509(a)(2).

l. Subsequent Events

ETC has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through October 28, 2026, the date on which the financial statements were available to be issued.

2. Availability and Liquidity

The following represents ETC's financial assets at June 30,:

Financial Assets at Year End	**2025**	**2024**
Cash and Cash Equivalents	585,077	610,521
Total Financial Assets Available Within One Year	**$ 585,077**	**$ 610,521**

ETC manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due.

3. Transactions with Other Organizations

Included in the amount recorded as transfers to other organizations in the Statements of Functional Expenses, ETC received designated pass-through funding totaling $107,493 and $108,798 for the years ended June 30, 2026 and 2025, respectively. These amounts were distributed along with ETC funds.