

TRAILHEAD INSTITUTE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

TRAILHEAD INSTITUTE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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TAYLORROTH

Certified Public Accountants

WORKING EXCLUSIVELY WITH NONPROFITS

August 22, 2025

Independent Auditors' Report

Board of Directors
Trailhead Institute
Denver, Colorado

Opinion

We have audited the accompanying financial statements of **Trailhead Institute** (a Colorado nonprofit organization) which comprise the statement of financial position as of December 31, 2023, 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 Trailhead Institute as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Trailhead Institute and to meet our 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 Trailhead Institutes' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government 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 and *Government 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 Trailhead Institutes' 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 Trailhead Institutes' 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 Trailhead Institutes' 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 2, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2025, on our consideration of the Trailhead Institutes' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trailhead Institutes' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trailhead Institutes' internal control over financial reporting and compliance.

Taylor Roth and Company PLLC

TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER, COLORADO

TRAILHEAD INSTITUTE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	(restated)	
	2023	2022
Assets		
Cash and cash equivalents	\$ 6,335,719	\$ 5,562,575
Contracts receivable, net	2,096,838	1,667,796
Grants receivable	1,622,999	3,044,896
Prepaid expenses	21,082	53,537
Property and equipment (Note 4)	145,841	153,382
Operating lease right-of-use asset (Note 5)	<u>292,549</u>	-
Total assets	<u>\$ 10,515,028</u>	<u>\$ 10,482,186</u>
Liabilities and net assets		
Accounts payable	\$ 858,176	\$ 518,691
Payroll liabilities	410,889	312,664
Deferred revenue	225,766	49,271
Operating lease liability (Note 5)	<u>302,132</u>	-
Total liabilities	<u>1,796,963</u>	<u>880,626</u>
Net assets		
Without donor restrictions	2,555,441	2,499,916
With donor restrictions (Note 6)	<u>6,162,624</u>	<u>7,101,644</u>
Total net assets	<u>8,718,065</u>	<u>9,601,560</u>
Total liabilities and net assets	<u>\$ 10,515,028</u>	<u>\$ 10,482,186</u>

The accompanying notes are an integral part of these financial statements

TRAILHEAD INSTITUTE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023		(restated) 2022	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and other support				
Government contracts	\$ 10,685,174	\$ 16,699	\$ 10,701,873	\$ 7,111,039
Foundations	49,367	5,754,567	5,803,934	8,581,931
Program service fees	768,209	-	768,209	512,056
Corporations	20,267	54,371	74,638	243,178
Individuals	166,223	-	166,223	166,858
Interest income	115,895	-	115,895	18,688
Other	32,798	-	32,798	38,184
Net assets released from restrictions (Note 7)	<u>6,764,657</u>	<u>(6,764,657)</u>	<u>-</u>	<u>-</u>
Total revenue and other support	<u>18,602,590</u>	<u>(939,020)</u>	<u>17,663,570</u>	<u>16,671,934</u>
Expense				
Project services	13,449,503	-	13,449,503	1,212,723
Program services	<u>3,882,848</u>	<u>-</u>	<u>3,882,848</u>	<u>10,216,102</u>
Total program services	<u>17,332,351</u>	<u>-</u>	<u>17,332,351</u>	<u>11,428,825</u>
Supporting services				
Management and general	<u>1,214,714</u>	<u>-</u>	<u>1,214,714</u>	<u>1,542,721</u>
Total expense	<u>18,547,065</u>	<u>-</u>	<u>18,547,065</u>	<u>12,971,546</u>
Change in net assets	<u>55,525</u>	<u>(939,020)</u>	<u>(883,495)</u>	<u>3,700,388</u>
Net assets, beginning of year, as originally stated	4,131,187	5,194,420	9,325,607	5,901,172
Prior period adjustment (Note 8)	275,953	-	275,953	-
Reclass of net assets (Note 9)	<u>(1,907,224)</u>	<u>1,907,224</u>	<u>-</u>	<u>-</u>
Net assets, beginning of year, as restated	<u>2,499,916</u>	<u>7,101,644</u>	<u>9,601,560</u>	<u>5,901,172</u>
Net assets, end of year	<u>\$ 2,555,441</u>	<u>\$ 6,162,624</u>	<u>\$ 8,718,065</u>	<u>\$ 9,601,560</u>

The accompanying notes are an integral part of these financial statements

TRAILHEAD INSTITUTE

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023			(restated) 2022	
	Project Services	Program Services	Total Program Services	Supporting Services	Management and General
				Total	Total
Salaries	\$ 1,560,215	\$ 1,019,328	\$ 2,579,543	\$ 646,281	\$ 3,225,824
Payroll taxes and benefits	439,641	281,823	721,464	187,948	909,412
Professional fees	4,394,846	1,872,778	6,267,624	53,277	6,320,901
Grants and allocations	4,924,590	260	4,924,850	-	4,924,850
Stipends	761,864	517,964	1,279,828	-	1,279,828
Conferences	202,754	19,545	222,299	19,616	241,915
Advertising	211,023	9,927	220,950	2,195	223,145
Supplies	199,545	11,154	210,699	6,338	217,037
Travel	126,372	66,971	193,343	19,303	212,646
Website	78,119	8,009	86,128	38,519	124,647
Rent	107,645	4,187	111,832	17,062	128,894
Accounting and legal	17,828	12,536	30,364	69,297	99,661
Lobbying	87,893	-	87,893	-	87,893
Equipment and software	18,282	13,364	31,646	52,228	83,874
Staff development	15,052	16,920	31,972	10,053	42,025
Telephone	11,388	7,860	19,248	18,284	37,532
Fixed asset Loss (Gain)	32,082	-	32,082	-	32,082
Americorps benefits and taxes	32,879	3,773	36,652	-	36,652
IT support	3,213	-	3,213	26,221	29,434
Insurance	6,054	-	6,054	17,114	23,168
Bank fees	2,336	168	2,504	18,538	21,042
Indirect expenses	10,566	6,621	17,187	-	17,187
Dues and subscriptions	4,120	2,015	6,135	8,073	14,208
Other	171,881	7,645	179,526	2,225	181,751
	<u>\$ 13,420,188</u>	<u>\$ 3,882,848</u>	<u>\$ 17,303,036</u>	<u>\$ 1,212,572</u>	<u>\$ 18,515,608</u>
Depreciation and amortization	29,315	-	29,315	2,142	31,457
Total	<u>\$ 13,449,503</u>	<u>\$ 3,882,848</u>	<u>\$ 17,332,351</u>	<u>\$ 1,214,714</u>	<u>\$ 18,547,065</u>
					<u>\$ 12,971,546</u>

The accompanying notes are an integral part of these financial statements

TRAILHEAD INSTITUTE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	(restated)	
	2023	2022
<u>Cash flows from operating activities</u>		
Change in net assets	\$ (883,495)	\$ 3,700,388
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	31,457	32,785
Loss on disposal of fixed assets	(7,916)	6,940
Paycheck Protection Program loan forgiveness	-	-
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in contracts receivable	(429,042)	(163,584)
(Increase)decrease in grants receivable	1,421,897	(2,204,329)
(Increase)decrease in prepaid assets	32,455	(40,619)
(Increase)decrease in operating lease right-of-use asset and liability	9,583	-
(Decrease)increase in accounts payable	342,896	(67,686)
(Decrease)increase in payroll liabilities	98,225	162,030
(Decrease)increase in deferred revenue	<u>176,495</u>	<u>1,121</u>
Net cash provided(used) by operating activities	<u>792,555</u>	<u>1,427,046</u>
<u>Cash flows from investing activities</u>		
(Purchases) of fixed assets	<u>(16,000)</u>	<u>(30,674)</u>
<u>Cash flows from financing activities</u>		
(Repayment) on capital lease obligation	<u>(3,411)</u>	<u>(3,911)</u>
Net increase in cash and cash equivalents	773,144	1,392,461
Cash and cash equivalents, beginning of year	<u>5,562,575</u>	<u>4,170,114</u>
Cash and cash equivalents, end of year	<u>\$ 6,335,719</u>	<u>\$ 5,562,575</u>
Supplemental disclosure of information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows--operating leases	\$ 34,524	\$ -
Cash paid during the period for interest	<u>\$ 79</u>	<u>\$ 79</u>

The accompanying notes are an integral part of these financial statements

TRAILHEAD INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - NATURE OF ACTIVITIES

Trailhead Institute (Organization) was incorporated in 1993 in Colorado as 501(c)(3) non-profit organization. The mission of the Organization is to mobilize community and public resources in the interest of health and wellbeing of the residents of Colorado and the Rocky Mountain region; to protect and improve Colorado's environment; to prevent disease, disability, premature death; and to assist in the development and implementation of policies and services that maintain and improve the personal health and environment of all citizens, including those with special needs. The Organization is primarily funded by government contracts, and foundation awards.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

2. Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles which require the Organization to report 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 the organization. These net assets may be used at the discretion of the Organization's management and 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 actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that 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 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.

3. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

4. Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, 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 met. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution revenue for the excess received when the event takes place.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received cost-reimbursable grants of \$3,585,646 that have not been recognized at December 31, 2023, because qualifying expenditures have not yet been incurred. In addition, the Organization has received a grant with conditions whereby the donor will give an additional \$200,000 if the Organization meets certain stipulated requirements in the grant agreement.

5. Contracts Receivable

Contracts receivable represent amounts that have been billed under contracts but not collected as of the date of the financial statements. Contracts receivable are stated at the amount management expects to be collected from the outstanding balance. As of December 31, 2023, management has determined, based on historical experience and subsequent collections, that all amounts are fully collectible, and no allowance for doubtful accounts is necessary.

6. Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. As of December 31, 2023, management has determined, based on historical experience and subsequent collections, that all amounts are fully collectible, and no allowance for doubtful accounts is necessary.

7. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for furniture and equipment in excess of \$5,000. The fair value of donated assets is similarly capitalized. Depreciation of furniture and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

8. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

9. Income Taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

10. Leases

The Organization accounts for leases in accordance with Accounting Standards Update (ASU) No. 2016-02, Leases (ASC 842), as amended. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in the statement of financial position. Finance leases are included in property and equipment and finance lease liabilities on the statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Organization uses its incremental borrowing rate based on the information available at lease commencement. Operating lease ROU assets also include any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

The Organization may have lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices.

The Organization does not report ROU assets and leases 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 lease expense on a straight-line basis over the lease term.

11. Functional Reporting of Expenses

For the year ended December 31, 2023, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The significant expenses allocated are salaries and payroll taxes, which are allocated based on time and effort. Project expenses are assigned directly or allocated to the program or functional area benefited.

12. Summarized Prior-Year Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

13. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

14. Subsequent Events

Management has evaluated subsequent events through August 22, 2025, the date the financial statements were available to be issued.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents financial assets available for general operating expenditures within one year at December 31, 2023:

<u>Description</u>	<u>2023</u>
Financial assets at year end:	
Cash and cash equivalents	\$ 6,335,719
Contracts receivable, net	2,096,838
Grants receivable	<u>1,622,999</u>
	<u>10,055,556</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>(6,162,624)</u>
	<u>(6,162,624)</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 3,892,932</u>

The Organization's goal is generally to maintain financial assets to meet six months or more of administrative costs. The Organization considers donor restricted net assets to be available for general expenditures in the next twelve months.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consisted of:

<u>Description</u>	<u>Amount</u>
Furniture and equipment	\$ 209,861
Website	30,000
Capitalized copier lease	<u>19,302</u>
Total	259,163
Less: accumulated depreciation	<u>(113,322)</u>
Net property and equipment	<u><u>\$ 145,841</u></u>

Depreciation and amortization expense for the year was \$31,457.

NOTE 4 - LEASE COMMITMENTS

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent its obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, which arose from two operating leases, were calculated based on the present value of future lease payments over the lease term. Operating lease cost is recognized on a straight-line basis over the lease term as *Rent expense* in the Statement of Functional Expenses.

Apprentice of Peace Youth Organization Office Lease (Youth Office)

During the year ended December 31, 2023, the Organization entered into a non-cancelable operating lease for office space for the use of the Apprentice of Peace Youth Organization for the period of October 1, 2023, to September 30, 2025. The lease includes an option for 2 one-year extensions. This lease resulted in the Organization recognizing a right-of-use asset and corresponding lease liability of \$291,842. The lease requires monthly payments of \$4,412 for the first two months, increasing to \$8,825 through September 1, 2024, \$9,178 through September 1, 2025, and \$9,545 for the remainder of the lease term. The Organization prepaid one months rent at December 31, 2023.

Main Office Lease

During the year ended December 31, 2023, the Organization entered into a non-cancelable operating lease for office space for the period of March 1, 2023, to March 1, 2025 requiring a monthly lease payment of \$2,232. This lease resulted in the Organization recognizing a right-of-use asset and corresponding lease liability of \$50,600. The Organization prepaid one months rent at December 31, 2023.

NOTE 5 - LEASE COMMITMENTS (concluded)

Future maturities of lease liabilities:

Fiscal years ending December 31st:

2024

2025

2026

Total lease payments

Less: present value discount

Present value of lease liability

	Youth office Lease Amount	Main office Lease Amount	Total
2024	\$ 98,134	\$ 24,804	\$ 122,938
2025	111,237	4,520	115,757
2026	85,905	-	85,905
	295,276	29,324	324,600
Total lease payments	(21,547)	(921)	(22,468)
Less: present value discount			
Present value of lease liability	<u>\$ 273,729</u>	<u>\$ 28,403</u>	<u>\$ 302,132</u>

Other information:

Weighted-average remaining lease term

2.67 years

1.08 years

Weighted-average discount rate

5.50%

5.50%

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets are to be used for the following purposes:

<u>Description</u>	<u>Amount</u>
Projects:	
Colorado Blueprint to End Hunger	\$ 2,188,122
Apprentice of Peace Youth Organization	689,629
Jefferson County Food Policy Council	503,101
Colorado Equitable Economic Mobility Initiative	465,819
Safe and Abundant Nutrition Assistance	280,472
Youth Sexual Health	222,441
Light Collective	216,000
La Pinata	203,038
LinkAGES	202,780
Food Security Network	160,630
Morgan County Interagency Oversight Group	159,515
GRASP	152,303
Red Star International	124,001
Workforce Programs and Initiatives	121,819
ARISE Beyond Barriers	87,736
Denver ambulatory street health response	69,476
Bondadosa	67,500
Wezesha Dada Center	66,044
Prosperando	42,500
Positive Youth Development	26,365
Sharing our blessings	23,932
Public Health for Public Safety	22,985
Staff Wellness	20,000
iSAFE	18,000
Financial reporting upgrades project	10,735
The ART Project	5,062
Colorado Cancer Coalition	4,850
Wise Initiative	4,393
Integration navigation outreach wealth building	2,250
Elevated Denver	1,114
Walk2Connect	12
Total Projects	<u><u>\$ 6,162,624</u></u>

NOTE 7 - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted program purposes:

<u>Description</u>	<u>Amount</u>
Projects:	
Colorado Blueprint to End Hunger	\$ 2,226,421
Bondadosa	667,500
Colorado Equitable Economic Mobility Initiative	600,725
LinkAGES	361,445
Light Collective	357,840
Jefferson County Food Policy Council Foundation	356,724
Apprentice of Peace Youth Organization	350,000
Youth Sexual Health	265,610
Workforce Programs and Initiatives	260,783
La Pinata	254,852
Safe and Abundant Nutrition Assistance	211,962
Food Security Network	210,817
Red Star International	168,871
Morgan County Interagency Oversight Group	126,000
GRASP	92,667
Positive Youth Development	46,334
Sharing Our Blessings	39,929
Denver Ambulatory Street Health Response	28,082
Wezesha Dada Center	20,361
Public Health for Public Safety	18,886
Elevated Denver	15,964
ARISE Beyond Barriers	6,667
The ART Project	2,465
Prosperando	2,000
iSAFE	1,710
Arts and Wellness	1,286
Affinity Consulting	(1,417)
Colorado Cancer Coalition	\$ 6,764,657
Total	

NOTE 8 - PRIOR PERIOD ADJUSTMENT

Certain errors resulting in an overstatement of previously reported payroll accruals and salary expenses were discovered during the current year. The prior period adjustment decreased the *accrued payroll liability and salaries expense* by \$275,953 and increased the fiscal year 2022 *change in net assets and net assets without donor restrictions* by \$275,953.

NOTE 9 - RECLASSIFICATION OF NET ASSETS

Certain classification errors resulting in an understatement of previously reported temporarily restricted net assets were discovered during the current year. During the year ended December 31, 2022, the Organization recorded unrestricted revenue of \$1,907,224 which should have been recorded as temporarily restricted. The prior period reclassification increased *temporarily restricted revenue and decreased unrestricted revenue* by \$1,907,224. This adjustment had no effect on the 2022 total change in *net assets*.

NOTE 10 - PENSION PLAN

The Organization has adopted a 401(k)-retirement plan covering all eligible employees. The Organization matches contributions \$.50 on the dollar up to 6% of participants' compensation. Total pension expense during the year was \$196,009.

NOTE 11 - CONCENTRATIONS OF RISK

The Organization's financial instruments that are exposed to concentrations of credit risk consist of cash and cash equivalents. The Company's cash and cash equivalents are in demand deposit accounts placed with federally insured financial institutions and selected brokerage accounts. Such deposit accounts at times may exceed the federally insured limited. The Organization has not experienced any losses on such accounts.

During fiscal year 2023, the Organization received approximately 26% of its funding from one government agency. For the year ended At December 31, 2023, two government agencies represented 49% of the Organization's contracts receivable and one foundation represented 37% of the Organization's grants receivable at year end. The Organization is dependent on this funding to continue with its current level of service. Management expects these grants to continue into the foreseeable future.