PROJECT WORTHMORE

FINANCIAL STATEMENTS

DECEMBER 31, 2025

PROJECT WORTHMORE

TABLE OF CONTENTS

Aprio

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Project Worthmore

Opinion

We have audited the accompanying financial statements of Project Worthmore (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Project Worthmore as of December 31, 2025, 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 Project Worthmore 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 Project Worthmore'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 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 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 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 Project Worthmore’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 Project Worthmore’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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 26, 2026, on our consideration of Project Worthmore's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 Project Worthmore's 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 Project Worthmore's internal control over financial reporting and compliance.

Aprio, LLP

Rockville, Maryland
March 26, 2026

PROJECT WORTHMORE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

Cash and cash equivalents	$ 2,337,733
Investments	2,046
Accounts receivable	216,356
Contributions receivable	126,172
Prepaid expenses	10,339
Property and equipment	10,017,146
Total assets	$ 12,709,792

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	$ 1,046,633
Accrued salaries and related liabilities	159,571
Loans payable, net of discount	1,615,727
Mortgage payable	557,380
Total liabilities	3,379,311
Net assets:	
Without donor restrictions	3,621,465
With donor restrictions	5,709,016
Total net assets	9,330,481
Total liabilities and net assets	$ 12,709,792

See accompanying notes to the financial statements

PROJECT WORTHMORE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Dental practice	$ 2,601,092	$ -	$ 2,601,092
Grant income	278,000	4,194,585	4,472,585
Contributions	573,911	220,000	793,911
Event revenues	434,679	-	434,679
Event expenses	(57,319)	-	(57,319)
In-kind contribution	285,294	367,063	652,357
Rental income	67,665	-	67,665
Sales	73,128	-	73,128
Interest income	51,547	-	51,547
Net assets released from restrictions	612,786	(612,786)	-
Total revenues and other support	4,920,783	4,168,862	9,089,645
Expenses:			
Program	3,749,386	-	3,749,386
Supporting activities:			
Management and general	1,055,220	-	1,055,220
Fundraising	195,535	-	195,535
Total expenses	5,000,141	-	5,000,141
Change in net assets	(79,358)	4,168,862	4,089,504
Net assets at beginning of year	3,700,823	1,540,154	5,240,977
Net assets at end of year	$ 3,621,465	$ 5,709,016	$ 9,330,481

See accompanying notes to the financial statements

PROJECT WORTHMORE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services					
	Dental Clinic	Other Programs	Total	Management and general	Fundraising	Total
Advertising and promotion	$ 3,742	$ 661	$ 4,403	$ 408	$ 77,383	$ 82,194
Bank fees	20,417	132	20,549	190	21,878	42,617
Client support	-	336,369	336,369	-	-	336,369
Contract services	-	10,000	10,000	-	-	10,000
Depreciation	78,926	45,500	124,426	65,996	8,183	198,605
Dues and subscriptions	16,650	5,092	21,742	2,173	269	24,184
Interest expense	35,026	20,192	55,218	29,288	3,631	88,137
Professional fees	15,787	9,101	24,888	13,200	1,637	39,725
Repairs and maintenance	10,181	13,049	23,230	2,257	281	25,768
Salaries, payroll taxes and benefits	1,851,863	855,713	2,707,576	870,052	130,049	3,707,677
Supplies	193,550	78,890	272,440	6,762	841	280,043
Technology	24,728	12,679	37,407	4,040	2,482	43,929
Training	1,933	1,817	3,750	14,228	92	18,070
Travel, meals and entertainment	5,313	7,672	12,985	5,402	1,016	19,403
Utilities	27,813	32,714	60,527	23,257	2,884	86,668
Insurance	21,488	12,388	33,876	17,967	2,228	54,071
Subtotal	2,307,417	1,441,969	3,749,386	1,055,220	252,854	5,057,460
Less expenses included with revenues on the statement of activities and changes in net assets	-	-	-	-	(57,319)	(57,319)
Total functional expenses	$ 2,307,417	$ 1,441,969	$ 3,749,386	$ 1,055,220	$ 195,535	$ 5,000,141

See accompanying notes to the financial statements

PROJECT WORTHMORE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

Cash flows from operating activities	
Change in net assets	$ 4,089,504
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	198,605
Non-cash donations	(330,124)
(Increase) decrease in assets:	
Accounts receivable	808,554
Prepaid expenses	(6,813)
Increase (decrease) in liabilities:	
Accounts payable	(256,087)
Accrued salaries and related liabilities	136,608
Net cash provided by operating activities	4,640,247
Cash flows from investing activities	
Purchases of property and equipment	(4,647,732)
Net cash used in investing activities	(4,647,732)
Cash flows from financing activities	
Proceeds from loans payable	792,046
Payments on loans and mortgage payable	(59,265)
Net cash provided by financing activities	732,781
Net increase in cash	725,296
Cash and cash equivalents, beginning	1,612,437
Cash and cash equivalents, ending	$ 2,337,733
Supplemental disclosure of non-cash investing activity	
Addition of property and equipment in accounts payable	$ (982,377)
Addition of property and equipment in accounts payable	982,377
	$ -
Supplemental disclosure of cash flow information	
Cash paid during the year for:	
Interest	$ 49,152
Cash and cash equivalents consisted of the following:	
Cash and cash equivalents	$ 2,337,733
	$ 2,337,733

See accompanying notes to the financial statements

Note 1
Nature of Organization

Organization:

Project Worthmore (the "Organization") is a 501(c)(3) not-for-profit corporation formed in 2011 by Frank and Carolyn Anello as a response to the acute need for assistance of the refugee families in their community. From our start offering makeshift English classes in living rooms, we now offer six comprehensive programs to thousands of refugee clients. Around half of our staff are from the refugee community, helping us to better listen, empower and support those who have come here to rebuild their lives. Located off of east Colfax, Project Worthmore is in the heart of the refugee community and therefore easily accessed by our clients.

Project Worthmore addresses the needs within the community with the following programs and services:

- **Worthmore Clinic** is a dental clinic offering comprehensive restorative and preventative dental care.
- **DeLaney Community Farm** is a farm that supports refugees through sustainable agriculture and community building.
- **English language program** in partnership with Emily Griffith Technical College, the program allows students to acquire deeper cultural understanding while learning a new language.
- **Community Navigators** help with essential services and programs that can often be overwhelming for newcomers – enrolling children in school, applying for government benefits, finding meaningful employment, navigating the healthcare system, and much more.
- **Understanding Neighbors** is composed of activities, classes, and events, understanding neighbors connects newcomers and English language learners and the broader welcoming community.
- **Yu Meh Food Share** is a food access program that serves the refugee community.

The Organization is supported primarily by grants and foundation income, individual and board contributions, and Medicaid reimbursements.

Note 2
Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Note 2
Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements:

In July 2025, the Financial Accounting Standards Board (FASB) issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets For Private Companies And Certain Not-For Profit Entities*. The Organization has elected to apply the practical expedient in accordance with ASU 2025-05 which assumes that the current conditions as of the Statement of Financial Position date used to estimate the allowance for credit losses do not change over the remaining life of the asset. The adoption of this did not have a material impact and is applied prospectively. A cumulative effect adjustment to beginning net assets was not required.

Financial Statement Presentation:

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

- *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 the Board of Directors.

- *Net Assets With Donor Restrictions*: Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions may be 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 may be perpetual in nature, where the donor stipulates that resources 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.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Changes in estimates are recorded in the period in which they become known. Actual results could differ from these estimates.

Note 2
Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents:

The Organization considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits:

The Organization maintains cash balances at two commercial banks, these balances can exceed the FDIC insured deposit limit of $250,000 per financial institution. At December 31, 2025, the Organization's cash balances held at the commercial banks exceeded the FDIC limit by approximately $1,658,376. The Organization has not experienced any losses through the date when the financial statements were available to be issued.

Revenue Recognition:

Exchange Transactions

In accordance with FASB Topic 606, *Revenue from Contracts with Customers*, or ASC 606, the Organization recognizes revenue from exchange transactions when a customer obtains control of promised goods or services, in an amount that reflects the consideration the Organization expects to receive in exchange for those goods or services. To determine revenue recognition, the Organization performs the following five steps:

- Identification of the contract, or contracts, with a customer (Step 1)
- Identification of the performance obligation(s) in the contract (Step 2)
- Determination of the transaction price (Step 3)
- Allocation of the transaction price to the performance obligation(s) in the contract (Step 4)
- Recognition of revenue when or as the Organization satisfies the performance obligations (Step 5)

The following revenue streams relate to exchange transactions and are described further below:

Worthmore Clinic provides dental care. Each distinct service provided to a patient represents a separate performance obligation that is recognized at the time the service is provided. Fees for services are billed at standard contractual rates with insurance providers, including Medicaid or self-pay amounts for uninsured patients.

Sales of produce from the farm to individuals, restaurants, and corporations is recognized at the point-time of purchase and produce is transferred to the customer, which is included in sales on the accompanying statement of activities and changes in net assets.

Note 2
Summary of Significant Accounting Policies (Continued)

Contributions and Other Revenue Not Subject to ASC 606

Contributions and grants: The Organization recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. When a restriction expires or is met, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts on multi-year pledges is recorded as additional contribution revenue and as either with or without donor restrictions based on any donor-imposed restrictions, if any, on the related contributions.

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 substantially met. Consequently, at December 31, 2025, contributions approximating $0 have not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met.

Special events: Special event revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

Donated goods and services: Contributed nonfinancial assets include donated tangible assets and materials, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. The Organization's policy is to recognize contributed professional services if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Below-market interest rate loans: When the Organization receives a loan at below-market interest rates, the economic benefit of the below-market terms is recognized as a contribution. The difference between the cash received and the present value of the loan at a market rate is a contribution at inception of the loan. During the year ended December 31, 2025, the Organization recognized contributions related to below-market interest rate loans of $367,063, which is included in in-kind contribution on the statement of activities.

Rental income: Rental lease revenues are recognized whereby minimum contractual rents from leases are recognized on a straight-line basis over the terms of the respective leases.Straight-line rental revenue commences when the lessee assumes control of the leases premises. Actual amounts billed in accordance with the lease during any given period may be higher or lower than the amount of rental revenue recognized for the period.

Note 2
Summary of Significant Accounting Policies (Continued)

Accounts Receivable:

The face amount of accounts receivable is reduced by an allowance for credit losses, if needed. The Organization monitors its accounts receivable balances and estimates expected credit losses based on historical collection experience, current market conditions, and reasonable and supportable forecasts. The Organization applies the current expected credit loss model to receivables arising from exchange transactions (e.g., fees for service). Receivables from nonexchange transactions, such as unconditional promises to give (e.g., contributions and grants), are evaluated separately under applicable accounting guidance. As a practical expedient, the Organization assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset when developing reasonable and supportable forecasts. The Organization has also elected an accounting policy to consider collection activity occurring after the balance sheet date when estimating expected credit losses. The Organization has elected to use February 15th for this purpose. There was an allowance of $0 recorded as of December 31, 2025. The balance of accounts receivables as of January 1, 2025 totaled $59,860.

Contributions Receivable:

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 and changes in net assets. The allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At December 31, 2025, the allowance was $0. All contributions receivables are expected to be collected within one year.

Investments:

Investments are recorded at cost, if purchased, or at fair value on the date of donation, if donated. Investments, primarily consisting of equity securities, are stated at fair value. Investments in equity securities with readily determinable values are valued based on quoted market prices in active markets in which the securities are traded. Gains and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments are reflected in the statement of activities as increases or decreases in net assets without donor restrictions unless the use was restricted by explicit donor stipulations or by law.

Note 2
Summary of Significant Accounting Policies (Continued)

Fair Value Measurements:

The Organization applies FASB ASC 820, *Fair Value Measurements* (ASC 820), which establishes a framework for measuring fair value and expands disclosure requirements about fair value measurements. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

The three general valuation techniques that may be used to measure fair value are described below:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities inactive markets that the Organization has the ability to access.

Level 2 — Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liability in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Property and Equipment:

Property and equipment are stated at cost if purchased and at fair market value on the date of donation if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Expenditures for minor additions of equipment are charged to expense when incurred. The Organization capitalizes individual assets with cost of $5,000 or greater.

Note 2
Summary of Significant Accounting Policies (Continued)

Valuation of Long-Lived Assets:

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the estimated fair value of the assets. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

The Organization did not recognize an impairment charge on its long-lived assets during the year ended December 31, 2025.

Advertising:

Advertising costs are expensed as incurred and paid. For the year ended December 31, 2025 advertising expense totaled $408.

Functional Expense Allocation:

The cost of providing the various programs and activities has been summarized on a functional basis in the statement of activities. Expenses are directly charged to the program services and supporting activities other than those that benefit multiple functions. The financial statements report certain categories of expenses that are attributable to one or more program or supporting activities of the Organization. Those expenses include occupancy, computer support and maintenance, and insurance. Occupancy is allocated based on a square footage basis, computer support and maintenance are allocated based upon individual departmental users, and insurance is allocated based upon salaries.

Tax Exempt Status:

The Organization is a nonprofit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for federal income taxes is required. The Organization applies the guidance on accounting for uncertain tax positions in FASB ASC 740 Income Taxes. The Organization is no longer subject to income tax examinations for tax years up to and including 2022.

Below-Market Interest Rate Loans:

The Organization has received below-market interest rate loans. The loans are recorded at the present value of future cash flows using a market rate at inception, with the difference between proceeds and present value recognized as contribution revenue. The resulting discount is amortized to interest expense over the loan terms using the effective interest method.

Note 3
Liquidity and Availability of Resources

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of December 31, 2025:

Financial assets available for general expenditure within one year:

Cash and cash equivalents	$ 2,337,733
Accounts receivable	216,356
Contributions receivable	126,172
Investments	2,046
Total financial assets	2,682,307
Less: purpose donor-restriction not yet paid	(250,327)
Total financial assets available for general expenditure within one year	$ 2,431,980

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments. In addition to financial assets available for general expenditure within one year, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Because the donor restrictions require resources to be used in a particular manner or in future periods, the Organization maintains sufficient resources to meet the responsibility to its donors. Thus, financial assets as they relate to donor restrictions may not be available for general expenditure within one year.

Note 4
Investments

Investments consisted of the following as of December 31, 2025:

Stock	$ 2,046
Total investment portfolio (level 1)	$ 2,046

In accordance with the ASC 820, the Organization's investments are considered to be Level 1 within the fair value hierarchy. There were no significant transfers between the levels during the year. The Organization’s policy is to recognize transfers in and out of the levels at the end of the fiscal year; interim changes in the availability of fair value inputs are not recognized.

During the year ended December 31, 2025, the Organization received and recognized $2,046 in stock donations and were included in contributions on the statement of activities.

Note 5
Property and Equipment

The following is a summary of property and equipment at cost at December 31, 2025:

Land	$ 321,181
Building	3,548,861
Furniture and equipment	108,492
Vehicles	54,999
Construction in process - The Roots	6,686,147
	10,719,680
Less: accumulated depreciation	(702,534)
Property and equipment, net	$ 10,017,146

Depreciation expense for the year ended December 31, 2025, totaled $198,605.

The Organization is renovating an existing 18,000 square foot building, transforming it into "The Roots", a community hub where newcomers can gather, receive support, healthcare, and build community. The Organization has entered into a construction contract with A.D. Miller Services, Inc. for the renovation of the facility in an original amount of $5,617,322 with approved changes orders of $649,905, for a total contract of $6,267,226. At December 31, 2025, total costs incurred under the contract were $5,511,193, of which $982,377, including $275,560 of retainage, remained payable and is included in accounts payable on the accompanying statement of financial position. The project is expected to be completed and placed in service during 2026.

Note 6
Loans and Mortgage Payable

Loans and mortgage payable are as follows as of December 31, 2025:

The Organization has a participating mortgage note payable of $634,000 that was used to purchase the building at 1666 Elmira St. The note bears interest at 3.99% and matures on March 24, 2028. Payments of principal and interest of $3,364 per month commenced on April 24, 2021, and will continue until maturity on March 24, 2028. Interest expense for the year was $22,922.	$	557,380
The Organization received a $1,465,000 below-market interest rate loan from Colorado Enterprise Fund, Inc. (CEF). This Project Related Investment (PRI) loan was used for construction on the Organization's property. The note bears interest at 2% per annum and matures on June 15, 2032. Interest-only payments, based on the principal balance outstanding from time to time, were due July 15, 2023, and each month thereafter, until principal and interest payments begin. Payments of principal and interest of $6,626 per month commenced on July 15, 2024, and will continue monthly until June 15, 2032, when the PRI will be payable in full. The discount on the loan at December 31, 2025, was $232,443. Interest expense for the year was $59,385, which includes interest of $35,261 at an imputed interest rate of 5.46%.		1,151,759
The Organization received a $250,000 below-market interest rate loan from The Denver Foundation that was used to fund the expansion of the Organization's community center. The loan bears interest at 2% per annum and requires quarterly payments of interest only beginning January 1, 2026. Beginning January 1, 2027, quarterly payments of principal and interest will continue until maturity on December 9, 2030. The discount on the loan at December 31, 2025, was $45,161. Interest expense for the year was $0, which includes interest of $0 at an imputed interest rate of 8.5%.		250,000
The Organization received a $300,000 below-market interest rate loan from The Denver Foundation that was used to fund the expansion of the Organization's community center. The loan bears interest at 2% per annum and requires quarterly payments of interest only beginning December 1, 2025. Beginning December 1, 2026, quarterly payments of principal and interest will continue until maturity on September 11, 2030. The discount on the loan at December 31, 2025, was $50,474. Interest expense for the year was $5,074, which includes interest of $3,724 at an imputed interest rate of 8.5%.		300,000
The Organization received a $500,000 loan from the City of Aurora, Colorado, funded from a Community Development Block Grant. The loan bears interest at 2% per annum and requires annual payments of interest only beginning January 1, 2026, until maturity on January 1, 2046. Interest expense for the year was $756. Funds totaling $242,046 were drawn during 2025.		242,046
Total		2,501,185
Less: unamortized discount		(328,078)
Total, net	$	2,173,107

Note 6
Loans and Mortgage Payable (Continued)

Aggregate future principal payments are as follows at December 31, 2025:

Year Ending December 31,	Amount
2026	$ 86,292
2027	196,694
2028	701,692
2029	186,127
2030	205,278
Thereafter	1,125,102
	$ 2,501,185

Note 7
Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2025:

	Beginning Balance	Contributions	Released from Restrictions	Ending Balance
Capital project	$ 1,540,154	$ 3,753,962	$ -	$ 5,294,116
Below-market interest loan discount	-	367,063	38,985	328,078
Navigators	-	168,909	168,909	-
Food share	-	222,718	190,896	31,822
English language program	-	18,996	18,996	-
Community engagement	-	30,000	30,000	-
Other	-	220,000	165,000	55,000
	$ 1,540,154	$ 4,781,648	$ 612,786	$ 5,709,016

Note 8
Rental Income

The Organization leases one space to a customer under an operating lease. The minimum rental amount under the lease is subject to scheduled fixed increases. The Organization recognized $67,665 of rental income during the year ended December 31, 2025, and is owed $16,668, which is included in accounts receivable on the accompanying statement of financial position, as of December 31, 2025. Estimated future minimum rents to be received consist of the following:

December 31,	Amount
2026	$ 68,410
2027	69,166
2028	69,934
2029	70,713
2030	71,503
Thereafter	131,426
Total	$ 481,152

Note 9
In-Kind Contributions

The Organization receives donated food for its food share program. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. Fair value is estimated using the average price per serving of the type of food received. The total amount recognized for foodshare donations is approximately $285,294 for the year ended December 31, 2025.

Note 10
Line of Credit

The Organization holds a line of credit totaling $750,000 with a variable interest rate based upon the U.S. Prime Rate. It draws funds on the line of credit to pay program expenditures in cases where payments from funding sources have not been received in a timely manner. The line of credit balance is repaid when program funds are received from funding sources. Outstanding balances are secured by real property. There was no outstanding balance on the line of credit as December 31, 2025. The line of credit matures on February 26, 2027.

Note 11
Subsequent Events

Management considered all events through March 26, 2026, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. The Organization is not aware of any other significant events that occurred subsequent to December 31, 2025, but prior to the issuance of this report, that would have a material impact on the financial statements.