



**Financial Statements**

**And**

**Independent Auditor's Report**

**As of June 30, 2025  
and for the year then ended  
with summarized comparative information for June 30, 2024**

# Wasatch Adaptive Sports, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Wasatch Adaptive Sports, Inc.  
Snowbird, Utah

### *Opinion*

We have audited the accompanying financial statements of Wasatch Adaptive Sports, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 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 Wasatch Adaptive Sports, Inc. as of June 30, 2025, 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 Wasatch Adaptive Sports, 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 Wasatch Adaptive Sports, 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 Wasatch Adaptive Sports, 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 Wasatch Adaptive Sports, 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 Wasatch Adaptive Sports, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 4, 2024. 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.

*Bountiful Peak Advisors*

Bountiful, Utah  
January 9, 2026

**Wasatch Adaptive Sports, Inc.**  
**Statement of Financial Position**  
**June 30, 2025**  
**With Summarized Comparative Information as of June 30, 2024**

| <b>ASSETS</b>   | <u>06/30/2025</u>   | <u>06/30/2024</u>   |
|---|---------------------|---------------------|
| Current assets  |                     |                     |
| Cash and cash equivalents                                   | \$ 440,321          | \$ 965,343          |
| Accounts receivable, including promises to give             | 346,959             | 120,871             |
| Prepaid expense   | 8,575               | 14,400              |
| Right-of-use asset, operating lease, current portion        | <u>5,170</u>        | <u>61,867</u>       |
| Total current assets  | <u>801,025</u>      | <u>1,162,481</u>    |
| Restricted cash and cash equivalents                        | 1,320,891           | 1,011,099           |
| Property and equipment, net of accumulated depreciation     | 200,177             | 206,795             |
| Right-of use asset, operating lease, net of current portion | <u>-</u>            | <u>5,170</u>        |
| Total assets  | <u>\$ 2,322,093</u> | <u>\$ 2,385,545</u> |
| <br><b>LIABILITIES AND NET ASSETS</b>                       |                     |                     |
| Current liabilities   |                     |                     |
| Accounts payable  | \$ 11,795           | \$ 11,730           |
| Credit cards payable  | 7,065               | 8,773               |
| Accrued payroll   | 131,312             | 138,078             |
| Operating lease liability, current portion                  | <u>5,402</u>        | <u>64,490</u>       |
| Total current liabilities                                   | <u>155,574</u>      | <u>223,071</u>      |
| Operating lease liability, net of current portion           | <u>-</u>            | <u>5,402</u>        |
| Total liabilities   | <u>155,574</u>      | <u>228,473</u>      |
| Net assets  |                     |                     |
| Without donor restrictions                                  |                     |                     |
| Undesignated  | 622,120             | 757,093             |
| Board-designated  | 1,175,636           | 866,194             |
| With donor restrictions                                     | <u>368,763</u>      | <u>533,785</u>      |
| Total net assets  | <u>2,166,519</u>    | <u>2,157,072</u>    |
| Total liabilities and net assets                            | <u>\$ 2,322,093</u> | <u>\$ 2,385,545</u> |

See accompanying notes to financial statements.

# Wasatch Adaptive Sports, Inc.

## Statement of Activities

Year Ended June 30, 2025

With Summarized Comparative Information for the Year Ended June 30, 2024

|  | June 30, 2025                 |                            |                    | 06/30/2024   |
|--|-------------------------------|----------------------------|--------------------|--------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | 6/30/2025<br>Total |              |
| <b>REVENUES AND SUPPORT</b>                        |                               |                            |                    |              |
| Support  |                               |                            |                    |              |
| Foundation and corporate contributions             | \$ 647,443                    | \$ 166,275                 | \$ 813,718         | \$ 851,278   |
| Special event contributions                        | 896,975                       | -                          | 896,975            | 799,050      |
| Contributions of nonfinancial assets               | 829,377                       | -                          | 829,377            | 664,133      |
| Individual contributions                           | 252,866                       | -                          | 252,866            | 144,237      |
| Government grants                                  | 16,550                        | -                          | 16,550             | 23,288       |
| Net assets released from restrictions              | 331,297                       | (331,297)                  | -                  | -            |
|  | 2,974,508                     | (165,022)                  | 2,809,486          | 2,481,986    |
| Revenues   |                               |                            |                    |              |
| Tuition and fees                                   | 66,433                        | -                          | 66,433             | 50,966       |
| Special event fees                                 | 87,270                        | -                          | 87,270             | 90,417       |
| Cost of direct benefit to donors                   | (140,878)                     | -                          | (140,878)          | (139,994)    |
| Other income                                       | 6,369                         | -                          | 6,369              | 6,275        |
| Interest   | 16,545                        | -                          | 16,545             | 16,662       |
| Investment income, net                             | (9)                           | -                          | (9)                | 18,147       |
| Gain or loss on disposal of property and equipment | -                             | -                          | -                  | 187          |
|  | 35,730                        | -                          | 35,730             | 42,660       |
|  | 3,010,238                     | (165,022)                  | 2,845,216          | 2,524,646    |
| <b>EXPENSES</b>                                    |                               |                            |                    |              |
| Program services                                   | 2,285,014                     | -                          | 2,285,014          | 1,854,800    |
| Management and general                             | 199,373                       | -                          | 199,373            | 161,839      |
| Fundraising  | 351,382                       | -                          | 351,382            | 338,537      |
|  | 2,835,769                     | -                          | 2,835,769          | 2,355,176    |
| Change in net assets                               | 174,469                       | (165,022)                  | 9,447              | 169,470      |
| Net assets, beginning of year                      | 1,623,287                     | 533,785                    | 2,157,072          | 1,987,602    |
| Net assets, end of year                            | \$ 1,797,756                  | \$ 368,763                 | \$ 2,166,519       | \$ 2,157,072 |

See accompanying notes to financial statements.

**Wasatch Adaptive Sports, Inc.**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2025**  
**With Summarized Comparative Information for the Year Ended June 30, 2024**

|   | <b>June 30, 2025</b>    |                     |                     |                                   |                    |                                   |                   |                     | 06/30/2025<br>Total | 06/30/2024<br>Total |
|---|-------------------------|---------------------|---------------------|-----------------------------------|--------------------|-----------------------------------|-------------------|---------------------|---------------------|---------------------|
|   | <u>Program Services</u> |                     |                     | <u>Support Activities</u>         |                    |                                   |                   |                     |                     |                     |
|   | <u>Summer</u>           | <u>Winter</u>       | <u>Total</u>        | <u>Management<br/>and General</u> | <u>Fundraising</u> | <u>Cost of Direct<br/>Benefit</u> |                   |                     |                     |                     |
|   |                         |                     |                     |                                   | <u>Total</u>       |                                   |                   |                     |                     |                     |
| Salaries and wages                                | \$ 386,519              | \$ 527,104          | \$ 913,623          | \$ 99,681                         | \$ 200,146         | \$ -                              | \$ 299,827        | \$ 1,213,450        | \$ 970,868          |                     |
| Payroll taxes and benefits                        | 117,697                 | 143,178             | 260,875             | 26,124                            | 56,857             | -                                 | 82,981            | 343,856             | 291,969             |                     |
| Lift tickets and admissions                       | 18,960                  | 561,207             | 580,167             | -                                 | -                  | -                                 | -                 | 580,167             | 405,956             |                     |
| Occupancy   | 62,379                  | 56,950              | 119,329             | 10,822                            | 20,571             | 19,800                            | 51,193            | 170,522             | 166,671             |                     |
| Food and beverage                                 | 1,874                   | 12,537              | 14,411              | 8,862                             | 5,349              | 84,844                            | 99,055            | 113,466             | 74,110              |                     |
| Contract labor                                    | 23,540                  | 78,964              | 102,504             | 620                               | 7,120              | -                                 | 7,740             | 110,244             | 86,768              |                     |
| Equipment rental and small equipment              | 4,355                   | 86,743              | 91,098              | -                                 | -                  | -                                 | -                 | 91,098              | 86,919              |                     |
| Professional fees                                 | 31,441                  | 5,105               | 36,546              | 18,400                            | 12,030             | -                                 | 30,430            | 66,976              | 51,359              |                     |
| Depreciation                                      | 33,901                  | 16,144              | 50,045              | 2,691                             | 1,076              | -                                 | 3,767             | 53,812              | 46,381              |                     |
| Information technology                            | 17,749                  | 10,792              | 28,541              | 5,347                             | 11,511             | -                                 | 16,858            | 45,399              | 42,011              |                     |
| Insurance   | 18,140                  | 21,417              | 39,557              | 3,770                             | -                  | -                                 | 3,770             | 43,327              | 47,150              |                     |
| Cost of goods sold                                | -                       | -                   | -                   | -                                 | -                  | 27,900                            | 27,900            | 27,900              | 33,256              |                     |
| Miscellaneous                                     | -                       | 7,691               | 7,691               | 6,008                             | 4,956              | 8,334                             | 19,298            | 26,989              | 26,944              |                     |
| Travel  | 5,313                   | 13,743              | 19,056              | 1,068                             | 1,788              | -                                 | 2,856             | 21,912              | 20,161              |                     |
| Bank and merchant fees                            | -                       | -                   | -                   | 3,144                             | 14,037             | -                                 | 17,181            | 17,181              | 5,286               |                     |
| Marketing   | 4,955                   | 1,000               | 5,955               | 4,630                             | 6,440              | -                                 | 11,070            | 17,025              | 21,374              |                     |
| Communications                                    | 3,098                   | 4,031               | 7,129               | 5,910                             | 903                | -                                 | 6,813             | 13,942              | 10,940              |                     |
| Conferences and training                          | 2,529                   | 4,703               | 7,232               | 1,325                             | -                  | -                                 | 1,325             | 8,557               | 19,078              |                     |
| Supplies  | -                       | -                   | -                   | -                                 | 7,098              | -                                 | 7,098             | 7,098               | 82,575              |                     |
| License and fees                                  | 480                     | 775                 | 1,255               | 971                               | 1,500              | -                                 | 2,471             | 3,726               | 5,394               |                     |
| <b>Total functional expenses</b>                  | <b>\$ 732,930</b>       | <b>\$ 1,552,084</b> | <b>\$ 2,285,014</b> | <b>\$ 199,373</b>                 | <b>\$ 351,382</b>  | <b>\$ 140,878</b>                 | <b>\$ 691,633</b> | <b>\$ 2,976,647</b> | <b>\$ 2,495,170</b> |                     |
| Less: cost of direct benefit to donors            | -                       | -                   | -                   | -                                 | -                  | (140,878)                         | (140,878)         | (140,878)           | (139,994)           |                     |
| <b>Total expenses per statement of activities</b> | <b>\$ 732,930</b>       | <b>\$ 1,552,084</b> | <b>\$ 2,285,014</b> | <b>\$ 199,373</b>                 | <b>\$ 351,382</b>  | <b>\$ -</b>                       | <b>\$ 550,755</b> | <b>\$ 2,835,769</b> | <b>\$ 2,355,176</b> |                     |

See accompanying notes to financial statements.

# Wasatch Adaptive Sports, Inc.

## Statement of Cash Flows

Year Ended June 30, 2025

With Summarized Comparative Information for the Year Ended June 30, 2024

|   | <u>06/30/2025</u>   | <u>06/30/2024</u>   |
|---|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |                     |                     |
| Change in net assets  | \$ 9,447            | \$ 169,470          |
| Items not requiring cash  |                     |                     |
| Depreciation  | 53,812              | 46,381              |
| Gain or loss on disposal of property and equipment                  | -                   | (187)               |
| Amortization of right-of-use asset, operating lease                 | 61,687              | 61,553              |
| Noncash contribution of investments                                 | (10,620)            | (5,408)             |
| Noncash investment income, net                                      | -                   | (15,700)            |
| Proceeds from sale of investments                                   | 10,447              | 5,399               |
| Changes in  |                     |                     |
| Accounts receivable, including promises to give                     | (226,087)           | 19,357              |
| Prepaid expenses  | 5,825               | -                   |
| Accounts payable  | 65                  | 9,614               |
| Credit cards payable  | (1,708)             | (6,925)             |
| Accrued payroll   | (6,766)             | 55,961              |
| Operating lease liability   | (64,490)            | (62,286)            |
|   | <u>(168,388)</u>    | <u>277,229</u>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |                     |                     |
| Proceeds from sale of investments                                   | -                   | 150,010             |
| Purchases of investments  | -                   | (7,551)             |
| Proceeds from sale of property and equipment                        | -                   | 11,000              |
| Purchases of property and equipment                                 | (46,842)            | (65,500)            |
|   | <u>(46,842)</u>     | <u>87,959</u>       |
| Net cash provided by (used in) operating activities                 | <u>(168,388)</u>    | <u>277,229</u>      |
| Net cash provided by (used in) investing activities                 | <u>(46,842)</u>     | <u>87,959</u>       |
| Net change in cash and cash equivalents                             | (215,230)           | 365,188             |
| Cash and restricted cash and cash equivalents, beginning of year    | <u>1,976,442</u>    | <u>\$ 1,611,254</u> |
| Cash and restricted cash and cash equivalents, end of year          | <u>\$ 1,761,212</u> | <u>\$ 1,976,442</u> |
| Cash and cash equivalents   | 440,321             | 965,343             |
| Restricted cash and cash equivalents                                | <u>1,320,891</u>    | <u>1,011,099</u>    |
| Total cash and cash equivalents shown in the statement of cash flow | <u>\$ 1,761,212</u> | <u>\$ 1,976,442</u> |

### SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

During the year ended June 30, 2025, there were no cash payments for interest or unrelated business income taxes.

See accompanying notes to financial statements.

# Wasatch Adaptive Sports, Inc.

## Notes to Financial Statements

June 30, 2025

### 1. NATURE OF ORGANIZATION

Wasatch Adaptive Sports, Inc. (the “Organization”) was incorporated as a nonprofit corporation in the State of Utah on September 14, 1982. The Organization is a non-profit public charity with a mission to encourage individuals with adaptive needs and their families to realize their potential and engage in active living through recreational, educational, and social programs. The Organization’s programming focuses on increasing independence and mobility in a social environment. The organization provides full or partial scholarships to students based on financial need. The Organization’s major sources of revenue include contributions, special events, and tuition and fees.

#### Summer Programs

The Wasatch Adaptive Sports cycling program empowers children and adults through private and group instruction on a variety of adaptive bikes including recumbent trikes and handcycles. During each lesson, students have the opportunity to work toward personal goals while cycling on a variety of paved and dirt trails along the Wasatch Front. Other summer programs include paddle boarding and kayaking, hiking, mountain biking, and yoga.

#### Winter Programs

The Wasatch Adaptive Sports ski and snowboard programs enable students to achieve their winter goals at a variety of Utah ski resorts including Snowbird, Alta, and Sundance. Through a combination of adaptive equipment and private instruction, students experience success and learning in a family-like atmosphere centered around a love for the outdoors. Other winter programs include snowshoeing, indoor cycling, and seated yoga.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements of the Organization have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Restricted cash and cash equivalents consist of amounts that have been donor-restricted for long-term purposes or board-designated.

#### Concentrations of Credit Risks

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various financial institution accounts that, at times, may exceed federally insured limits. At June 30, 2025, cash in bank deposit accounts exceeded federally insured limits by \$1,210,184. These assets have been placed with high credit quality financial institutions and the Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectible amounts. The Organization's accounts receivable are generally short-term in nature; thus accounts receivable do not bear interest.

Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. An allowance for doubtful accounts related to accounts receivable has not been established at June 30, 2025 because management believes that all accounts receivable will be fully collectable.

### 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 expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for doubtful promises has not been established at June 30, 2025 because management believes that all promises to give will be fully collectable.

### Property and Equipment

Property and equipment are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Organization capitalizes additions that exceed \$2,500. If donors stipulate how long the assets must be used, the contributions are recorded as revenue with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as revenue without donor restrictions. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets or lease terms. Estimated useful lives by type of property and equipment are as follows:

|                          |              |
|--------------------------|--------------|
| Buildings and structures | 39 years     |
| Equipment                | 5 – 7 years  |
| Furniture and fixtures   | 7 – 15 years |
| Improvements             | 7 years      |

Management reviews the carrying value of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

### Operating Leases

Operating leases are presented as right-of-use assets and lease liabilities in the statement of financial position. At commencement, right-of-use assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term, discounted using the risk-free rate. Right-of-use assets decrease as lease expense (rent) is recognized on a straight-line bases over the lease term. Lease liabilities decrease as cash payments are made to the lessor and increase as the discount on the lease is amortized. The Organization does not recognize right of use assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as rent expense on a straight-line-basis over the lease term. The Organization determines if an arrangement is or contains a lease at inception. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option.

### Classes of Net Assets

Net assets, revenues and gains are classified based on the presence 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.

***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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization 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.

### Revenue Recognition

***Contributions*** – Contributions are recognized as support when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until the conditions on which they depend have been substantially met. Contributions are considered to be without donor restrictions unless restricted by the donor.

***Contributions of nonfinancial assets*** – Contributed goods, use of facilities, and services that either create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at fair value at the date of donation.

***Program Service Revenue*** – Revenue is measured on the consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes, if any, assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Organization from a customer, are excluded from revenue. Program service revenue consists of tuition and fees. Program service revenue is recognized at a point in time, when the services are provided. Payments received in advance, if any, are deferred to the applicable period in which the related services are provided.

### Income Taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(ii) and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2021.

Advertising

Advertising costs are expensed when the advertising first takes place. Advertising expense for the year ended June 30, 2025 was \$17,025. Advertising costs are included in marketing in the statement of functional expenses.

Functional Allocation of Expenses

The cost of providing programs 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.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes and benefits, communications and occupancy, which are allocated on the basis of estimated time and effort.

Estimates in the Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications

Certain items from June 30, 2024 have been reclassified to conform to the June 30, 2025 presentation.

**3. LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors liquidity required to meet annual operating needs and other commitments. The following chart reflects the Organization's financial assets available as of June 30, 2025 for general expenditure over the next twelve months.

|   |                   |
|---|-------------------|
| Cash and cash equivalents   | \$ 440,321        |
| Accounts receivable, including promises to give   | <u>346,959</u>    |
| Current financial assets  | <u>787,280</u>    |
| Less those unavailable for general expenditure within one year, due to donor-imposed purpose restrictions | <u>(219,083)</u>  |
| Total financial assets available to meet cash needs for general expenditure within one year               | <u>\$ 568,197</u> |

To help manage unanticipated liquidity needs, the Organization maintains credit cards with an aggregate credit limit of \$97,800, which it could draw upon. Additionally, the Organization has cash which has been designated by the board as an operating reserve and which is included in non-current assets on the statement of financial position. Although the Organization does not intend to spend from their board-designated reserves, these amounts could be made available through board appropriation, if necessary.

**4. RESTRICTED CASH AND CASH EQUIVALENTS**

The Organization's restricted cash and cash equivalents consisted of the following at June 30, 2025:

|  |                     |  |
|--|---------------------|--|
| Without Donor Restrictions, Board-Designated | \$ 1,175,636        |  |
| With Donor Restrictions                      | <u>145,255</u>      |  |
|  | <u>\$ 1,320,891</u> |  |

**5. ACCOUNTS RECEIVABLE, INCLUDING PROMISES TO GIVE**

Accounts receivable, including promises to give, consisted of the following at June 30, 2025:

|   |                   |  |
|---|-------------------|--|
| Unconditional promises to give                  | \$ 342,997        |  |
| Government cost reimbursement grants receivable | 2,500             |  |
| Sales tax receivable                            | <u>1,462</u>      |  |
|   | <u>\$ 346,959</u> |  |

Accounts receivable, including promises to give, are expected to be collected in full within the next year.

**6. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30, 2025:

|                                |                   |  |
|--------------------------------|-------------------|--|
| Property and equipment         |                   |  |
| Equipment                      | \$ 457,546        |  |
| Building structures            | 8,479             |  |
| Vehicles                       | 101,685           |  |
| Improvements                   | 9,490             |  |
| Furniture and fixtures         | <u>4,640</u>      |  |
| Total property and equipment   | <u>581,840</u>    |  |
| Less: accumulated depreciation | <u>(381,663)</u>  |  |
|                                | <u>\$ 200,177</u> |  |

Depreciation expense for the year ended June 30, 2025 was \$53,812.

**7. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at June 30, 2025:

|   |           |                |
|---|-----------|----------------|
| Subject to expenditure for specified purpose        |           |                |
| Customer relationship management software           | \$        | 1,217          |
| Events and storytelling                             |           | 53,344         |
| Personnel costs                                     |           | 3,022          |
| Students with spinal cord injuries                  |           | 28,761         |
| Veterans programing                                 |           | <u>32,739</u>  |
| Total subject to expenditure for specified purpose  |           | <u>119,083</u> |
| Subject to the passage of time                      |           |                |
| Long-term reserves                                  |           | 145,255        |
| Promises to give that are restricted by donors for  |           |                |
| Students with spinal cord injuries                  |           | 100,000        |
| Promises to give that are not restricted by donors, |           |                |
| but which are unavailable for expenditure until     |           |                |
| due   |           | <u>4,425</u>   |
| Total subject to passage of time                    |           | <u>249,680</u> |
|   | <u>\$</u> | <u>368,763</u> |

Long-term reserves represent a donor-imposed restriction to hold contributed funds as a long-term reserve that is not considered to be an endowment. No explicit or implicit restrictions have been made on the use of the reserve's principal.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the year ended June 30, 2025:

|  |           |                |
|--|-----------|----------------|
| Satisfaction of purpose restrictions       |           |                |
| Customer relationship management software  | \$        | 18,809         |
| Cycling and spinning                       |           | 53,831         |
| Events and storytelling                    |           | 14,337         |
| Feasibility study                          |           | 34,426         |
| Personnel costs                            |           | 71,887         |
| Veteran programming                        |           | <u>33,354</u>  |
| Total satisfaction of purpose restrictions |           | <u>226,644</u> |
| Satisfaction of time restrictions          |           | <u>104,653</u> |
|  | <u>\$</u> | <u>331,297</u> |

**8. NET ASSETS WITHOUT DONOR RESTRICTIONS, BOARD-DESIGNATED**

The board of directors has designated certain net assets without donor restrictions as an operating reserve. Net assets without donor restrictions that are board-designated for an operating reserve totaled \$1,175,636 at June 30, 2025 and consisted of restricted cash. Although the Organization does not intend to spend from their board-designated reserves, these amounts could be made available through board appropriation, if necessary.

## 9. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization's revenue from contracts with customers include tuition and fees revenue and special event fees, which are presented in the statement of activities. There were no assets or liabilities related to contracts with customers at June 30, 2025.

## 10. CONTRIBUTIONS OF NONFINANCIAL ASSETS

During the year ended June 30, 2025, the Organization received the following contributions of nonfinancial assets:

|   | <u>Summer</u>    | <u>Winter</u>     | <u>Fundraising</u> | <u>Total</u>      |
|---|------------------|-------------------|--------------------|-------------------|
| Donated goods                           |                  |                   |                    |                   |
| Information technology                  | \$ 3,300         | \$ 3,300          | \$ -               | \$ 6,600          |
| Other                                   | <u>-</u>         | <u>-</u>          | <u>7,098</u>       | <u>7,098</u>      |
|   | <u>3,300</u>     | <u>3,300</u>      | <u>7,098</u>       | <u>13,698</u>     |
| Donated services                        |                  |                   |                    |                   |
| Training instructors                    | <u>20,480</u>    | <u>65,594</u>     | <u>-</u>           | <u>86,074</u>     |
|   | <u>20,480</u>    | <u>65,594</u>     | <u>-</u>           | <u>86,074</u>     |
| Donated use of facilities and equipment |                  |                   |                    |                   |
| Lift tickets and admissions             | 18,960           | 565,674           | -                  | 584,634           |
| Equipment rental                        | -                | 67,888            | -                  | 67,888            |
| Office space                            | -                | 52,033            | -                  | 52,033            |
| Other                                   | -                | -                 | 150                | 150               |
| Lodging                                 | <u>-</u>         | <u>-</u>          | <u>24,900</u>      | <u>24,900</u>     |
|   | <u>18,960</u>    | <u>685,595</u>    | <u>25,049</u>      | <u>547,378</u>    |
|   | <u>\$ 42,740</u> | <u>\$ 754,489</u> | <u>\$ 32,148</u>   | <u>\$ 829,377</u> |

Contributed nonfinancial assets were utilized by the Organization. The fair market value of donated goods was estimated based on retail values that would be available for similar products. The fair market value of donated services was estimated based on actual rates paid to non-volunteer instructors with similar skills. The fair market value of donated use of facilities and equipment was based on quoted rates generally available to the public by the owners of the facilities, including consideration of high-quantity discounts.

## 11. OPERATING LEASES

The Organization leases office space under a non-cancelable operating lease. This occupancy lease requires monthly payments of \$5,246, which escalate by 3% annually, and expires July 2025. The following is supplemental information related to leases as of June 30, 2025:

|                                       |                 |
|---------------------------------------|-----------------|
| Right-of-use asset                    | <u>\$ 5,170</u> |
| Operating lease liability             | <u>\$ 5,402</u> |
| Weighted average remaining lease term | .08 years       |
| Weighted average discount rate        | .495%           |

Lease maturity table:

| <u>Year ending June 30,</u>     |    |              |
|---------------------------------|----|--------------|
| 2025                            | \$ | 5,404        |
| Thereafter                      |    | <u>-</u>     |
| Total lease payments            |    | <u>5,404</u> |
| Less present value discount     |    | <u>(2)</u>   |
| Total operating lease liability | \$ | <u>5,402</u> |

Lease expense during the year ended June 30, 2025 consisted of the following:

|  |  |                  |
|--|--|------------------|
| Operating lease expense, included in the statement of activities in<br>Occupancy |  | <u>\$ 62,097</u> |
|--|--|------------------|

## 12. CONCENTRATIONS

During the year ended June 30, 2025, the Organization received approximately 26% of its total revenue and support from its major fundraising event, the Steve Young Ski Classic. In addition, the Organization received approximately 22% of its total revenue and support from a single corporate donor in the form of contributed nonfinancial assets. At June 30, 2025, approximately 97% of the Organization's outstanding accounts receivable, including promises to give, were due from two donors.

## 13. COMPARATIVE FINANCIAL INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024 from which the summarized information was derived.

## 14. SUBSEQUENT EVENTS

Subsequent events were evaluated through January 9, 2026, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.