

MATRICULATE

FINANCIAL STATEMENTS

June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Matriculate, Inc.
New York, New York

Opinion

We have audited the financial statements of Matriculate, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Matriculate, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in 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 (GAAS). 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 Matriculate, Inc. 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 Matriculate, 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 GAAS 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 GAAS, 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 Matriculate, 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 Matriculate, 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.

Wegner CPAs LLP

Wegner CPAs, LLP
New York, New York
January 28, 2026

MATRICULATE, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 505,718	\$ 1,233,193
Unconditional promises to give	101	4,722,000
Investments	8,783,874	8,389,279
Prepaid expenses	222,359	158,356
Total assets	\$ 9,512,052	\$ 14,502,828
LIABILITIES		
Accounts payable	\$ 62,963	\$ 84,020
Accrued expenses	184,226	95,034
Total liabilities	247,189	179,054
NET ASSETS		
Without donor restrictions	9,163,722	10,060,300
With donor restrictions	101,141	4,263,474
Total net assets	9,264,863	14,323,774
Total liabilities and net assets	\$ 9,512,052	\$ 14,502,828

See accompanying notes.

MATRICULATE, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 1,095,703	\$ 270,389	\$ 1,366,092
In-kind contributions	196,779	-	196,779
Program service revenue	92,800	-	92,800
Investment return, net	442,242	-	442,242
Other	6,460	-	6,460
Net assets released from restrictions			
Satisfaction of purpose restrictions	3,957,722	(3,957,722)	-
Expiration of time restrictions	475,000	(475,000)	-
Total support and revenues	6,266,706	(4,162,333)	2,104,373
EXPENSES			
Program services	4,764,860	-	4,764,860
Management and general	1,615,559	-	1,615,559
Fundraising	782,865	-	782,865
Total expenses	7,163,284	-	7,163,284
Change in net assets	(896,578)	(4,162,333)	(5,058,911)
Net assets at beginning of year	10,060,300	4,263,474	14,323,774
Net assets at end of year	\$ 9,163,722	\$ 101,141	\$ 9,264,863

See accompanying notes.

MATRICULATE, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 2,811,242	\$ 35,000	\$ 2,846,242
In-kind contributions	163,659	-	163,659
Program service revenue	116,767	-	116,767
Investment return, net	228,085	77,794	305,879
Other	3,582	-	3,582
Net assets released from restrictions			
Satisfaction of purpose restrictions	3,952,794	(3,952,794)	-
Expiration of time restrictions	2,035,559	(2,035,559)	-
Total support and revenues	9,311,688	(5,875,559)	3,436,129
EXPENSES AND LOSSES			
Program services	4,436,691	-	4,436,691
Management and general	1,622,961	-	1,622,961
Fundraising	687,806	-	687,806
Total expenses	6,747,458	-	6,747,458
Loss on uncollectible promises to give	-	440,000	440,000
Total expenses and losses	6,747,458	440,000	7,187,458
Change in net assets	2,564,230	(6,315,559)	(3,751,329)
Net assets at beginning of year	7,496,070	10,579,033	18,075,103
Net assets at end of year	<u>\$ 10,060,300</u>	<u>\$ 4,263,474</u>	<u>\$ 14,323,774</u>

See accompanying notes.

MATRICULATE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2025 and 2024

	2025			
	Program Services	Management and General	Fundraising	Total Expenses
Personnel	\$ 3,112,236	\$ 757,348	\$ 631,783	\$ 4,501,367
Donated legal services	-	120,404	-	120,404
Professional fees	346,343	631,131	64,481	1,041,955
College student support	342,566	-	-	342,566
Occupancy and utilities	92,401	17,934	17,934	128,269
Office expenses	297,361	12,836	9,189	319,386
Travel and lodging	252,439	23,980	33,248	309,667
Participant meals	72,405	6,592	4,726	83,723
Software and technology	241,085	43,773	19,944	304,802
Insurance	8,024	1,561	1,560	11,145
Total expenses	\$ 4,764,860	\$ 1,615,559	\$ 782,865	\$ 7,163,284
	2024			
	Program Services	Management and General	Fundraising	Total Expenses
Personnel	\$ 3,034,026	\$ 789,004	\$ 581,950	\$ 4,404,980
Donated legal services	-	150,472	-	150,472
Professional fees	265,401	606,032	23,682	895,115
College student support	327,729	-	-	327,729
Occupancy and utilities	88,585	17,794	21,608	127,987
Office expenses	236,858	11,184	5,167	253,209
Travel and lodging	188,220	23,512	26,560	238,292
Participant meals	74,976	10,184	1,857	87,017
Software and technology	213,812	13,342	25,237	252,391
Insurance	7,084	1,437	1,745	10,266
Total expenses	\$ 4,436,691	\$ 1,622,961	\$ 687,806	\$ 6,747,458

See accompanying notes.

MATRICULATE, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (5,058,911)	\$ (3,751,329)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Loss on uncollectible promises to give	-	440,000
Unrealized/realized (gain) loss on investments	2,419	(116,427)
(Increase) decrease in assets		
Unconditional promises to give	4,721,899	5,277,304
Accounts receivable	-	6,284
Prepaid expenses	(64,003)	(70,478)
Increase (decrease) in liabilities		
Accounts payable	(21,057)	(54,811)
Accrued expenses	89,192	(28,244)
Refundable advance	-	(22,410)
	<u>(330,461)</u>	<u>1,679,889</u>
Net cash flows from operating activities	(330,461)	1,679,889
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(3,880,246)	(13,701,697)
Proceeds from sales of investments	3,963,283	12,197,366
Interest and dividends reinvested	(480,051)	(139,035)
	<u>(397,014)</u>	<u>(1,643,366)</u>
Net cash flows from investing activities	(397,014)	(1,643,366)
Net change in cash	(727,475)	36,523
Cash and cash equivalents at beginning of year	<u>1,233,193</u>	<u>1,196,670</u>
Cash and cash equivalents at end of year	<u>\$ 505,718</u>	<u>\$ 1,233,193</u>

See accompanying notes.

MATRICULATE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Matriculate, Inc. is a nonprofit public charity incorporated in 2015. Matriculate's mission is to empower high-achieving, low-income high school students to make the leap to our best colleges and universities. Matriculate's vision is that one day all the best students in America will have access to the best colleges, regardless of their socio-economic status or background, which will give them a unique opportunity to change the trajectory of their own lives and the lives of their families. Matriculate is primarily funded by individuals, foundations, and corporations.

Cash and Cash Equivalents

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash.

Promises to Give

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At June 30, 2025 and 2024, all unconditional promises to give are receivable in less than one year.

Accounts Receivable

Accounts receivable represent amounts due from college partnerships. Matriculate uses historical loss information based on the aging of accounts receivable as the basis to determine expected credit losses. Management believes the composition of accounts receivable is consistent with historical conditions and accounts receivable are expected to be settled within a relatively short time frame based on current conditions. As such, credit losses are expected to be insignificant.

Investments

Matriculate reports investments in U.S. government securities at their fair values in the statements of financial position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Fair values of U.S. government securities are determined using a market approach on yields currently available on comparable securities of issuers with similar credit ratings, which are Level 2 fair value measurements.

Contributions

Contributions received are recorded as increases in net assets with or without donor restrictions depending on the existence of any donor restrictions. When a 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 statements of activities as net assets released from restrictions.

MATRICULATE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Program service revenue

Matriculate provides training to college undergraduate students advising high-achieving low-income high school students navigating the college application and admissions process. Certain partner colleges contractually underwrite certain costs of training these undergraduate advisors. Revenue from such contracts is recognized over the length of the associated college academic year.

Accounts receivable from such contracts were as follows:

	2025	2024
Beginning of year	\$ -	\$ 6,284
End of year	-	-

Matriculate did not have any significant acquisition or financing arrangements related to these contracts.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, occupancy and utilities, software and technology, and insurance, which are allocated on the basis of estimates of time and effort. All other expenses are directly charged based upon the types of services performed and expenses incurred. Matriculate accomplishes its primary exempt purpose through the following program services and supporting activities:

Program services—Matriculate trains talented college students at top institutions to connect remotely with high-achieving, low-income high school students, providing the information, guidance, and support that these high school students need to navigate the college application process.

Management and general—Includes the activities necessary to ensure proper administrative functioning of the board of directors, manage the financial and budgetary responsibilities, obtain consultation to ensure compliance with federal and state public charity requirements, and perform other administrative and general functions.

Fundraising—Provides the structure and operational support necessary to encourage and secure private financial support from individuals, foundations, and others.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

MATRICULATE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In-kind Contributions

Donated services are recognized as revenue if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by Matriculate.

Leases

Matriculate does not recognize short-term leases in the statements of financial position. For these leases, Matriculate recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. Matriculate also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, Matriculate uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Date of Management's Review

Management has evaluated subsequent events through January 28, 2026, the date which the financial statements were available to be issued.

Income Tax Status

Matriculate, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Matriculate, inc. qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

NOTE 2 - CONCENTRATIONS

Matriculate maintains its cash balances in one financial institution located in New York, New York. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2025 and 2024, Matriculate's uninsured cash balances totaled approximately \$317,000 and \$926,000, respectively.

During the years ended June 30, 2025 and 2024, Matriculate received 14% and 44% of total revenue from one donor, respectively. For the year ended June 30, 2024 and 90% of its promises to give were derived from one donor.

NOTE 3 - RETIREMENT PLAN

Matriculate offers a 401(k) retirement plan for all eligible employees. Employees are eligible to participate after one year of employment. Matriculate provided a discretionary match of up to 3% of an employee's annual salary for those eligible employees who contributed to its plan in the previous calendar year and as of January 1, 2025 moved to per pay period employer matching of up to 3%. Matriculate contributed \$96,726 and \$53,014 to the plan during the years ended June 30, 2025 and 2024, respectively.

MATRICULATE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	2025	2024
Program activities	\$ -	\$ 3,788,475
Restricted for subsequent period activities	101,141	474,999
	\$ 101,141	\$ 4,263,474

NOTE 5 - LIQUIDITY AND AVAILABILITY

The following represents Matriculate's financial assets, reduced by amounts not available for general expenditures within one year because of contractual or donor-imposed restrictions.

	2025	2024
Cash and cash equivalents	\$ 505,718	\$ 1,233,193
Unconditional promises to give	101	4,722,000
Investments	8,783,874	8,389,279
Financial assets at year-end	9,289,693	14,344,472
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor imposed restrictions		
Restricted with time and purpose restrictions	(101,141)	(4,263,474)
Add back amounts available within one year	101,141	474,999
Financial assets available to meet cash needs for general expenditures within one year	\$ 9,289,693	\$ 10,555,997

Matriculate has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As a not-for-profit, donor-funded organization, Matriculate regularly receives contributions from donors that are available to meet annual cash needs for general operating expenditures.

MATRICULATE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 6 - IN-KIND CONTRIBUTIONS

In-kind contributions recognized within the accompanying statements of activities include pro bono legal services and donated goods and other services. For the years ended June 30, 2025 and 2024, Matriculate received \$120,404 and \$150,472 of pro bono legal services. For the year ended June 30, 2025, Matriculate received \$76,375 of other donated services, which consisted of donated technology services and website design services. Unless otherwise noted, the donated services did not have donor-imposed restrictions. The donated legal services, technology services and website design services are valued and reported at the estimated fair value in the financial statements based current rates for similar services. Pro bono legal services are used for management and general purposes. Donated technology services and website design services are used on program activities.

NOTE 7 - LEASES

During 2023, Matriculate began leasing space on a month-to-month basis at \$4,650 per month.

On February 1, 2025, Matriculate executed a four-month lease for office space with a base rent of \$3,935 per month. This lease became a month-to-month lease on June 1, 2025. Rent expense for the years ended June 30, 2025 and 2024 were \$52,617 and \$57,782, respectively.