DUNBAR ALUMNI FEDERATION, INC.

AUIDTED FINANCIAL STATEMENTS
WITH ACCOUNTANT'S AUDIT REPORT

FOR THE YEARS ENDED
DECEMBER 31, 2025 AND 2024

DUNBAR ALUMNI FEDERATION, INC.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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THE BEAN COUNTER, LLC

Certified Public Accountants

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To the Board of Directors
Dunbar Alumni Federation, Inc.

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DUNBAR ALUMNI FEDERATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	84,549	56,319
Accounts receivables		
Investments	540,626	503,235
Total Current Assets	625,175	559,554
Total current/total assets	**625,175**	**559,554**
LIABILITES AND NET ASSETS		
Current Liabilities		
Deferred revenue	25,242	9,525
Total current/total liabilities	25,242	9,525
Net Assets		
With donor restrictions	44,595	7,046
Without donor restrictions	555,338	542,983
Total net assets	599,933	550,029
Total Liabilities & Net Assets	**625,175**	**559,554**

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DUNBAR ALUMNI FEDERATION, INC
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			
	Without Donor Restrictions	With Donor Restrictions	Total	2024 Total
SUPPORT AND REVENUE				
Membership Dues	4,375		4,375	4,390
Scholarship contributions		40,049	40,049	43,657
Other contribution/donations	24,816		24,816	42,702
Grant Income	23,791		23,791	
Legacies & Bequests	24,000		24,000	
Dividend & Interest	72,391		72,391	
Other income	130		130	2,411
(Loss)/Gain on investment			-	52,973
Special Event Revenue	16,268		16,268	
Total support and revenue	**165,771**	**40,049**	**205,820**	**146,133**
EXPENSES				
Program services				
Scholarships		2,500	2,500	51,290
Special events		-	-	19,445
Student activities	1,398		1,398	14,919
Grant Expense	55,500		55,500	
School funds	56,672		56,672	9,071
Total program services	**113,571**	**2,500**	**116,071**	**94,725**
Support services				
Management and general	39,846		39,846	14,976
Total supporting services	**39,846**	-	**39,846**	**14,976**
Total expenses	**153,416**	**2,500**	**155,916**	**109,701**
Increase in Net Assets	12,355	37,549	49,904	36,432
Net assets, beginning of year	542,983	7,046	550,029	489,136
Net assets, end of year	555,338	44,595	599,933	525,568

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DUNBAR ALUMNI FEDERATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025								
	Program Services						Support Services		
Description	**Scholarships**	**Special Events**	**Student Activities**	**Grant Funds**	**School Funds**	***Total***	**Management & General**	**Total**	**2024 Total**
								-	
Scholarships and awards	2,500					2,500		**2,500**	52,000
Business expenses						-	10,933	**10,933**	598
Grant Expense				55,500		55,500		**55,500**	
Contract services						-	26,827	26,827	13,073
Faciities and equipment						-		-	-
Travel and meetings			1,398			1,398		1,398	9,198
Operating expenses					56,672	56,672		56,672	32,099
Other expenses						-	2,086	2,086	2,733
Total expense	**2,500**	**-**	**1,398**	**55,500**	**56,672**	**116,071**	**39,846**	**155,916**	**109,701**

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DUNBAR ALUMNI FEDERATION, INC.
STATEMENT OF CASH FLOWS
DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	49,904	36,432
Adjustment to reconcile changes in net assets to net cash provided by operating activities:		
Unrealized loss on investments		(52,973)
Increase in operating liabilities:		
Accounts receivable		175
Deferred revenue	15,717	(2,011)
Net cash provided by (used in) operating activities	65,621	(18,377)
Cash Flows from Investing		
Increase in investments	(37,391)	
Net cash from investing activities	(37,391)	
Net increase (decrease) in cash and cash equivalents	28,230	(18,377)
Cash and cash equivalents, beginning of year	56,319	74,695
Cash and cash equivalents, end of year	84,549	56,319

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DUNBAR ALUMNI FEDERATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 -- ORGANIZATION AND PURPOSE

The Dunbar Alumni Federation, Inc. ("The Federation") is a not-for-profit organization founded in 2002. It was organized to provide scholarship and other financial support to students and graduates of the Paul Laurence Dunbar High School in Washington, DC.

The Federation initiates various endeavors to promote and support scholarship efforts, school and community education activities; support of activities for respective alumni classes; and focuses on ways to leverage the prestige of Paul Dunbar High School and its distinguished alumni to enhance the education of students. The Federation receives funding through membership dues, annual gala, contributions and grants. The funds are expended on the scholarship and awards program and other school and alumni-based activities.

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting; consequently, revenue is recorded when earned and expenses are recorded when incurred.

Income Tax Status – The Federation is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal taxes.

Fair Value Measurements – All of the assets and liabilities are the statement of financial position are valued at Level one fair value measurements.

Financial Statement Presentation – The Federation reports its financial statements in accordance with FASB ASC 958. Under FASB ASC 958, financial statements are required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the two net asset categories follows:
• Without donor restrictions – the portion of the net assets that is not subject to donor-imposed restrictions. Within net assets without donor restrictions are board-designated net assets. These are net assets without donor restrictions but are subject to self-imposed limits by action of the governing board, which could include amounts earmarked for future programs, investment, contingencies, purchase of fixed assets, or other uses.

• With donor restrictions – the portion of the net assets that is subject to donor-imposed restrictions including endowment funds for which principal amounts are held in perpetuity.

There was $44,595 of net assets with donor restrictions at December 31, 2025.

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NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Cash and Cash Equivalents - For the purposes of presentation of the Federation's statement of cash flows, cash equivalents are short term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near to maturity that they present insignificant risk of changes in value due to changing interest rates.

Contributions – Contributions received are recorded as unrestricted support depending on the existence of any donor restrictions. Time-restricted and purpose contributions are required to be reported as donor restricted support and then reclassified to net assets without restrictions upon expiration of the restriction.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 period. Actual results could differ from those estimates.

Concentration of Credit Risk – The Federation maintains cash balances at various banking institutions. Accounts at those institutions were insured by the Federal Deposit Insurance Corporation up to $250,000 as of December 31, 2025. There were no uninsured cash balances as of December 31, 2025.

NOTE 3 -- INVESTMENTS

In accordance with generally accepted accounting principles, The Federation uses the following prioritized input levels to measure fair value of financial instruments. The input levels used for valuing financial instruments are not necessarily an indication of risk.

Level 1 – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2 – Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3 – Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

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NOTE 3 – INVESTMENTS – (CONTINUED)

The following is a summary of input levels to determine fair values of assets, measured at fair value on a recurring basis, at December 31, 2025 and 2024:

	2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Endowment Fund	540,626	$ 540,626		
	$ 540,626	$ 540,626		

	2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Endowment Fund	$ 503,235	$ 503,235		
	$ 503,235	$ 503,235		

NOTE 4 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Expenses are charged to each program based on direct expenditures incurred. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 5 – RECENTLY IMPLEMENTED ACCOUNTING STANDARDS

The following summarizes recent accounting standards that were considered related to the Federation:

In 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures.

In 2018, FASB issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. The amendments in this ASU assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to ASU Topic 606 and (2) determining whether a contribution is conditional. The contribution guidance in Subtopic 958-605 requires an entity to determine whether a transaction is conditional, which affects the timing of the revenue recognized.

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NOTE 5 --SUBSEQUENT EVENTS

In preparing these financial statements, the management of the Federation has evaluated events and transactions that occurred after December 31, 2025 for the potential recognition or disclosure in the financial statements. These events and transactions were evaluated through _____, 2026, the date the financial statements were available to be issued.

Management did not identify any such events or transactions that would require disclosure.

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