EINSTEIN SCHOOL FOUNDATION

Financial Statements

For the Years Ended
December 31, 2024 and 2023

EINSTEIN SCHOOL FOUNDATION

For the Years Ended
December 31, 2024 and 2023

TABLE OF CONTENTS

Robert Russell, CPA, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Einstein School Foundation
4011 West Plano Parkway, Suite 102
Plano, Texas 75093

Opinion

We have audited the accompanying financial statements of Einstein School Foundation (a nonprofit Foundation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, and functional expenses 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 Einstein School Foundation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended 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. 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 Einstein School Foundation 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 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 Einstein School Foundation'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 Einstein School Foundation'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 Einstein School Foundation'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.

Robert Russell, CPA, PLLC

Robert Russell, CPA, PLLC
Dallas, Texas 75218

April 3, 2025

Einstein School Foundation
Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	$ 33,503	$ 120,261
Certificate of deposit	102,797	-
Contributions receivable	750	-
Total current assets	137,050	120,261
Total assets	$ 137,050	$ 120,261
Liabilities and Net Assets		
Net assets:		
Net assets without donor restrictions	137,050	120,261
Total net assets	137,050	120,261
Total liabilities and net assets	$ 137,050	$ 120,261

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

Einstein School Foundation

Statements of Activities

For the Years Ended December 31, 2024 and 2023

	2024	2023
Revenue:		
Contributions	$ 92,805	$ 92,415
Interest income	2,797	-
Total revenue	95,602	92,415
Expenses:		
Program expense	68,495	65,893
General and administrative expense	10,318	11,868
Total expenses	78,813	77,761
Change in net assets	16,789	14,654
Net assets, beginning of year	120,261	105,607
Net assets, end of year	$ 137,050	$ 120,261

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

Einstein School Foundation
Statement of Functional Expense
For the Year Ended December 31, 2024

	STEAM Education Programs	Total Program Expense	General & Administrative	Total 2024
Expenses:				
Program expense	$ 68,495	$ 68,495	$ -	$ 68,495
Registration fees	-	$ -	4,383	4,383
Web design	-	$ -	1,450	1,450
Supplies	-	$ -	85	85
Professional fees	-	$ -	4,400	4,400
Total expense	$ 68,495	$ 68,495	$ 10,318	$ 78,813

The accompanying notes are an integral part of this financial statement.

Einstein School Foundation
Statement of Functional Expense
For the Year Ended December 31, 2023

	STEAM Education Programs	Total Program Expense	General & Administrative	Total 2023
Expenses:				
Program expense	$ 65,893	$ 65,893	$ -	$ 65,893
Registration fees	-	$ -	2,968	2,968
Web design	-	$ -	500	500
Professional fees	-	$ -	8,400	8,400
Total expense	$ 65,893	$ 65,893	$ 11,868	$ 77,761

The accompanying notes are an integral part of this financial statement.

Einstein School Foundation
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	$ 16,789	$ 14,654
Adjustments to reconcile change in net assets to net cash provided by operations:		
(Increase) in contributions receivable	(750)	-
Net cash provided by operating activities	16,039	14,654
Cash flows from investing activities:		
(Increase) in certificate of deposit	(102,797)	-
Net cash provided by investing activities	(102,797)	-
Net increase in cash and cash equivalents	(86,758)	14,654
Cash and cash equivalents, beginning of year	120,261	105,607
Cash and cash equivalents, end of year	$ 33,503	$ 120,261

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

Einstein School Foundation
Notes to Financial Statements
December 31, 2024 and 2023

NOTE 1 – DESCRIPTION OF FOUNDATION

The Einstein School Foundation (the "Foundation") was incorporated on January 1, 2020, and is a nonprofit corporation chartered by the State of Texas to support the educational activities and growth of the Einstein School (the "School"), a 5th through 12th grade private school. The School provides students with a college preparatory program in a small classroom setting, focusing on the needs of individual students and recognizing that "no two students learn alike." The School is also part of Creative Leaning 4 Kids, a 501(c)(3) charitable Foundation.

The Foundation's programs are as follows:

Capital Campaign – to fund a new, permanent campus for the School. There were no funds expended in this program for the years ended December 31, 2024 or 2023.

Einstein Scholarship Fund – to collect funds for and manage an endowment fund to grant scholarships for students of the School. There were no funds expended in this program for the years ended December 31, 2024 or 2023.

STEAM Education Programs – to provide funding for resources in support of the STEAM education program in the School.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted by the United States of America (GAAP). Net assets, revenue, and expenses are classified based on the existence of or absence of donor-imposed restrictions. Accordingly, the Foundation's net assets and changes thereto are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors as reserve funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation and accounting (continued)

Net assets with donor restriction – Net assets subject to donor-imposed stipulations. Some donor-imposed 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-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. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the net assets without donor restrictions class.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all highly liquid investments purchased with an initial maturity of three months or less.

For purposes of the Statement of Cash Flows, the certificate of deposit was segregated from the cash and cash equivaelents classification.

Contributions

Contributions are recorded only upon receipt unless evidence of an unconditional promise to give has been received. Unconditional promises to give (contributions receivable) that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. Conditional promises to give are recognized when the conditions to which they are subject are met.

Revenue recognition

The Foundation reports contributions and grants in accordance with ASC 958-605, *Not-For-Profit Entities- Revenue Recognition*. Accordingly, the Foundation reports gifts of cash and other assets as donor restricted support if they are received with donor stipulations that limit the use of donated assets. When the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Financial Activities as net assets released from restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

The Foundation adopted ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology in 2024. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receiables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using allowance for credit losses. Management has determined no material impact on the financials.

Income taxes

The Foundation is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

The Foundation has concluded that it does not have any unrecognized tax benefits resulting from the current or prior period tax positions. Accordingly, no additional disclosures have been made on the financial statements regarding ASC 740, Income Taxes. The Foundation does not have any outstanding interest or penalties, and none have been recorded in the statement of activities and changes in net assets for the year ended December 31, 2024. The Foundation's informational returns filed are generally subject to examination for three years after the later of the due date or date of filing. As a result, The Foundation is no longer subject to income tax examinations by tax authorities for years prior to 2021.

NOTE 3 – CASH

The FDIC deposit insurance insures deposits, money market accounts and certificates of deposit up to $250,000 per depositor, per insured bank for each ownership category. The Foundation maintains cash balances in accounts located in Plano, Texas which at times may exceed federally insured limits. There were no uninsured balances at December 31, 2024 or 2023.

NOTE 4 –RECEIVABLES

Contributions receivable consists of amounts due from donors. The contributions are collectible in less than one year. Contributions receivable are stated at unpaid balances.

The following table summarizes the change in contributions receivable during the year ended December 31, 2024:

Balance at the beginning of year	$ -
New pledges	92,805
Collection on pledges	(92,055)
Balance at end of year	$ 750

NOTE 5 – LIQUIDITY AND AVAILABILITY

The following reflects the Foundation's financial assets as of December 31, 2024, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

Financial assets	
Cash and cash equivalents	$ 33,503
Certificate of deposit	102,797
Contributions receivable	750
Financial assets available to meet general expenditures within one year	$ 137,050

NOTE 5 – LIQUIDITY AND AVAILABILITY (CONTINUED)

The following reflects the Foundation's financial assets as of December 31, 2023, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

Financial assets	
Cash and cash equivalents	$ 120,261
Financial assets available to meet general expenditures within one year	$ 120,261

NOTE 6 –CONCENTRATION

For the years ended December 31, 2024 and 2023, revenues from four and four donors comprised approximately 93% and 86% of total revenue, respectively. At December 31, 2024 and December 31, 2023 there were no significant concentrations of contributions receivable.

NOTE 7 – EXPENSE REPORTING

The costs of program and supporting activities have been summarized on a functional basis in the statements of activities. The statements of functional expense present the natural classification detail of expenses by function. Many costs are identified with a specific program or supporting function when incurred and are reported accordingly. Certain costs are attributed to more than one program or supporting function, and, therefore, require allocation among the functions benefited on a reasonable and consistent basis. Therefore, these expenses require allocation, on a reasonable basis, that is consistently applied. The expenses are allocated on the basis of time and effort.

NOTE 8 – RISKS, ECONOMIC OUTLOOK AND UNCERTAINTIES

The Foundation depends heavily on contributions from donors for its revenue. The ability of the donors to continue giving may be dependent, among other things, upon current and future overall economic conditions and the continued deductibility for income tax purposes of donations to the Foundation. While management believes the Foundation has the resources to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.

NOTE 9 – FAIR VALUE MEASUREMENT

The carrying values of various financial instruments, such as cash and cash equivalents, certificate of deposit and contributions receivable approximate their fair value due to their short maturity.

NOTE 10 – SUBSEQUENT EVENTS

The Foundation has evaluated its operations and transactions occurring since December 31, 2024 through April 3, 2025, the date of which these financial statements were available to be issued, and did not identify any subsequent events, except as follows: