

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba **INWARD BOUND MINDFULNESS**

FINANCIAL STATEMENTS

with

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

YEAR ENDED OCTOBER 31, 2024

Smith  Sullivan
& Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 302  Westborough, Massachusetts 01581

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INWARD BOUND MINDFULNESS EDUCATION, INC.

dba **INWARD BOUND MINDFULNESS**

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2024



Mission and Vision

***Our mission** is to provide in-depth mindfulness programming
for youth and the parents and professionals
who support them.*

***Our vision** is to support future generations of heart-centered, diverse
leaders who are prepared to respond to the challenges
of their time with focus, resiliency, and compassion
for themselves, their communities
and the global environment.*

www.inwardboundmind.org

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2024

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Inward Bound Mindfulness Education, Inc.
dba Inward Bound Mindfulness
Attleboro, Massachusetts

We have reviewed the accompanying financial statements of Inward Bound Mindfulness Education, Inc. *dba* Inward Bound Mindfulness (a Virginia nonprofit organization), which comprise the statement of financial position as of October 31, 2024, 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 ("GAAP"); this includes 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.

Accountants' 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 GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Inward Bound Mindfulness Education, Inc. *dba* Inward Bound Mindfulness and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' 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 GAAP.

Smith, Sullivan & Brown, PC

Westborough, Massachusetts
May 21, 2025

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

STATEMENT OF FINANCIAL POSITION
AS OF OCTOBER 31, 2024

ASSETS

CURRENT ASSETS:

Cash	\$ 175,555
Contributions and Grants Receivable	145,000
Prepaid Expenses	<u>7,940</u>
Total Current Assets	<u>328,495</u>

<u>TOTAL ASSETS</u>	<u>\$ 328,495</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$ 17,184
Accrued Payroll and Related Costs	30,824
Deferred Revenue	5,938
Conditional Grant Advance	<u>90,000</u>
Total Current Liabilities	<u>143,946</u>

NET ASSETS:

Net Assets Without Donor Restrictions	76,549
Net Assets With Donor Restrictions	<u>108,000</u>
Total Net Assets	<u>184,549</u>

<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 328,495</u>
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INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2024

	<u>WITHOUT</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>WITH</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>TOTAL</u> <u>ACTIVITIES</u>
<u>SUPPORT, REVENUE AND RECLASSIFICATIONS:</u>			
Gifts, Grants and Contributions	\$ 332,297	\$ 308,000	\$ 640,297
Program Services Revenue	306,775	-	306,775
Other Revenue	6,836	-	6,836
Net Assets Released from Restriction	<u>332,669</u>	<u>(332,669)</u>	<u>-</u>
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>978,577</u>	<u>(24,669)</u>	<u>953,908</u>
<u>FUNCTIONAL EXPENSES:</u>			
Program Services	856,502	-	856,502
Administrative	117,161	-	117,161
Fundraising	<u>42,903</u>	<u>-</u>	<u>42,903</u>
<u>TOTAL FUNCTIONAL EXPENSES</u>	<u>1,016,566</u>	<u>-</u>	<u>1,016,566</u>
<u>CHANGE IN NET ASSETS</u>	<u>(37,989)</u>	<u>(24,669)</u>	<u>(62,658)</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>114,538</u>	<u>132,669</u>	<u>247,207</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 76,549</u>	<u>\$ 108,000</u>	<u>\$ 184,549</u>

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED OCTOBER 31, 2024

	<u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND-</u> <u>RAISING</u>	<u>TOTAL</u> <u>FUNCTIONAL</u> <u>EXPENSES</u>
Salaries and Wages	\$ 336,893	\$ 32,085	\$ 32,085	\$ 401,063
Payroll Taxes and Employee Benefits	50,339	4,794	4,794	59,927
Program Expenses:				
Food and Venue	148,195	-	-	148,195
Teacher and Mentor Stipends	183,828	-	-	183,828
Travel and Other	51,025	-	-	51,025
Marketing and Advertising	50,441	733	711	51,885
Contracted Services	7,589	66,249	723	74,561
Office Expense	8,356	2,810	507	11,673
Insurance	2,737	7,841	261	10,839
Technology and Communications	11,384	2,105	3,278	16,767
Credit Card and Bank Fees	<u>5,715</u>	<u>544</u>	<u>544</u>	<u>6,803</u>
Total Functional Expenses	<u>\$ 856,502</u>	<u>\$ 117,161</u>	<u>\$ 42,903</u>	<u>\$ 1,016,566</u>

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets	\$ (62,658)
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*Adjustments to Reconcile the Above to Net Cash
Provided by Operating Activities:*

(Increase) Decrease in Current Assets:

Contributions and Grants Receivable	167,000
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Prepaid Expenses	(1,236)
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Increase (Decrease) in Current Liabilities:

Accounts Payable	(47,357)
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Accrued Payroll and Related Costs	(61,882)
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Deferred Revenue	(7,564)
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Conditional Grant Advance	90,000
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Net Adjustment	<u>138,961</u>
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<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>76,303</u>
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<u>NET INCREASE IN CASH BALANCES</u>	76,303
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<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>99,252</u>
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<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 175,555</u>
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INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

NOTE 1 ORGANIZATION

Inward Bound Mindfulness Education, Inc. *dba* Inward Bound Mindfulness (the “Organization” or “Inward Bound Mindfulness”) was incorporated in July 2010 in the Commonwealth of Virginia and registered in the Commonwealth of Massachusetts in October 2014. The Organization qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). Inward Bound Mindfulness is not classified as a private foundation under IRC Section 509(a); accordingly, contributions made to the Organization qualify for the maximum charitable deduction for federal income tax purposes.

NOTE 2 PROGRAM SERVICES

Inward Bound Mindfulness is the national leader in immersive mindfulness education for teens, young adults, and the adults who support them. The Organization’s primary program activities are achieved by providing retreats, custom programs and teacher training programs.

Revenue is primarily derived through program fees, including for retreats and custom programs, and gifts, grants and contributions. A portion of gifts, grants and contributions are specifically to cover scholarships which subsidize participants tuition and fees. Within its mission of teen mindfulness, Inward Bound Mindfulness prioritizes diversity, equity, inclusion, and accessibility (DEIA). This commitment to DEIA is embodied across its programs and organizational leadership, which utilizes a Collaborative Leadership model for shared decision-making and strategy-building across staff, teachers, teens and young adults, parents/guardians, and community partners.

Inward Bound Mindfulness holds a critical responsibility in the field of mindfulness education: to complement and amplify the impacts of in-school programs, and to expand the value and capacity that youth-serving professionals have for sharing immersive mindfulness experiences with youth.

The Organization’s transformative curriculum provides a rare opportunity for young people to experience deep, prolonged insight into their own experience while forging authentic connections within a fun and welcoming community of peers and mentors. Using research-backed formats and culturally responsive, trauma-informed teaching frameworks, we impart lessons in self-awareness and empathy and teach techniques that calm and focus the mind.

Research on the impact of Inward Bound Mindfulness retreats has demonstrated that, following their retreat, teens experienced increased self-compassion and life satisfaction, along with decreased rumination and reactivity. Teens and parents regularly share that Inward Bound Mindfulness programs are transformative, and more than 50% of participants return for additional retreats.

The Organization’s extensive network of 120+ staff, teachers, health coordinators, and mentors are experts in the fields of mindfulness, youth development, mental health, and education, and have lived experiences that deeply connect with the teens we serve. They exemplify authenticity, compassion, and respect, upholding a strong code of ethics. In fact, some of Inward Bound Mindfulness leaders today were participants in the first teen retreats offered in 1989. Equally impactful are the national and regional partnerships we nurture. Together, we welcome young people to embrace mindfulness and compassion, inspire school communities to earnestly work towards deeper levels of connection and wellbeing, and empower a movement of youth-serving professionals using mindfulness across all disciplines.

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

(Continued)

NOTE 2 *(Continued)*

During the fiscal year ended October 31, 2024, Inward Bound Mindfulness held six in-person teen retreats in five different regions. A record 71.2% of participants received \$500 or more of scholarship support, reflecting the increasing economic hardships for many families. Forty-three percent of participants identified as Black, Indigenous, and People of Color (BIPOC), and 55.5% identified as lesbian, gay, bisexual, and transgender (LGBTQ+). Additionally, Inward Bound Mindfulness provided several custom programs to school communities and youth-serving professionals. In total, Inward Bound Mindfulness provided 9 retreats and 17 courses and workshops to a total of 328 participants across the country.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of Inward Bound Mindfulness have been prepared on the accrual basis of accounting in conformity with GAAP and accordingly, reflect all significant receivables, payables and other liabilities.

Estimates:

The preparation of financial statements in conformity with GAAP 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 reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles, has in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Financial Statement Presentation:

The Organization reports 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. These classifications are related to the existence or absence of donor-imposed restrictions as defined below.

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification may include funds which represent resources designated by the Board of Directors for specific purposes.

Net Assets With Donor Restrictions - Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. As of October 31, 2024, the Organization has no net assets that are required to be maintained in perpetuity. The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

(Continued)

NOTE 3 (Continued)

Contributions and Grants Receivable:

Contributions and Grants Receivable represent unconditional promises to give from individual and corporate donors as well as foundation grants which are recorded at their net realizable value and classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year. Promises to give with expected payment dates that extend beyond one year are initially reported at fair value using present value techniques when such amounts are considered material. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. For the year presented, all *Contributions and Grants Receivable* are due in the following year.

Management periodically reviews receivables to determine if any balances are uncollectible. The allowance for uncollectible receivables is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Management believes that all such commitments are collectible, and therefore, no allowance for doubtful amounts has been established. If commitments from gifts and grants are determined to be uncollectible in subsequent periods, an allowance will be established at that time. For the year presented, there were no losses from uncollectible gifts, grants or contributions.

Revenue Recognition and Conditional Grant Advance:

Gifts, Grants and Contributions: The Organization is the beneficiary of contributions in the form of grants from other organizations, donations of cash and financial assets from individuals and may include contributions of nonfinancial assets. Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restriction are met, at which time the net assets are reclassified to net assets without donor restrictions.

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a *Conditional Grant Advance*, a liability in the Statement of Financial Position. As of October 31, 2024, *Conditional Grant Advance* consists of a single \$90,000 conditional award to support youth retreats, young adult scholarships, and staff development which will be recognized as revenue when the conditions of the grant award are met. When the conditions are met, the revenue is reported as contributions without donor restrictions unless there are further restrictions over and above those associated with the donor conditions. In such cases, when the conditions and restrictions are met within the same reporting period, the support is recognized as contributions or grants without donor restrictions.

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

(Continued)

NOTE 3 *(Continued)*

Program Service Revenue:

Program Service revenue consists of fees charged to attend retreats and teacher training programs. Revenue is recognized when the services are provided and in the amount that reflects the consideration the Organization expects to be entitled to in exchange for those services. The Organization invoices its attendees either at the time the services are rendered, or in advance for in-depth mindfulness programming retreats and typical payment terms provide that the attendees pay upon receipt of the invoice.

As fees are paid at, or in advance, of the time of service, the Organization does not have accounts receivable from program services. Fees received in advance of the retreats are reported as *Deferred Revenue* in the accompanying Statement of Financial Position. Opening and closing balances for deferred revenue were \$13,502 and \$5,938, respectively for the year presented.

Functional Expenses:

The Organization allocates its expenses on a functional basis among various programs and support services. *Salaries and Wages, Payroll Taxes and Employee Benefits, Insurance, Office Expense, Technology and Communications and Other Expenses* are primarily allocated on the basis of estimated time and effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to Inward Bound Mindfulness Education's internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, direct mail solicitation, distribution of materials and other similar projects related to the procurement of funds.

Advertising Costs:

The Organization expenses advertising costs as incurred.

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS

As of October 31, 2024, *Net Assets with Donor Restrictions* consists of unexpended contributions and grants for retreat scholarships.

For the year presented, net assets released from *Net Assets with Donor Restrictions* by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors were as follows:

<u>Nature of Restriction</u>	<u>Amount</u>
SoCal Regional Retreats/Training	\$110,000
Scholarships	90,000
Virginia Young Adult New Year's Retreat	15,000
CityKids Mindfulness Program	62,669
Kentucky Regional Retreat	55,000
Total	<u>\$332,669</u>

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

(Continued)

NOTE 5 RETIREMENT PLAN

The Organization sponsors a defined contribution plan covering substantially all of its employees who meet certain eligibility requirements. The Organization makes a 3% matching contribution of eligible employees' wages to the plan. For the year ended October 31, 2024, the Organization made matching contributions to the plan in the amount of \$8,460, which is included within *Payroll Taxes and Employee Benefits* in the accompanying Statement of Functional Expenses.

NOTE 6 CONCENTRATIONS

Contributions Receivable:

As of October 31, 2024, amounts due from two donors accounted for 93% of *Contributions and Grants Receivable*.

Gifts, Grants and Contributions:

For the year presented, contributions from two donors accounted for 31% of total support and revenues.

NOTE 7 COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the Organization enters into various agreements containing standard indemnification provisions. The Organization's indemnification obligations under such provisions are typically in effect from the date of execution of the applicable agreement through the end of the applicable statute of limitations. The aggregate maximum potential future liability of the Organization under such indemnification provisions is uncertain. As of October 31, 2024, no amounts have been accrued related to such indemnification provisions.

NOTE 8 RELATED PARTY TRANSACTIONS

During the year presented, three members of the Organization's Board of Directors received stipends for teaching and program support totaling \$20,654. In addition, two other Board members were salaried employees of the Organization, receiving compensation totaling \$140,417 during the year ended October 31, 2024.

NOTE 9 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of October 31, 2024 which are available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year of the Statement of Financial Position date.

Financial Assets:	
Cash	\$175,555
Contributions and Grants Receivable	<u>145,000</u>
Financial Assets Available to Meet General Expenditures Within One Year as of October 31, 2024	<u>\$320,555</u>

INWARD BOUND MINDFULNESS EDUCATION, INC.
dba INWARD BOUND MINDFULNESS

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 2024

(Continued)

NOTE 9 *(Continued)*

As part of the Organization's liquidity management, the Board of Directors has a policy to structure the financial assets to be available as its general expenditures, liabilities, and other obligations come due.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities of operating its program, as described in Note 2, as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 10 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through May 21, 2025, the date which the financial statements were available for issue and noted no events which met the criteria for recognition or disclosure.