

*Financial Statements*

**FAMILY FUTURES**

December 31, 2025

## **GENERAL ORGANIZATIONAL DATA**

### **ORGANIZATION AND PURPOSE**

Family Futures was incorporated as a non-stock corporation under the laws of Virginia with the stated mission of creating and implementing a financial education model for K-12 students in Rappahannock County Public Schools that will produce confident, financially-competent adults who understand earning, saving, investing, protecting, and planning around money. As part of the education model, students can earn savings deposits for successful completion of learning activities, allowing them to create a nest egg that will help fund their next-stage life choices.

Family Futures was granted exemption from federal income tax under Section 501(c)3 of the Internal Revenue Code in August 2019.

### **OFFICERS**

Birgitt Thornhill, Chair  
Jane Eberhardt, Vice Chair  
William Barnes, Treasurer  
Candace Lamma, Secretary

### **BOARD OF DIRECTORS**

William Barnes  
Sarah Curry  
Jane Eberhardt  
Candace Lamma  
Deborah Massie  
Thomas Massie  
Alexia Morrison  
Birgitt Thornhill

### **EXECUTIVE DIRECTOR**

Ned Waterhouse

## TABLE OF CONTENTS

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<b>INDEPENDENT ACCOUNTANT'S REVIEW REPORT</b>	1
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<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expense	4
Statement of Cash Flows	5
Notes to Financial Statements	6-10

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# MITCHELL, BURNS, DOYLE & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

JEFFREY D. MITCHELL, CPA  
SANDRA M. TONDREAU, CPA  
W. MATTHEW BURNS, CPA  
KARA J. DOYLE, CPA

110 EAST MARKET STREET | SUITE 200  
LEESBURG, VIRGINIA 20176  
P 703.777.4900 | F 703.771.3082  
WWW.MCOCPA.COM

MEMBERS OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS

TONJI M. LEISS, CPA  
JOHN S. WALKER, CPA  
TAYLOR L. PETTY, CPA

VIRGINIA SOCIETY OF  
CERTIFIED PUBLIC  
ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Family Futures  
Washington, Virginia

We have reviewed the accompanying financial statements of Family Futures (a nonprofit organization), which comprise the statement of financial position as of December 31, 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. 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 for 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.

### 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 Family Futures and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### 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.

Leesburg, Virginia  
March 13, 2026

*Mitchell, Burns, Doyle & Co., P.C.*

**FAMILY FUTURES**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2025**

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**ASSETS**

Cash and cash equivalents - operating	\$ 53,995
Contributions receivable	21,600
Total current assets	<u>75,595</u>

Investments	37,823
Restricted cash - student accounts	<u>199,045</u>

**Total assets** \$ 312,463

**LIABILITIES**

Student account liability	\$ 199,045
Total liabilities	<u>199,045</u>

**NET ASSETS**

Without donor restriction	109,044
With donor restriction	4,374
Total net assets	<u>113,418</u>

**Total liabilities and net assets** \$ 312,463

See accompanying notes and independent accountant's review report.

## FAMILY FUTURES

### STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restriction	With Donor Restriction	Total
<b>SUPPORT AND REVENUE</b>			
Donations and grants	\$ 84,071	\$ -	\$ 84,071
Special events, net of expenses \$24,235	7,994	-	7,994
Interest income	1,186	-	1,186
Realized and unrealized investment gain, net of fees \$397	3,402	-	3,402
	<u>96,653</u>	<u>-</u>	<u>96,653</u>
Net assets released from restriction	3,780	(3,780)	-
<b>Total support and revenue</b>	<u>100,433</u>	<u>(3,780)</u>	<u>96,653</u>
<b>EXPENSES</b>			
Program services	96,626	-	96,626
Supporting services			
Management and general	28,004	-	28,004
Fundraising	21,087	-	21,087
<b>Total expenses</b>	<u>145,717</u>	<u>-</u>	<u>145,717</u>
<b>Change in net assets</b>	(45,284)	(3,780)	(49,064)
<b>Net assets, beginning of year</b>	<u>154,328</u>	<u>8,154</u>	<u>162,482</u>
<b>Net assets, end of year</b>	<u>\$ 109,044</u>	<u>\$ 4,374</u>	<u>\$ 113,418</u>

See accompanying notes and independent accountant's review report.

## FAMILY FUTURES

### STATEMENT OF FUNCTIONAL EXPENSE FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	Management and General	Fundraising	Total
Executive director fees	\$ 28,500	\$ 11,875	\$ 7,125	\$ 47,500
Professional fees	-	14,086	7,093	21,179
Office expense	1,801	1,800	5,400	9,001
Communications	-	-	966	966
Printing and publications	150	151	452	753
Fees and taxes	-	92	-	92
Marketing	-	-	51	51
Insurance	2,490	-	-	2,490
Student savings account enhancements	44,086	-	-	44,086
Financial education	19,599	-	-	19,599
<b>Total expenses</b>	<b>\$ 96,626</b>	<b>\$ 28,004</b>	<b>\$ 21,087</b>	<b>\$ 145,717</b>

See accompanying notes and independent accountant's review report.

**FAMILY FUTURES**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

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**Cash Flows from Operating Activities**

Change in net assets	\$ (49,064)
Adjustments to reconcile net income to net cash provided by (used in) operating activities	
Realized and unrealized investment (gain)	(3,402)
Change in assets and liabilities	
(Increase) decrease in:	
Contributions receivable	(2,600)
Increase (decrease) in:	
Student account liability	<u>52,211</u>
<b>Net cash (used in) operating activities</b>	<u>(2,855)</u>
<b>Net (decrease) in cash</b>	(2,855)

**Cash and cash equivalents**

Beginning of year	<u>255,895</u>
End of year	<u>\$ 253,040</u>

See accompanying notes and independent accountant's review report.

## FAMILY FUTURES

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Nature of Activities and Significant Accounting Policies

##### Nature of Activities

Family Futures (the Organization) is a nonprofit corporation dedicated to creating and implementing a financial education model for K-12 students in Rappahannock County Public Schools that will produce confident, financially-competent adults who understand earning, saving, investing, protecting, and planning around money. As part of the education model, students can earn savings deposits for successful completion of learning activities, allowing them to create a nest egg that will help fund their next-stage life choices.

##### Significant Accounting Policies

The financial statements of the Organization have been prepared in accordance with policies followed by nonprofit organizations. The significant accounting policies that follow are described below to enhance the usefulness of the financial statements to the reader.

*Basis of Accounting:* The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

*Basis of Presentation:* The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to not-for-profit organizations, including the provisions of ASC Topic 958, Not-for-Profit Entities. Under ASC Topic 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

*Net Assets Without Donor Restriction:* Net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

*Net Assets with Donor Restriction:* 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 the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

*Contributions:* Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

*Cash and Cash Equivalents:* For purposes of reporting cash flows, the Organization considers all cash on demand deposits, money market deposits, cash management accounts, and certificates of deposit with a maturity of three months or less to be cash equivalents. Cash and cash equivalents that are restricted as to use, such as funds held for student accounts, are reported separately on the statement of financial position.

## FAMILY FUTURES

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Significant Accounting Policies (Continued)

*Student Account Liability:* Amounts contributed to begin a savings account and future student account enhancements earned are recorded as a liability. Any interest earned on the account is credited to the liability monthly. Upon high school graduation, students are eligible to receive their account balances and the liability is reduced. Amounts held for student accounts are not available for general expenditure and are presented as a separate liability on the statement of financial position.

*Income tax status:* The Organization was granted exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization has adopted the guidance under ASC Topic 740, *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that the Organization has taken no uncertain tax provisions that would require adjustment to, or disclosure in, the financial statements to comply with the provisions of the guidance. The Organization's information returns for the years ended December 31, 2024, 2023, 2022 and 2021 remain subject to examination by federal and state taxing authorities.

*Measure of Operations:* The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature. Nonoperating activities for 2025 are limited to realized and unrealized investment gains, shown separately on the statement of activity.

*Allowance for Credit Losses:* Management evaluates receivables on a periodic basis and establishes an allowance when collection is not probable. No allowance was deemed necessary as of December 31, 2025. All receivables at year end are expected to be collected within one year.

*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.

*Donated Noncash Assets:* Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Contributed nonfinancial assets consist primarily of event supplies. Such assets are generally used in the Organization's programs and fundraising activities and are not monetized. Contributed nonfinancial assets are valued using observable market prices for similar items when available or other market-based inputs.

*Functional Expenses:* The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Management allocates all costs directly when possible. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management based on their natural cost driver. The expenses that are allocated include the following:

Description	Allocation Method
Personnel costs	Time and effort
Overhead	Estimated usage
Financial education/program costs	Direct

## FAMILY FUTURES

### NOTES TO FINANCIAL STATEMENTS

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#### Note 2. Cash and Cash Equivalents

Composition of cash and cash equivalents at December 31, 2025 is as follows:

Name	Bank Balance	Accounting Balance
Oak View Bank		
Checking - operating	\$ 2,000	\$ 1,925
Money market	52,989	52,070
	54,989	53,995
Student Accounts - restricted	198,973	199,045
	<u>\$ 253,962</u>	<u>\$ 253,040</u>

Individual bank combined cash account deposits up to \$250,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2025 balances in Oak View Bank exceeded FDIC coverage by \$3,962. The Organization has not experienced any losses and believes it is not exposed to any significant credit risk.

#### Note 3. Investments

A summary of investments at December 31, 2025 is as follows:

Description	Amount
Money market	\$ 612
Exchange traded funds	15,352
Mutual funds	21,859
Total	<u>\$ 37,823</u>

Investments are reported at fair value. Investment income and realized and unrealized gains and losses are included as non-operating activities in the accompanying statement of activities.

#### Note 4. Fair Value Measurements

FASB has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1:* Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Family Futures has the ability to access.
- Level 2:* Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.
- Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

## FAMILY FUTURES

### NOTES TO FINANCIAL STATEMENTS

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#### Note 4. Fair Value Measurements (Continued)

Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for investments carried or disclosed at fair value:

*Money Market funds:* valued at cost, which approximates fair value.

*ETF/Mutual funds:* valued using quoted market prices.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets measured at fair value as of the Organization's year end date:

Description	Level 1	Level 2	Level 3	Total
Money market	\$ 612	\$ -	\$ -	\$ 612
Exchange traded funds	15,352	-	-	15,352
Mutual funds	21,859	-	-	21,859
Total	<u>\$ 37,823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,823</u>

#### Note 5. Student Account Liability

A summary of student account liabilities at December 31, 2025 is as follows:

Description	Amount
Balance at December 31, 2024	\$ 146,834
Additions:	
Initial contributions	9,211
Student account enhancements	34,875
Interest earned	8,125
Student payouts	-
Balance at December 31, 2025	<u>\$ 199,045</u>

#### Note 6. Net Assets with Donor Restriction

Net assets with donor restriction are summarized as follows:

Description	Unspent	2025 Activity		Unspent
	12/31/2024	Additions	Uses	12/31/2025
Restricted for specific purpose:				
Evaluation	<u>\$ 8,154</u>	<u>\$ -</u>	<u>\$ (3,780)</u>	<u>\$ 4,374</u>

There were no additions to net assets with donor restrictions during the year.

## FAMILY FUTURES

### NOTES TO FINANCIAL STATEMENTS

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#### Note 7. Line of Credit

The Organization has available to them a \$16,895 line of credit with Edward Jones with an annual interest rate of 8.75%. The line is secured by investment balances at Edward Jones. At December 31, 2025, there was no balance outstanding.

#### Note 8. In-kind Donations

In-kind donations are included in the financial statements at their fair value both as contributions and as corresponding expenses. For the year ended December 31, 2025, in-kind contributions consisted of the following.

Description	Amount
Fundraiser supplies and other goods	<u>\$ 8,098</u>

In-kind contributions consisted of donated goods and supplies for events hosted by the Organization. These contributions were valued based on observable market prices for similar items in the principal market. All in-kind donations for 2025 are included as in special event revenue and expense shown net on the statement of activities.

#### Note 9. Fair Value of Financial Instruments

The Organization's financial instruments are cash and cash equivalents, contributions receivable, and student account liabilities. The recorded values of these instruments approximate their fair values based on their short-term nature.

#### Note 10. Liquidity

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Description	Amount
Cash and cash equivalents	\$ 253,040
Less: designated and restricted	<u>(203,419)</u>
Amount available for operations	<u>\$ 49,621</u>

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity management, the Organization maintains cash and cash equivalents on hand and may draw upon its available line of credit, if necessary.

#### Note 11. Subsequent Events

Family Futures has evaluated subsequent events from December 31, 2025 through March 13, 2026, the date these financial statements were available to be issued. Based on the definitions and requirements of the U.S. generally accepted accounting principles, management has determined no material subsequent events requiring disclosure in the financial statements for the year ended December 31, 2025.