

RENEW THEATERS, INC.
Financial Report
December 31, 2024 and 2023

**RENEW THEATERS, INC.
December 31, 2024 and 2023**

Table of Contents

| | Page |
|--|--------|
| Independent Auditors' Report | 1 - 2 |
| Financial Statements | |
| Statements of Financial Position | 3 |
| Statements of Activities and Functional Expenses | 4 |
| Statements of Cash Flows | 5 |
| Notes to Financial Statements | 6 - 10 |

Independent Auditors' Report

To the Board of Directors
Renew Theaters, Inc.
Ambler, Pennsylvania

Opinion

We have audited the financial statements of Renew Theaters, Inc., which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Renew Theaters, Inc., as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of Renew Theaters, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Renew Theaters, Inc.'s ability to continue as a going concern for 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Renew Theaters, 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 Renew Theaters, 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.

DunlapSLK, PC

Chalfont, Pennsylvania
November 12, 2025

RENEW THEATERS, INC.
Statements of Financial Position
December 31, 2024 and 2023

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Assets | | |
| Cash | \$ 280,180 | \$ 227,116 |
| Due from Theaters | 35,626 | 28,462 |
| Total Assets | \$ 315,806 | \$ 255,578 |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Note Payable | \$ 10,279 | \$ 10,509 |
| Accounts Payable and Accrued Expenses | 25,942 | 28,462 |
| Expense Advances | 60,000 | 60,000 |
| Deferred Grant Revenue | 89,121 | 76,143 |
| Total Liabilities | 185,342 | 175,114 |
| Net Assets | | |
| Without Donor Restrictions | 15,689 | 5,464 |
| With Donor Restrictions | 114,775 | 75,000 |
| Total Net Assets | 130,464 | 80,464 |
| Total Liabilities and Net Assets | \$ 315,806 | \$ 255,578 |

See notes to financial statements.

RENEW THEATERS, INC.
Statements of Activities and Functional Expenses
Years Ended December 31, 2024 and 2023

| | 2024 | | | 2023 | | |
|--|----------------------------------|----------------------------|-------------------|----------------------------------|----------------------------|------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| Revenues and Support | | | | | | |
| Contributions and Grants | \$ - | \$ 87,022 | \$ 87,022 | \$ - | \$ 57,398 | \$ 57,398 |
| Net Assets Released from Restrictions | 47,247 | (47,247) | - | 32,398 | (32,398) | - |
| Total Revenues and Support | 47,247 | 39,775 | 87,022 | 32,398 | 25,000 | 57,398 |
| Expenses | | | | | | |
| Program Services | | | | | | |
| Grant Expenses | 37,022 | - | 37,022 | 32,398 | - | 32,398 |
| Supporting Services | | | | | | |
| Office Expenses | - | - | - | 1,717 | - | 1,717 |
| Total Expenses | 37,022 | - | 37,022 | 34,115 | - | 34,115 |
| Change in Net Assets before Transfer | 10,225 | 39,775 | 50,000 | (1,717) | 25,000 | 23,283 |
| Transfer of Net Assets to Princeton Garden Theater, Inc. | - | - | - | (374,391) | (155,000) | (529,391) |
| Change in Net Assets | 10,225 | 39,775 | 50,000 | (376,108) | (130,000) | (506,108) |
| Net Assets | | | | | | |
| Beginning of Year | 5,464 | 75,000 | 80,464 | 381,572 | 205,000 | 586,572 |
| End of Year | \$ 15,689 | \$ 114,775 | \$ 130,464 | \$ 5,464 | \$ 75,000 | \$ 80,464 |

See notes to financial statements.

RENEW THEATERS, INC.
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Change in Net Assets | \$ 50,000 | \$ (506,108) |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities | | |
| Net Property and Equipment Transferred Out to Princeton Garden Theater, Inc. | - | 75,104 |
| Change in Fair Value of Right of Use Asset - Operating Lease | - | 69,002 |
| Change in Assets and Liabilities | | |
| (Increase) Decrease in | | |
| Due from Theaters | (7,164) | (12,269) |
| Accounts Receivable | - | 4,225 |
| Pledges Receivable | - | 1,250 |
| Inventory and Other Assets | - | 3,747 |
| Security Deposit Asset | - | 4,000 |
| Increase (Decrease) in | | |
| Accounts Payable and Accrued Expenses | (2,520) | 541 |
| Operating Lease Liability | - | (69,002) |
| Gift Card Liabilities | - | (13,109) |
| Deferred Grant Revenue | 12,978 | 18,602 |
| Net Cash Provided by (Used in) Operating Activities | 53,294 | (424,017) |
| Cash Flows from Financing Activities | | |
| Proceeds from Note Payable | - | 509 |
| Payments of Note Payable | (230) | - |
| Net Cash Provided by (Used in) Financing Activities | (230) | 509 |
| Net Increase (Decrease) in Cash | 53,064 | (423,508) |
| Cash | | |
| Beginning of Year | 227,116 | 650,624 |
| End of Year | \$ 280,180 | \$ 227,116 |
| Supplemental Cash Flow Information | | |
| Cash Paid for Interest | \$ 286 | \$ - |

See notes to financial statements.

RENEW THEATERS, INC.
Notes to Financial Statements
December 31, 2024 and 2023

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Renew Theaters, Inc. (Renew), located in Ambler, Pennsylvania, is a nonprofit management company. Renew was incorporated as a 501(c)(3) organization. Renew was created to allow the same management team to operate multiple theaters, while allowing each theater to maintain its own separate, local identity. Renew provides development and fundraising services, as well as personnel management and common expense payments on behalf of the theaters. Renew generally makes no profit as it is a “pass through” company that supplies the services at cost. All income and expenses of the individual theaters are reflected in their individual financial statements. Renew received two grants in 2024, and one grant in 2023, but otherwise did not raise funds for itself.

Renew currently operates four movie theaters. Three of them are separate 501(c)(3) organizations: the County Theater, Inc. in Doylestown, Pennsylvania, the Ambler Theater, Inc. in Ambler, Pennsylvania, and the Hiway Theatre, Inc. in Jenkintown, Pennsylvania. Through December 31, 2022, the fourth theater, Princeton Garden Theatre, LLC (PGT LLC), was a single-member limited liability company organized under the laws of the State of New Jersey, and was a registered New Jersey charitable organization. The sole member of PGT LLC was Renew. PGT LLC was supported primarily by ticket sales, memberships, and concession sales. It was a disregarded entity for federal tax purposes and its activity was reported in these financial statements previous to 2023.

In September 2022, PGT LLC received Internal Revenue Service approval of its own application for tax exemption. Operations under this new nonprofit, Princeton Garden Theater, Inc. (PGT Inc.) began January 1, 2023, and it is no longer considered a disregarded entity of Renew. Effective January 1, 2023, all of PGT LLC’s net assets were transferred to PGT Inc. Therefore, PGT, Inc.’s 2023 activities are not included in these financial statements.

Renew manages each theater according to each individual mission to:

Exhibit art, independent and world films that offer the community an opportunity to experience a broad range of artistic and alternative expressions; Educate the community about film and media arts through a diverse program of educational activities that seek to develop a lifelong involvement with the arts; Serve as a community and charitable resource for the arts, and to promote and effect access to the arts for all members of the community; and Preserve as a cultural resource the historic County, Ambler, Princeton Garden, and Hiway Theaters.

Basis of Accounting

The financial statements of Renew have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned, and expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

RENEW THEATERS, INC.
Notes to Financial Statements
December 31, 2024 and 2023

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Basis of Presentation

Accounting standards prescribe display standards for general-purpose financial statements for all not-for-profit organizations. The financial statements have been prepared in accordance with US GAAP, which require Renew to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Renew. These net assets may be used at the discretion of Renew's management and the Board of Directors.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of Renew or by the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions

Contributions received are recorded as with donor restrictions or without donor restrictions depending on the nature or existence of any donor restrictions. Contributions are considered to be available for unrestricted use unless they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), restricted net assets are reclassified to net assets without donor restrictions, and reported in the statement of activities as net assets released from purpose or time restrictions. If a restricted contribution is recognized and used in the same period, it is recognized as an increase in net assets without restrictions.

Cash and Cash Equivalents

Renew maintains its cash account in one commercial bank. The amount on deposit may exceed the federally insured limit. Renew has not experienced any losses in this account. Renew believes it is not exposed to any significant credit risk on cash. For purposes of the statement of cash flows, Renew considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

RENEW THEATERS, INC.
Notes to Financial Statements
December 31, 2024 and 2023

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Revenue Recognition and Deferred Revenue

Renew receives grant funding from various sources. The grant agreements contain conditions relating to performance requirements or the incurrence of allowable expenditures. Revenue is recognized over time as each requirement is met or as the allowable expenditure is incurred. Any funds received prior to Renew's right to recognize revenue is reported as deferred revenue in the statement of financial position. Renew recognized grants, totaling \$62,022 and \$57,398 for the years ended December 31, 2024 and 2023, respectively. Deferred revenue was \$89,121, \$76,143 and \$57,541 at December 31, 2024, 2023 and 2022, respectively.

Income Tax Status

Renew qualifies as a not-for-profit organization that is exempt from income taxes under paragraph 501(c)(3) of the Internal Revenue Code. Renew did not have any unrelated business income during the years ended December 31, 2024 and 2023, that would be subject to federal or state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

Renew accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold for the years ended December 31, 2024 and 2023.

Renew's federal Forms 990 – *Return of Organization Exempt from Income Tax* - for the last three years' filing remain subject to examination by the Internal Revenue Service.

Functional Allocation of Expenses

The costs of providing the various programs and other activities are summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis that is consistently applied. Renew allocated functional expenses based on time and effort.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on previously reported net assets or changes in net assets.

RENEW THEATERS, INC.
Notes to Financial Statements
December 31, 2024 and 2023

2. AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditures, that is, without donor restrictions or board designations limiting their use within one year of December 31, 2024, comprise the following:

| | |
|--|------------|
| Financial Assets at Year End | |
| Cash | \$ 280,180 |
| Due from Theaters | 35,626 |
| | 315,806 |
| Less Amounts Not Available to be Used Within One Year | |
| Net Assets with Donor Restrictions | 114,775 |
| Less Net Assets with Purpose Restrictions to be Met in Less Than One Year | (14,775) |
| | 100,000 |
| Financial Assets Available to Meet General Expenditures Over the Next Year | \$ 215,806 |

The Organization’s goal is to have 90 days reserve in case of unanticipated/unplanned events that require a cash infusion to keep business moving forward.

3. NOTE PAYABLE

In 2020, during the pandemic, Renew received an Economic Injury Disaster Loan (EIDL) from the Small Business Administration (SBA), in the amount of \$10,000. Interest in the amount of \$721 accrued through March 2023, when payments on this loan began. The note bears an interest rate of 2.75% per annum and is unsecured. Payments are due in monthly installments of \$43 through March 2053.

Aggregate maturities on the note are as follows:

| Year Ending December 31, | Amount |
|-----------------------------|-----------|
| 2025 | \$ 236 |
| 2026 | 243 |
| 2027 | 250 |
| 2028 | 256 |
| 2029 | 264 |
| Thereafter | 9,030 |
| | \$ 10,279 |

Interest expense for the years ended December 31, 2024 and 2023, was \$286 and \$1,068, respectively.

RENEW THEATERS, INC.
Notes to Financial Statements
December 31, 2024 and 2023

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions held at December 31, 2024 and 2023, are available for the following purposes:

| | 2024 | 2023 |
|--------------------|------------|-----------|
| Specified Purpose: | | |
| Deep Focus Program | \$ 100,000 | \$ 75,000 |
| Salaries | 14,775 | - |
| | \$ 114,775 | \$ 75,000 |

Net assets of were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors as follows:

| | 2024 | 2023 |
|---|-----------|-----------|
| Satisfaction of Purpose Restrictions: | | |
| Deep Focus Program | \$ 37,022 | \$ 32,398 |
| Salaries | 10,225 | - |
| Total Net Assets Released from Restrictions | \$ 47,247 | \$ 32,398 |

5. RELATED PARTY TRANSACTIONS

Four theaters in total, Ambler Theater, Inc., County Theater, Inc., Hiway Theatre, Inc., and Princeton Garden Theater Inc., have entered into an affiliation relationship with Renew. Renew provides comprehensive management and personnel services to each theater. Renew does not charge a fee for its services, but simply is reimbursed for its expenditures by each theater. Personnel can contribute their own money to a 403(b) plan, as there is no match. The Board of Directors of Renew is appointed by its four affiliate theaters. Each affiliate remains a separate entity.

6. SUBSEQUENT EVENTS

Management has evaluated events and transactions that occurred after December 31, 2024, through November 12, 2025, the date the financial statements were available to be issued.