Ann Arbor Summer Festival, Inc.

Financial Statements

September 30, 2025
(With Summarized Comparative Information for 2024)



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Independent Auditors' Report

Management and the Board of Directors
Ann Arbor Summer Festival, Inc.
Ann Arbor, Michigan

Opinion
We have audited the accompanying financial statements of Ann Arbor Summer Festival, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ann Arbor Summer Festival, Inc. as of September 30, 2025, and the changes in its 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ann Arbor Summer Festival, 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 Ann Arbor Summer Festival, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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, including omissions, 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 Ann Arbor Summer Festival, 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 Ann Arbor Summer Festival, 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 the Ann Arbor Summer Festival, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 14, 2025. In our opinion, the summarized comparative information presented herein, as of and for the year ended September 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Yeo & Yeo, P.C.

Ann Arbor, Michigan
February 25, 2026

Ann Arbor Summer Festival, Inc.
Statement of Financial Position
September 30, 2025
(With Summarized Comparative Information for 2024)

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	**$ 109,026**	$ 51,987
Accounts receivable	**-**	574
Promises to give	**-**	197,599
Prepaid expenses	**8,000**	2,000
Total current assets	**117,026**	252,160
Noncurrent assets		
Restricted cash	**152**	152
Restricted investments	**515,726**	458,363
Property and equipment, net	**111,800**	79,260
Total noncurrent assets	**627,678**	537,775
Total assets	**$ 744,704**	$ 789,935

See Accompanying Notes to the Financial Statements

Ann Arbor Summer Festival, Inc.
Statement of Financial Position
September 30, 2025
(With Summarized Comparative Information for 2024)

	2025	2024
Liabilities and net assets		
Current liabilities		
Accounts payable	**$ 55,616**	$ 55,805
Accrued expenses	**3,834**	7,414
Refundable advance	**15,250**	-
Total current liabilities	**74,700**	63,219
Net assets		
Without donor restrictions		
Undesignated	**154,126**	74,492
Board designated - endowment earnings	**258,291**	206,536
Total without donor restrictions	**412,417**	281,028
With donor restrictions		
Time-restricted for future periods	**-**	193,709
Endowment corpus	**257,587**	251,979
Total with donor restrictions	**257,587**	445,688
Total net assets	**670,004**	726,716
Total liabilities and net assets	**$ 744,704**	$ 789,935

See Accompanying Notes to the Financial Statements

Ann Arbor Summer Festival, Inc.
Statement of Activities
For the Year Ended September 30, 2025
(With Summarized Comparative Information for 2024)

	Without donor restrictions	With donor restrictions	**2025**	2024
Revenue, support and gains (losses)				
Ticketed series sales	$ -	$ -	**$ -**	$ 181,910
Top of the Park sales	219,276	-	**219,276**	227,407
Contributions	472,368	6,951	**479,319**	411,759
Sponsorships	265,969	-	**265,969**	212,230
Grants	209,080	-	**209,080**	220,626
Contributions of nonfinancial assets	63,324	-	**63,324**	64,073
Other revenue	1,774	-	**1,774**	9,931
Interest and dividend income	12,372	-	**12,372**	11,819
Realized loss on investments	(522)	-	**(522)**	(736)
Unrealized gain on investments	42,489	-	**42,489**	81,322
Net assets released from restrictions	195,052	(195,052)	**-**	-
Total revenue, support and gains (losses)	1,481,182	(188,101)	**1,293,081**	1,420,341
Expenses				
Program services	898,389	-	**898,389**	1,072,895
Support				
Management and general	330,213	-	**330,213**	342,812
Fundraising	121,191	-	**121,191**	104,969
Total support	451,404	-	**451,404**	447,781
Total expenses	1,349,793	-	**1,349,793**	1,520,676
Change in net assets	131,389	(188,101)	**(56,712)**	(100,335)
Net assets - beginning of year	281,028	445,688	**726,716**	827,051
Net assets - end of year	$ 412,417	$ 257,587	**$ 670,004**	$ 726,716

See Accompanying Notes to the Financial Statements

Ann Arbor Summer Festival, Inc.
Statement of Cash Flows
For the Year Ended September 30, 2025
(With Summarized Comparative Information for 2024)

	2025	2024
Cash flows from operating activities		
Change in net assets	**$ (56,712)**	$ (100,335)
Items not requiring cash		
Depreciation	**19,874**	15,307
Unrealized gain on investments	**(42,489)**	(81,322)
Realized loss on investments	**522**	736
Changes in operating assets and liabilities		
Accounts receivable	**574**	13,780
Promises to give	**197,599**	141,776
Prepaid expenses	**(6,000)**	(600)
Accounts payable	**(189)**	39,040
Accrued expenses	**(3,580)**	(1,001)
Refundable advance	**15,250**	-
Net cash provided by operating activities	**124,849**	27,381
Cash flows from investing activities		
Purchases of investments	**(15,396)**	(17,464)
Purchases of property and equipment	**(52,414)**	(48,623)
Net cash used by investing activities	**(67,810)**	(66,087)
Net change in cash, cash equivalents, and restricted cash	**57,039**	(38,706)
Cash, cash equivalents, and restricted cash - beginning of year	**52,139**	90,845
Cash, cash equivalents, and restricted cash - end of year	**$ 109,178**	$ 52,139
Cash, cash equivalents, and restricted cash		
Cash and cash equivalents	**$ 109,026**	$ 51,987
Restricted cash	**152**	152
Total cash, cash equivalents, and restricted cash	**$ 109,178**	$ 52,139

See Accompanying Notes to the Financial Statements

Ann Arbor Summer Festival, Inc.
Statement of Functional Expenses
For the Year Ended September 30, 2025
(With Summarized Comparative Information for 2024)

	Program Services	Management and General	Fundraising	Total 2025	Total 2024
Salaries and related costs					
Salaries and wages	$ 276,427	$ 54,599	$ 95,916	**$ 426,942**	$ 427,240
Payroll taxes	23,296	4,224	7,481	**35,001**	35,191
Employee benefits	25,071	4,897	8,866	**38,834**	38,957
Total salaries and related costs	324,794	63,720	112,263	**500,777**	501,388
Advertising and marketing	45,062	69,660	7,317	**122,039**	110,375
Cost of goods sold	63,367	-	-	**63,367**	74,408
Depreciation	-	19,874	-	**19,874**	15,307
Dues and subscriptions	615	7,108	-	**7,723**	7,056
Equipment rental and maintenance	72,208	7,594	-	**79,802**	109,131
Insurance	16,448	22,008	-	**38,456**	36,530
Miscellaneous	22,034	16,454	-	**38,488**	30,964
Operating supplies	14,709	2,178	-	**16,887**	15,507
Printing and postage	483	14,165	1,491	**16,139**	15,811
Production services and contractors	272,225	491	-	**272,716**	443,390
Professional services	2,240	78,364	120	**80,724**	59,715
Rent	6,725	21,650	-	**28,375**	27,170
Taxes and licenses	7,562	-	-	**7,562**	6,940
Telephone and internet	-	3,303	-	**3,303**	3,243
Travel	11,531	168	-	**11,699**	19,037
Utilities	38,386	3,476	-	**41,862**	44,704
Total expenses	$ 898,389	$ 330,213	$ 121,191	**$ 1,349,793**	$ 1,520,676

See Accompanying Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Ann Arbor Summer Festival, Inc. ("A2SF") is a Michigan non-profit, based in Ann Arbor, Michigan and incorporated in 1978. A2SF's mission is to present a world-class celebration of arts and entertainment that enriches the cultural, economic, and social vitality of the region. A2SF is funded through ticket sales, concessions, contributions, and grants.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions.

Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. 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 that resources be maintained in perpetuity.

A2SF reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 and reported in the statement of activities as net assets released from restrictions.

Comparative Financial Information

The financial information for the year ended September 30, 2024 is presented for comparative purposes and is not intended to be a complete financial statement presentation.

Cash and Cash Equivalents

A2SF considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents. As of September 30, 2025 $120,728 of cash and cash equivalents was insured by the FDIC and $0 was uninsured.

Restricted Investments

A2SF carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Investment income and gains and losses, including unrealized, are included in the change in net assets in the accompanying statement of activities as without donor restriction unless restricted by donor stipulation. Donated investments are recorded at fair market value at the date of gift. A2SF holds investments which are classified as available for sale and are recorded at fair value.

A2SF applies generally accepted accounting principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Promises to Give
Contributions are recognized when the donor makes a promise to give to A2SF that is, in substance, unconditional.

A2SF uses the income approach to value unconditional promises to give, in the aggregate on an annual basis, under the fair value option.

Accounts Receivable
Trade accounts receivable are stated net of an allowance for credit losses. The Organization estimates the allowance based on an analysis of specific accounts, taking into consideration the age of past due accounts, an assessment of ability to pay, current conditions, and reasonable and supportable forecasts. Individual receivables are written off as a charge to the allowance for credit losses when, in management's estimation, it is probable that the receivable is worthless.

Property and Equipment
A2SF follows the practice of capitalizing all expenditures in excess of $2,500 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Major improvements are capitalized while ordinary maintenance and repairs are expensed.

A2SF evaluates long-lived assets for impairment using a discounted cash flow method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Gifts of land, buildings, equipment and other long-lived assets are also reported as revenue without donor restrictions and net assets, unless subject to time restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Beneficial Interest in Assets Held by Others
A2SF has previously established an endowment along with the Rosalie Edwards Vibrant Ann Arbor Fund held and managed by the Ann Arbor Area Community Foundation ("Foundation"). A2SF is eligible to receive distributions based on earnings on the average balance of the endowments, not to exceed the available balance. A2SF received disbursements of $8,408 and $7,376 during the years ended September 30, 2025 and 2024, respectively. With the exception of the previously mentioned allowable disbursements and an annual fee not to exceed the principal balance, the Foundation cannot make disbursements of the endowment corpus. The Foundation has variance power of these funds. The principal balance of these funds was $340,573 and $318,379 as of September 30, 2025 and 2024.

Revenue and Revenue Recognition
Revenue is recognized when earned. Program service fees are deferred to the applicable period in which the performance obligations are met. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Donated Services and Goods
The Organization records the value of donated goods as contributions using estimated fair values at the date of receipt. The Organization's policy is to utilize, rather than monetize, donated services and goods.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Advertising
A2SF expenses advertising costs the first time the advertising occurs. Advertising expense for the years ended September 30, 2025 and 2024 was $122,039 and $110,375, respectively. These amounts include in-kind advertising expenses.

Functional Expenses
The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited such as salaries and related expenses.

Income Tax Status
A2SF is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as an organization other than a private foundation, as described in Section 509(a). A2SF files information returns in the U.S. Federal and Michigan jurisdiction.

Risks and Uncertainties
A2SF invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the balance sheet.

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. Accordingly, actual results could differ from those estimates.

Date of Management's Review
Management has evaluated subsequent events through February 25, 2026, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2025	2024
Cash, cash equivalents, and restricted cash	$ 109,178	$ 52,139
Investments	515,726	458,363
Accounts receivable	-	574
Promises to give	-	197,599
Total financial assets - end of year	624,904	708,675
Less: Financial assets unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(257,587)	(251,979)
Board designations:		
Endowment earnings, primarily for long-term investing	(258,291)	(206,536)
Financial assets available to meet cash needs for general expenditures within one year	$ 109,026	$ 250,160

A2SF's goal is generally to maintain financial assets to meet 3 to 6 months of operating expenses (approximately $600,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit. Additionally, A2SF's endowment allows for an annualized portion of the investment proceeds to be eligible for distribution for general expenses as explained in Note 11.

Note 3 - Promises to Give

Promises to give are scheduled to be collected as follows:

	2025	2024
Promises to give	$ -	$ 197,599

All amounts due are current and expected to be fully received.

	2025	2024
Balance beginning of the year	$ 197,599	$ 339,375
Less collections	(197,599)	(144,736)
Change in discount to fair value of pledges, reported in the gain (loss)	-	2,960
Balance end of the year	$ -	$ 197,599

Note 4 - Revenue from Contracts with Customers

The following summarizes revenue by type for the year ended September 30, 2025 and 2024:

	2025	2024
Revenue from contracts with customers	$ 219,276	$ 409,317
Contributions	479,319	411,759
Sponsorship	265,969	212,230
Grants	209,080	220,626
In-kind contributions	63,324	64,073
Other revenue	1,774	9,931
Interest and dividend income	12,372	11,819
Realized loss on investments	(522)	(736)
Unrealized gain on investments	42,489	81,322
Total revenue	$ 1,293,081	$ 1,420,341

The revenue from contracts with customers for the year ended September 30, 2025 and 2024 consists of:

	2025	2024
Revenue earned at a point in time	$ 219,276	$ 409,317

Revenue earned at a point in time consists of various A2SF programs such as private party rentals, ticket and souvenir sales provided to local business owners and patrons throughout the year. Generally, private party rentals must be prepaid and therefore the revenues and cash flows related to that program are not subject to the same amount of uncertainty as other activities. The private party rentals and other ticket programs are typically one day events and therefore the performance obligation is typically satisfied when the attendee attends the event; if the attendee does not attend the entire event, revenue is still earned if some portion of the event was attended. This is because if the attendee attends a portion of the event, they will not be refunded their money. There is no variable consideration for the events depending on who is attending as payment is received in advance or at time of entry. The transaction price is calculated using the expected value method based on historical experience for each price. Because the majority of attendees are paying timely and in advance, there is no constraint.

The following summarizes contract assets as of:

	September 30, 2025	September 30, 2024	October 1, 2023
Accounts receivable	$ -	$ 574	$ 14,354

There were no contract liabilities for all periods noted.

There were no changes in judgments related to revenue recognition for the years ended September 30, 2025 and 2024.

A2SF uses the practical expedient to record revenue as if there is no significant financing component when the receivable is due within one year.

Note 5 - Restricted Investments

Fair value of investments is determined by Level 1 inputs, which generally use quoted prices in active markets for identical assets that A2SF has the ability to access. The fair value at September 30 is summarized as follows:

	2025	2024
Money market funds	$ 3,077	$ 5,747
Bond funds	135,180	127,812
Mutual funds	377,469	324,804
Total investments	$ 515,726	$ 458,363

Investment income is composed of the following at September 30:

	2025	2024
Dividends and interest	$ 12,372	$ 11,819
Realized loss on investments	(522)	(736)
Unrealized gain on investments	42,489	81,322
	$ 54,339	$ 92,405

Investments consist of contributions and related investment return as follows:

Lawrence Family Endowment Fund	$ 75,776
A2SF Endowment Fund	439,950
	$ 515,726

Note 6 - Property and Equipment

Major classes of assets and related accumulated depreciation thereon are summarized as follows at September 30:

	2025	2024	Estimate Useful Life
Office equipment	$ 21,691	$ 21,691	3-7 years
Production equipment	239,132	236,425	3-7 years
	260,823	258,116	
Less: accumulated deprecation	(149,023)	(178,856)	
	$ 111,800	$ 79,260	

Note 7 - Line of Credit

The Organization had an unsecured line of credit arrangement totaling $100,000. This arrangement provides for borrowing amounts for short-term use at prime plus 8.5%. While the line of credit was available for use through its maturity date of May 22, 2025, the line of credit was not renewed, there were no borrowings during the year.

Note 8 - Board Designated Net Assets

The Board of Directors of A2SF has voluntarily designated $258,291 and $206,536 as of September 30, 2025 and 2024, respectively, to be held as part of the corpus of the endowment fund, with only a portion of proceeds distributed.

Note 9 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and periods at September 30:

	2025	2024
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	$ -	$ 193,709
Endowments:		
Perpetual in nature	257,587	251,979
Total net assets with donor restrictions	$ 257,587	$ 445,688

Note 10 - Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended September 30, 2025 and 2024:

	2025	2024
Expiration of time restrictions	$ 193,709	$ 145,666
Satisfaction of purpose restrictions		
Educational programs	1,343	477
	$ 195,052	$ 146,143

Note 11 - Endowment Fund

A2SF treats monies received as endowments as net assets with donor restrictions at the fair market value of the initial contribution. Net income from these endowments may be spent as A2SF sees fit with the current policy that the distributions are limited to 4.5% of the average value of the endowment balance over the previous seven years, with no distributions to be made until the combined endowment accounts reach $500,000. Endowments are invested with the objective of achieving a long-term growth of principal and income using the following investment vehicles - equity securities, mutual funds, fixed income securities (maturities longer than one year) and cash equivalents (maturities less than one year) and using targeted allocations between these vehicles with, at minimum, annual rebalancing to maintain the strategic allocation goals.

The endowment funds are invested in a checking account, money market account, and in mutual funds. These amounts are listed in the statement of financial position other assets section as restricted cash and restricted investments.

The endowment net asset composition by type of fund as of September 30, 2025 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Endowment corpus	$ -	$ 257,587	$ 257,587
Endowment earnings	258,291	-	258,291
	$ 258,291	$ 257,587	$ 515,878

The changes in endowment net assets for the year ended September 30, 2025 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Beginning of year	$ 206,536	$ 251,979	$ 458,515
Contributions	-	5,608	5,608
Distributions	(2,584)	-	(2,584)
Investment income	11,850	-	11,850
Unrealized gain	42,489	-	42,489
End of year	$ 258,291	$ 257,587	$ 515,878

The endowment net asset composition by type of fund as of September 30, 2024 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Endowment corpus	$ -	$ 251,979	$ 251,979
Endowment earnings	206,536	-	206,536
	$ 206,536	$ 251,979	$ 458,515

The changes in endowment net assets for the year ended September 30, 2024 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Beginning of year	$ 116,825	$ 243,792	$ 360,617
Contributions	-	8,187	8,187
Investment income	8,389	-	8,389
Unrealized gain	81,322	-	81,322
End of year	$ 206,536	$ 251,979	$ 458,515

Return Objectives and Risk Parameters
A2SF has adopted a policy to invest with the objective of achieving long-term growth of principal and income to support current projects of A2SF.

Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, A2SF's return objective is a mix of the following investment vehicles: equity securities, mutual funds, fixed income securities (maturities longer than one year) and cash equivalents (maturities less than one year) and using targeted allocations between these vehicles with, at minimum, annual rebalancing to maintain strategic allocation goals.

Spending Policy and How the Investment Objectives Relate to Spending Policy
A2SF's finance committee will review annually and recommend a spending percentage as available according to the endowment balances and terms of use.

Note 12 - Retirement Plan

A2SF participates in a collective bargaining agreement with Local 395 of IATSE (International Alliance of Theatrical Stage of Employees) for performing stage work which represent approximately 1 percent of the total salaries incurred for each reported year.

A2SF contributes to the IATSE National Benefits Funds on behalf of applicable union employees. The pension and welfare contribution amounts are based on a set pay schedule. Amounts contributed for the years ended September 30, 2025 and 2024 were $693 and $4,262, respectively.

A2SF maintains a 403(b) tax deferred annuity plan. The contributions to the plans amounted to $0 for both years ended September 30, 2025 and 2024, respectively.

Note 13 - Related Party Transactions

The Board of Directors and the Executive Committee of Ann Arbor Summer Festival, Inc. include members who are employees and/or directors/trustees of the University of Michigan or the City of Ann Arbor. These entities serve A2SF in the following capacities.

O & W Distributors provided financial support to A2SF in the amount of $21,000 and $15,000 for September 30, 2025 and 2024, respectively. A2SF purchased beverages from O & W Distributors that totaled $16,722 and $27,451 for September 30, 2025 and 2024, respectively.

The Bank of Ann Arbor provided financial support in the form of sponsorship income to A2SF in the amount of $7,500 and $5,000 for September 30, 2025 and 2024, respectively.

Reinhart Realtors provided financial support in the form of sponsorship income to A2SF in the amount of $9,197 and $8,761 for September 30, 2025 and 2024, respectively.

Note 14 - Contributed Nonfinancial Assets

Contributed nonfinancial assets for the year ended September 30, 2025 were:

Category	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Services	$ 20,000	Creative / Branding	No associated donor restrictions	Cost provided by service firm
Services	6,600	Digital Marketing Support	No associated donor restrictions	Cost provided by service firm
Goods	154	Pizza for Seasonal Staff Training	No associated donor restrictions	Equal to public menu cost of items
Services	36,570	Bagged Parking from DDA	No associated donor restrictions	Posted meter rate; value provided by donor
Volunteer services	-	Volunteer hours to support programming/events	No associated donor restrictions	Criteria for recording revenue are not met; approximately 2,309 hours were donated from 156 volunteers.
	$ 63,324			

Contributed nonfinancial assets for the year ended September 30, 2024 were:

Category	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Services	$ 20,000	Creative / branding	No associated donor restrictions	Cost provided by service firm
Services	3,300	Digital marketing support	No associated donor restrictions	Cost provided by service firm
Goods	2,752	A2SF staff t-shirts	No associated donor restrictions	Equal to public cost on vendor's website
Services	34,890	Bagged parking from DDA	Used for Travel for conference	Posted meter rate; value provided by donor
Goods	216	Pizza for seasonal staff training	No associated donor restrictions	Equal to public menu cost of items
Goods	115	Flowers for event	No associated donor restrictions	Value provided by vendor
Goods	200	Snowcone & popcorn coupons	No associated donor restrictions	Equal to public menu cost of items
Services	2,600	TIPS training for bar staff	No associated donor restrictions	Value provided by vendor
Volunteer services	-	Volunteer hours to support programming/events	No associated donor restrictions	Criteria for recording revenue are not met; approximately 2,857 volunteer hours were donated
	$ 64,073			