New Jersey Theatre Alliance, Inc.

Financial Statements
With Independent Auditor's Report
June 30, 2026

Fylstra & Associates, LLC
Certified Public Accountants
Allendale, New Jersey

New Jersey Theatre Alliance, Inc.

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FYLSTRA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

385 Franklin Turnpike., PO BOX 234, Allendale, NJ 07401 www.FylstraAccounting.com Tel: 201-818-8800

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of New Jersey Theatre Alliance, Inc.

Opinion

We have audited the accompanying financial statements of New Jersey Theatre Alliance, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2026, 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 New Jersey Theatre Alliance, Inc. as of June 30, 2026, and the changes in 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 New Jersey Theatre Alliance, Inc. 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 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 New Jersey Theatre Alliance, 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 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 New Jersey Theatre Alliance, 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 New Jersey Theatre Alliance, 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.

Report on Summarized Comparative Information

We have previously audited New Jersey Theatre Alliance, Inc.'s 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 11, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Allendale, New Jersey
September 18, 2026

Fylstra & Associates, LLC

New Jersey Theatre Alliance, Inc.
Statement of Financial Position
June 30, 2026
With Comparative Totals for 2025

	2026	2025
Assets		
Cash and cash equivalents	$ 495,649	$ 524,772
Accounts receivable	4,750	22,465
Grants receivable	102,250	173,500
Prepaid expense	2,232	4,488
Investments - Cash Reserve	1,046,202	856,506
Investments - Endowment	1,673,986	1,466,501
Property and equipment at cost, net of accumulated depreciation	14,474	27,573
Total assets	$ 3,339,543	$ 3,075,805
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 4,379	$ 17,207
Total liabilities	4,379	17,207
Net Assets		
Without donor restrictions	2,155,696	1,876,630
With donor restrictions	1,179,468	1,181,968
Total net assets	3,335,164	3,058,598
Total liabilities and net assets	$ 3,339,543	$ 3,075,805

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.

Statement of Activities

Year Ended June 30, 2026

With Comparative Totals for 2025

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support						
Government	$ 409,000		409,000	$ 442,550		442,550
Foundations	219,450	42,500	261,950	205,000	45,000	250,000
Corporations	88,197		88,197	42,835		42,835
Individuals	91,902		91,902	99,018		99,018
Special events	96,858		96,858	254,904		254,904
Net assets released from restrictions	45,000	(45,000)		55,600	(55,600)	
	950,407	(2,500)	947,907	1,099,907	(10,600)	1,089,307
Revenue						
Dues	51,366		51,366	50,727		50,727
Program revenue	10,334		10,334	11,860		11,860
Fees for service	5,164		5,164	3,650		3,650
Interest income	5,756		5,756	7,752		7,752
In-kind contributions	12,000		12,000	12,000		12,000
Total support and revenue	1,035,027	(2,500)	1,032,527	1,185,896	(10,600)	1,175,296
Expenses						
Program Services	671,160		671,160	681,596		681,596
Management and general	233,835		233,835	161,952		161,952
Fundraising	113,147		113,147	206,433		206,433
Total expenses	1,018,142		1,018,142	1,049,981		1,049,981
Change in Net Assets from Operations	16,885	(2,500)	14,385	135,915	(10,600)	125,315
Investment Return	262,181		262,181	193,865		193,865
Change in Net Assets	279,066	(2,500)	276,566	329,780	(10,600)	319,180
Net Assets						
Beginning of Year	1,876,630	1,181,968	3,058,598	1,546,850	1,192,568	2,739,418
End of Year	$ 2,155,696	$ 1,179,468	$ 3,335,164	$ 1,876,630	$ 1,181,968	$ 3,058,598

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.

Statement of Functional Expenses

Year Ended June 30, 2026

With Comparative Totals for 2025

	Program Services	Management and general	Fundraising	Total 2026	2025
Salaries	$ 313,503	$ 122,710	$ 25,168	$ 461,381	$ 453,366
Payroll taxes	25,858	6,183	6,035	38,076	36,897
Payroll benefits	27,529	6,585	6,425	40,539	50,158
NJ marketing campaign	74,946			74,946	89,084
Contracted services	8,914	2,433		11,347	7,052
Bank fees	98	2,020		2,118	3,159
Fundraising expense			8,887	8,887	17,189
Hospitality	17,961	6,346		24,307	22,850
Insurance		3,957		3,957	3,519
Internet expense	8,070	16,690		24,760	18,978
Marketing	15,276	2,892		18,168	17,022
Meetings	1,905	4,022		5,927	11,335
Miscellaneous	4,549	1,704		6,253	10,005
Outside fees and services	1,500	7,301		8,801	6,854
Postage		367		367	678
Printing	5,756	310		6,066	1,982
Professional affiliation	7,294	4,808		12,102	12,822
Professional fees	132,494	12,950		145,444	140,330
Rent		17,144		17,144	16,138
Special event			66,632	66,632	94,870
Supplies	2,519	916		3,435	3,035
Telephone		2,913		2,913	2,677
Equipment Rental	4,368			4,368	1,100
Travel	5,521	11,584		17,105	14,589
	658,061	233,835	113,147	1,005,043	1,035,689
Depreciation	13,099			13,099	14,292
Total	$ 671,160	$ 233,835	$ 113,147	$ 1,018,142	$ 1,049,981

See accompanying notes to the financial statements.

New Jersey Theatre Alliance, Inc.
Statement of Cash Flows
Year Ended June 30, 2026
With Comparative Totals for 2025

	2026	2025
Cash Flows from Operating Activities		
Change in net assets	$ 276,566	$ 319,180
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Depreciation	13,099	14,292
(Gain) loss on investments	(201,773)	(139,465)
Changes in operating assets and liabilities:		
Receivables	88,965	(94,852)
Prepaid expense	2,256	(4,488)
Payables	(12,828)	2,081
Net cash provided by (applied to) operating activities	166,285	96,748
Cash Flows from Investing Activities		
Decrease (increase) in investments	(195,408)	(54,399)
Net cash provided by (applied to) investing activities	(195,408)	(54,399)
Net Increase (Decrease) in Cash	(29,123)	42,349
Cash and Cash Equivalents		
Beginning of Year	524,772	482,423
End of Year	$ 495,649	$ 524,772

See accompanying notes to the financial statements.

1. Nature of Activities:

Organization - The New Jersey Theatre Alliance, Inc. (the Organization) unites, promotes, strengthens, and cultivates New Jersey's professional theatres. We advance the theatre community by developing innovative, collaborative, and engaging programs and services for member theatres and their diverse audiences.

2. Summary of Significant Accounting Policies:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - Net assets that are not subject to or are no longer subject to donor imposed stipulations**.**

Net Assets With Donor Restrictions - Net assets whose use is limited by donor imposed time and/or purpose restrictions.

Revenue Recognition - The financial statements are prepared on the accrual basis of accounting, whereby income is recorded when earned and expenses when incurred.

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.

Cash and Cash Equivalents - The Organization considers all cash on hand and in the bank, money market funds, and certificates of deposit with an original maturity of less than three months to be cash equivalents.

Contributions - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

2. Summary of Significant Accounting Policies (continued):

Property and Equipment - Property and equipment over $3,000 are recorded at cost or if donated as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets 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 those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the various assets.

Investments - Investment in equity securities with readily determinable fair market values and all investments in debt securities are measured at fair market value in the statement of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest, dividends and investment custodial fees) is included in the statement of activities as increases or decreases in net assets.

Income Taxes - The Organization is a not-for-profit organization exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code. There is, therefore, no provision for income taxes in these financial statements. Annually, the Organization files Form 990, Return of Organizations Exempt from Income Tax with the Internal Revenue Service. The Organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Tax returns are open for examination by the Internal Revenue Service for three years after filing. Returns for this year and the last three years remain open.

Functional allocation of expenses - The costs of providing the various programs and activities have been summarized on a functional basis. Accordingly certain costs have been allocated among the programs and supporting services benefited.

Donated Services - The value of donated services to the Organization meeting the requirements for recognition in the financial statements is disclosed in Note 13.

Comparative Financial Information - The financial statements include a statement of functional expenses that is presented only for the year ended June 30, 2026, with comparative totals for the year ended June 30, 2025. That information for 2025 does not include sufficient detail to constitute a presentation in conformity with GAAP. Such information should be read in conjunction with the financial statements for the year ended June 30, 2025, from which the summarized information was derived.

2. Summary of Significant Accounting Policies (continued):

Concentration of Risk - The Organization's investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Fair Value Measurement - The fair value of financial assets and liabilities is measured according to the *Fair Value Measurements and Disclosures* topic of the FASB Accounting Standards Codification. Fair value is required to be evaluated and adjusted according to the following valuation techniques.

Level 1 - Fair value is determined using quoted market prices in active markets for identical assets and liabilities. Assets in this level typically include publicly traded equities, mutual fund investments, cash equivalents, and listed derivatives.

Level 2 - Fair value is determined using quoted market prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market for substantially the full term of the assets and liabilities. Assets in this level include debt securities and partnerships that hold Level 1 assets, provided that the organization has the ability to redeem the investment in the near term, and real estate held for investment if measured by a current appraisal.

Level 3 - Fair value is determined using inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The market for assets and liabilities using Level 3 measures is typically inactive. Assets in this level include alternative investments, real estate held for investment if measured using management estimates, investment in partnerships and limited liability companies, and beneficial interests in charitable remainder trusts.

Subsequent Events - The Organization has evaluated subsequent events for potential recognition or disclosure through September 18, 2026, the date the financial statements were available to be issued.

3. Investments:

Investments as of June 30, 2026 are stated at fair value and are summarized as follows:

Cash Reserve investments:

	Level 1	Level 2	Level 3	Fair Value
City National Bank:				
Money Market	$ 163,562	$ -	$ -	$ 163,562
Fixed Income Funds		671,899		671,899
Equity Funds	210,741			210,741
	$ 374,303	$ 671,899	$ -	$ 1,046,202

Endowment investments:

City National Bank:				
Money Market	$ 10,221	$ -	$ -	$ 10,221
Fixed Income Securities		529,824		529,824
Mutual Funds	1,133,941			1,133,941
	$ 1,144,162	$ 529,824	$ -	$ 1,673,986

The following schedule summarizes the investment return and its classification in the statement of activities for the year. Income from the Endowment fund is unrestricted.

	Cash Reserve	Endowment	Total
Interest and dividends	$ 32,767	$ 42,071	$ 74,838
Custodial fees	(5,243)	(9,187)	(14,430)
	27,524	32,884	60,408
Investment gain or (loss)	27,172	174,601	201,773
	$ 54,696	$ 207,485	$ 262,181

4. Grants Receivable:

	2026	2025
Due within one year	$ 102,250	$ 173,500
	$ 102,250	$ 173,500

No allowance for uncollectible amounts is deemed necessary.

5. Property and Equipment:

	2026	2025
Program equipment	$ 89,347	$ 89,347
Less accumulated depreciation	74,873	61,774
Property and Equipment, net	$ 14,474	$ 27,573

6. Concentrations:

The Organization operates primarily in New Jersey. The Organization is thus subject to fluctuations in local economic conditions. In planning and budgeting during a fiscal year, significant reliance is placed on meeting revenue goals in order for the Organization to sustain successful operations.

7. Line of Credit:

The Organization has an unsecured line-of-credit arrangement with an area bank, with interest at the prime rate. The line of credit limit is $100,000, of which no amount is currently outstanding.

8. Net Assets:

The Organization has $232,500 in net assets with donor restrictions set aside for future periods along with $946,968 in endowment assets.

9. Program Expenses are as follows:

	2026	2025
Access Projects	$ 114,299	$ 116,368
Marketing	63,911	62,551
Website	58,415	57,585
Salary Survey	64,006	42,626
Creating Change	95,678	91,972
Career Accelerator Program	76,974	83,248
Theatre and Health Project	51,728	38,561
NJ Theatre Marketing Campaign	74,946	89,084
Audio Description & Sign Interp Training	12,352	9,389
Other Program Costs	58,851	90,212
Total program costs	$ 671,160	$ 681,596

10. Retirement Plans:

All full time employees may participate in a 403(b) Tax Deferred Annuity Plan sponsored by the organization. After one year of service, the Organization will match 4% of employee contributions. The matching contribution for the year ended June 30, 2026 was $10,491.

11. Contingencies:

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting the gifts and their terms, it has accommodated the objectives of the gift provisions.

12. Liquidity and Availability of Financial Assets:

The Organization's primary sources of revenue are government and foundation grants. They monitor their liquidity so they are able to meet all operating needs. They have the following financial assets that could readily be made available within one year of the balance sheet date to fund expenses without limitations.

	2026	2025
Cash and cash equivalents	$ 495,649	$ 524,772
Accounts receivable	4,750	22,465
Grants receivable	102,250	173,500
Investments - Cash Reserve	1,046,202	856,506
	$ 1,648,851	$ 1,577,243

13. Rent Expense:

The Organization recognized in-kind contribution of facilities and related expenses. Donated goods and services are recorded as contributions at their estimated fair values at the date of donation. As of March 1, 2024 the Organization has office space at 432 Lakehurst Road Suite 1 in Toms River, NJ that is owned by the Grunin Foundation. The Organization recognizes $1,000 monthly of in-kind contributions and related expenses for the office space. Total in-kind contributions and related expenses are $12,000 for the year ended June 30, 2026.