

ELEVATE METRO KC

FINANCIAL STATEMENTS

June 30, 2025 and 2024

IFFT & CO. PA
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Elevate Metro KC
Overland Park, Kansas

Opinion

We have audited the accompanying financial statements of Elevate Metro KC (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses, and cash flows for the years 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 Elevate Metro KC as of June 30, 2025 and 2024, 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. 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 Elevate Metro KC 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 Elevate Metro KC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 Elevate Metro KC'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 Elevate Metro KC'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.

Ifft & Co. PA

November 3, 2025

ELEVATE METRO KC
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 534,691	352,224
Certificates of deposit	134,700	132,235
Grants receivable	-	25,000
Prepaid expenses	<u>11,124</u>	<u>6,104</u>
TOTAL CURRENT ASSETS	680,515	515,563
 PROPERTY AND EQUIPMENT, net	 <u>100,071</u>	 <u>5,002</u>
 TOTAL ASSETS	 <u><u>\$ 780,586</u></u>	 <u><u>520,565</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 91,506	6,155
Accrued liabilities	<u>25,767</u>	<u>21,781</u>
TOTAL CURRENT LIABILITIES	117,273	27,936
 NET ASSETS		
Without donor restrictions	596,813	427,629
With donor restrictions	<u>66,500</u>	<u>65,000</u>
TOTAL NET ASSETS	<u>663,313</u>	<u>492,629</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 780,586</u></u>	 <u><u>520,565</u></u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT			
Contributions and grants	\$ 749,912	51,588	801,500
Government grants	25,000	-	25,000
Interest income	10,654	-	10,654
In-kind contributions	510	-	510
Other revenue	12,525	-	12,525
Net assets released from restrictions	<u>50,088</u>	<u>(50,088)</u>	<u>-</u>
TOTAL REVENUES AND SUPPORT	848,689	1,500	850,189
EXPENSES			
Program services	320,336	-	320,336
Management and general	194,402	-	194,402
Fundraising	<u>164,767</u>	<u>-</u>	<u>164,767</u>
TOTAL EXPENSES	<u>679,505</u>	<u>-</u>	<u>679,505</u>
CHANGE IN NET ASSETS	169,184	1,500	170,684
NET ASSETS, BEGINNING OF YEAR	<u>427,629</u>	<u>65,000</u>	<u>492,629</u>
NET ASSETS, END OF YEAR	<u><u>\$ 596,813</u></u>	<u><u>66,500</u></u>	<u><u>663,313</u></u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT			
Contributions and grants	\$ 432,936	40,000	472,936
Government grants	25,000	-	25,000
Interest income	11,208	-	11,208
In-kind contributions	15,200	-	15,200
Net assets released from restrictions	<u>32,500</u>	<u>(32,500)</u>	<u>-</u>
TOTAL REVENUES AND SUPPORT	516,844	7,500	524,344
EXPENSES			
Program services	330,832	-	330,832
Management and general	190,680	-	190,680
Fundraising	<u>123,195</u>	<u>-</u>	<u>123,195</u>
TOTAL EXPENSES	<u>644,707</u>	<u>-</u>	<u>644,707</u>
CHANGE IN NET ASSETS	(127,863)	7,500	(120,363)
NET ASSETS, BEGINNING OF YEAR	<u>555,492</u>	<u>57,500</u>	<u>612,992</u>
NET ASSETS, END OF YEAR	<u>\$ 427,629</u>	<u>65,000</u>	<u>492,629</u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 211,841	61,305	134,325	407,471
Employee benefits	1,442	41,894	4,765	48,101
Payroll taxes	16,713	4,959	10,846	32,518
Depreciation	10,019	-	-	10,019
Insurance	-	16,305	-	16,305
Office expense	4,946	18,903	4,284	28,133
Professional fees	-	27,799	9,623	37,422
Teaching/mentoring expense	73,309	-	-	73,309
Telephone and internet	2,066	1,991	492	4,549
Travel and meetings	<u>-</u>	<u>21,246</u>	<u>432</u>	<u>21,678</u>
Total expenses	<u>\$ 320,336</u>	<u>194,402</u>	<u>164,767</u>	<u>679,505</u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 220,153	61,498	104,851	386,502
Employee benefits	5,522	33,587	381	39,490
Payroll taxes	17,298	4,871	8,569	30,738
Depreciation	10,558	-	-	10,558
Insurance	-	15,499	-	15,499
Office expense	15,830	22,589	630	39,049
Professional fees	-	30,644	8,171	38,815
Teaching/mentoring expense	59,028	-	-	59,028
Telephone and internet	2,443	1,160	493	4,096
Travel and meetings	<u>-</u>	<u>20,832</u>	<u>100</u>	<u>20,932</u>
Total expenses	<u>\$ 330,832</u>	<u>190,680</u>	<u>123,195</u>	<u>644,707</u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 170,684	(120,363)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	10,019	10,558
Changes in operating assets and liabilities		
Grants receivable	25,000	32,500
Prepaid expenses	(5,020)	(2,293)
Accounts payable	85,351	3,212
Accrued liabilities	<u>3,986</u>	<u>8,512</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	290,020	(67,874)
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvestment of interest on certificates of deposit	(2,465)	(4,035)
Purchases of property and equipment	<u>(105,088)</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(107,553)</u>	<u>(4,035)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	182,467	(71,909)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>352,224</u>	<u>424,133</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 534,691</u>	<u>352,224</u>

The accompanying notes are an integral part of these financial statements.

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Elevate Metro KC (the Organization) is a not-for-profit organization that works to build long-term, life-changing relationships with youth, equipping them to thrive and contribute to the Greater Kansas City community. The Organization is a local affiliate of Elevate USA, a national organization headquartered in Colorado.

The Organization employs full-time staff who are part teacher, part mentor, part life coach, and represent the community they serve. The strength of the relationships with students is developed through teaching accredited classes, mentoring, college and career counseling, and providing adventure experiences.

Basis of Presentation

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

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits held in banks and highly liquid investments with initial maturities of three months or less.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net Assets Without Donor Restrictions - Net assets available for use in general operations 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. Contributions restricted by donors are reported 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 accompanying statements of activities as net assets released from restrictions.

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Grants Receivable

Grants receivable consist of unconditional promises to give recognized as support at net realizable value in the period the promises are received. The Organization reviews receivables periodically and writes off balances when deemed uncollectible. The Organization's management has determined that no allowance was necessary as of June 30, 2025 or 2024.

Property and Equipment

Property and equipment are stated at cost, if purchased, and at fair value at the date of the gift, if donated. Significant expenditures for property and equipment are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, management and general, and fundraising activities; however, the Organization's financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America. Contributed goods, if any, are recorded at fair value at the date of the donation.

Functional Allocation of Expenses

The costs of program, management and general, and fundraising activities have been summarized on a functional basis in the accompanying statements of activities. The accompanying statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

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

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Taxes

The Organization is a not-for-profit agency as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from federal and state income taxes.

The Organization recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority.

The Organization is subject to income tax regulations in the U.S. federal jurisdiction and certain state jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. With few exceptions, the Organization is no longer subject to income tax examinations by the applicable tax authorities for the years before 2022. If any were to be incurred, the Organization's policy is to record penalties and interest assessed by income tax authorities as operating expenses.

Subsequent Events

Subsequent events have been evaluated through November 3, 2025, which is the date the financial statements were available to be issued.

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 534,691	352,224
Certificates of deposit	134,700	132,235
Grants receivable	<u>-</u>	<u>25,000</u>
Financial assets, at year-end	669,391	509,459
Less those unavailable for general expenditure within one year:		
Donor restricted for a specified purpose	<u>66,500</u>	<u>40,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 602,891</u>	<u>469,459</u>

As part of the Organization's liquidity management plan, the Organization periodically invests in government money market mutual funds and certificates of deposit.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Vehicles	\$ 157,878	52,790
Accumulated depreciation	<u>(57,807)</u>	<u>(47,788)</u>
	<u>\$ 100,071</u>	<u>5,002</u>

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2025</u>	<u>2024</u>
Mentoring program	\$ 66,500	40,000
Time restricted	<u>-</u>	<u>25,000</u>
	<u>\$ 66,500</u>	<u>65,000</u>

Net assets that were released from restrictions by incurring expenses satisfying the restricted purpose or the passage of time or that were released by the donor consisted of the following for the years ending June 30:

	<u>2025</u>	<u>2024</u>
Various program expenditures	\$ 25,088	-
Passage of time	<u>25,000</u>	<u>32,500</u>
	<u>\$ 50,088</u>	<u>32,500</u>

NOTE 5 - RETIREMENT PLAN

The Organization has a 401(k) plan that covers all full-time employees. Participants can elect to make tax-deferred contributions to the Plan, subject to statutory limits. The Organization matches participant contributions up to 6.86% of compensation. There were \$1,094 contributions to the 401(k) plan for the year ended June 30, 2025, which is included in employee benefits on the accompanying statements of functional expenses. There were no contributions to the 401(k) plan for the year ended June 30, 2024. The Organization also pays the Executive Director's whole life policy annual premium as a retirement benefit. The amount paid for this benefit was \$6,659 and \$7,970 for the years ended June 30, 2025 and 2024, respectively, which is included in employee benefits on the accompanying statements of functional expenses.

ELEVATE METRO KC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 6 - CONCENTRATIONS

The Organization considers donors that account for more than 10% of revenues and support to be major donors. For the year ended June 30, 2025, contributions from two donors totaled 45% of revenues and support. For the year ended June 30, 2024, contributions from one donor totaled 31% of revenues and support. At June 30, 2024, 100% of grants receivable were due from one donor. There were no grants receivable at June 30, 2025.

The Organization maintains its cash at institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Balances at times exceed FDIC insurance coverage. Management has deemed this a normal business risk. At June 30, 2025, the Organization's total uninsured cash balance was \$20,100. The Organization had no uninsured cash balance as of June 30, 2024.

NOTE 7 - FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocations on a reasonable basis that are consistently applied. Salary and benefit related expenses are allocated on the basis of estimates of time and effort. Other expenses that are common to several functions are allocated based on management's estimate of resources devoted to the program or supporting service.

NOTE 8 - IN-KIND CONTRIBUTIONS

Donated meeting space was used for program activities and was recognized based on the approximate daily rental fee. The amount of donated meeting space for the years ended June 30, 2025 and 2024 was \$510 and \$15,200, respectively, which is included in office expense on the accompanying statements of functional expenses.