

ASPIRE 3D
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH
REPORT OF INDEPENDENT AUDITORS

**ASPIRE 3D
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FOR THE YEAR ENDED DECEMBER 31, 2024**

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Aspire 3D:

Opinion

We have audited the accompanying financial statements of Aspire 3D (the "Organization"), a nonprofit corporation, which comprise the statement of financial position as of December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 these 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 the Organization's ability to continue as a going concern within one year after the date 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.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with GAAS, we:

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

Novogradac & Company LLP

December 16, 2025
Toms River, New Jersey

FINANCIAL STATEMENTS

ASPIRE 3D
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

ASSETS

| | | |
|---------------------------|----|-----------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ | <u>181,222</u> |
| Total assets | \$ | <u><u>181,222</u></u> |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|----|-----------------------|
| Current liabilities: | | |
| Accounts payable | \$ | 4,101 |
| Accrued expenses | | <u>55,827</u> |
| Total liabilities | | <u>59,928</u> |
| Net assets: | | |
| Without donor restrictions | | <u>121,294</u> |
| Total net assets | | <u>121,294</u> |
| Total liabilities and net assets | \$ | <u><u>181,222</u></u> |

See accompanying notes to financial statements.

ASPIRE 3D
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---------------------------------------|---------------------------------------|------------------------------------|---------------------|
| Revenue and other support: | | | |
| Individual donations | \$ 7,346 | \$ - | \$ 7,346 |
| Grants: foundations | 10,447 | - | 10,447 |
| Grants: government | 445,296 | 29,356 | 474,652 |
| Corporate contributions | 25,263 | 2,552 | 27,815 |
| Fundraising | 5,669 | - | 5,669 |
| Interest income | 442 | - | 442 |
| Net assets released from restrictions | <u>109,096</u> | <u>(109,096)</u> | <u>-</u> |
| Total revenue and other support | <u>603,559</u> | <u>(77,188)</u> | <u>526,371</u> |
| Expenses: | | | |
| Program services | 411,533 | - | 411,533 |
| Administrative and support | 102,080 | - | 102,080 |
| Fundraising | <u>107,181</u> | <u>-</u> | <u>107,181</u> |
| Total expenses | <u>620,794</u> | <u>-</u> | <u>620,794</u> |
| Change in net assets | <u>(17,235)</u> | <u>(77,188)</u> | <u>(94,423)</u> |
| Net assets, beginning of year | <u>138,529</u> | <u>77,188</u> | <u>215,717</u> |
| Net assets, end of year | <u>\$ 121,294</u> | <u>\$ -</u> | <u>\$ 121,294</u> |

See accompanying notes to financial statements.

ASPIRE 3D
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

| | <u>Program Services</u> | <u>Administrative and Support</u> | <u>Fundraising</u> | <u>Total</u> |
|-------------------------------------|-----------------------------|---|--------------------|-------------------|
| Salaries | \$ 292,634 | \$ 65,388 | \$ 50,046 | \$ 408,068 |
| Employee benefits and payroll taxes | 35,766 | 11,520 | 4,261 | 51,547 |
| Program costs | 33,309 | - | - | 33,309 |
| Professional fees | - | 1,748 | 550 | 2,298 |
| Advertising | - | 3,950 | 25,751 | 29,701 |
| Office expenses | 3,346 | 3,365 | - | 6,711 |
| Travel and training | 2,244 | - | - | 2,244 |
| Insurance | 43,564 | 15,071 | 7,051 | 65,686 |
| Miscellaneous | <u>670</u> | <u>1,038</u> | <u>19,522</u> | <u>21,230</u> |
| Totals | <u>\$ 411,533</u> | <u>\$ 102,080</u> | <u>\$ 107,181</u> | <u>\$ 620,794</u> |

See accompanying notes to financial statements.

ASPIRE 3D
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

| | |
|--|---------------------------|
| Cash Flows from Operating Activities: | |
| Cash received from support and revenue | \$ 532,437 |
| Cash paid to suppliers and employees | <u>(591,307)</u> |
| Net cash used in operating activities | <u>(58,870)</u> |
| Net decrease in cash and cash equivalents | (58,870) |
| Cash and cash equivalents, beginning of year | <u>240,092</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 181,222</u></u> |
| | |
| Reconciliation of change in net assets to net cash used in operating activities: | |
| Change in net assets | \$ (94,423) |
| | |
| Changes in operating assets and liabilities: | |
| Accounts receivable | 6,066 |
| Prepaid expenses | 2,130 |
| Accounts payable | 4,101 |
| Accrued expenses | <u>23,256</u> |
| Net cash used in operating activities | <u><u>\$ (58,870)</u></u> |

See accompanying notes to financial statements.

ASPIRE 3D
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

1. Organization

Aspire 3D (the "Organization") is a non-profit corporation organized and existing under the laws of the State of Colorado to connect residents of the Loveland Housing Authority (the "Authority") to multidimensional resources that will inspire the community to dare, dream, and perform activities that will elevate their quality of life. The Organization receives support from various grants and contributions from the community.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of 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 restrictions are temporary in nature, which 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 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 statements of activities.

Contributions that are restricted by the donor are reported as an increase to net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

As of December 31, 2024, the Organization had net assets in the net assets without donor restrictions classification.

Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents consists of all cash balances and highly liquid investments with a maturity of three months or less at the time of acquisition.

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

ASPIRE 3D
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024

2. Summary of Significant Accounting Policies (continued)

Accounts Payable

The Organization recognizes a liability for goods and services received but not paid for as of year-end.

Accrued Expenses

The Organization has contracted with the Authority for staffing of service coordinators and does not employ their own staff. Included in the staffing costs, the Organization has an obligation to pay the Authority's employees for any unused paid time off ("PTO"), that they have accrued. An employee may accrue a maximum of two years' worth of PTO, depending on the employee's length of service. Once an employee reaches the maximum amount, no additional PTO is accrued. These accrued compensated absences are recognized as a liability when incurred and are included in accrued expenses on the statement of financial position.

Revenue Recognition

Grants and other contributions of cash and other assets are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods for specific purposes are reported as revenue with donor restrictions that increases that net asset class.

Grant Expense

Grants are recognized when all significant conditions are met, all due diligence has been complete and they are approved by management and board of directors. Grant refunds are recorded as a reduction of grant expense at the time the Organization receives or is notified of the refund.

Income Taxes

The organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and has measured the Organization's exposure to those tax positions. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Organization are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Economic Concentrations

The Organization operates in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of administrative change mandated and may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Functional Expenses

The costs of providing program services and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among program services, administrative and support, and fundraising. Such allocations are determined by management on an equitable basis.

ASPIRE 3D
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024

2. Summary of Significant Accounting Policies (continued)

Functional Expenses (continued)

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of Allocation</u> |
|-------------------------------------|-----------------------------|
| Salaries | Time and effort |
| Employee benefits and payroll taxes | Time and effort |
| Professional fees | Time and effort |
| Marketing | Usage |
| Office expenses | Usage |
| Insurance | Usage |
| Miscellaneous | Usage |

Advertising

Advertising costs are expensed as incurred. For the year ended December 31, 2024, the Organization incurred \$29,701 in advertising costs.

Subsequent Events

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through December 16, 2025, which is the date the financial statements were available to be issued. No subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

3. Cash and Cash Equivalents

As of December 31, 2024, the Organization had funds on deposit in checking and savings accounts. The carrying amount of the Organization's cash and cash equivalents was \$181,222 and the bank balances approximated \$184,527.

4. Liquidity and Availability of Financial Assets

The following represents the Organization's financial assets at December 31, 2024:

Financial assets at year end:

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | \$ <u>181,222</u> |
|---------------------------|-------------------|

Less amounts not available to be used within one year:

| | |
|------------------|--------------|
| Accounts payable | <u>4,101</u> |
|------------------|--------------|

| | |
|---|--------------------------|
| Financial assets available to meet general expenditures over the next twelve months | \$ <u><u>177,121</u></u> |
|---|--------------------------|

The Organization's goal is generally to maintain financial assets to meet 120 days of operating expenses.

ASPIRE 3D
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024

5. Accounts Payable

As of December 31, 2024, accounts payable totaled \$4,101 and consisted of accounts payable to vendors. Vendors accounts payables represents amounts payable to contractors and vendors for materials received or services rendered.

6. Accrued Expenses

The Organization entered into a Memorandum of Understanding (the "Memorandum") with the Authority, under which the Organization reimburses the Authority for salaries and benefits. The Memorandum remains in effect until rescinded in writing by either the Organization or Authority and must provide a 90-day written notice of intent to rescind. The Organization reimburses the Authority through a revolving fund, which is used to cover payroll and other expenses accrued by the Organization. As of December 31, 2024, these accrued expenses totaled \$55,827.

7. Retirement Plan

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. As part of the Memorandum with the Authority, the Organization has agreed to pay a 5% match of the Authority employees' contributions. The cost of these expenditures totaled \$12,268 for the year ended December 31, 2024.

8. Net Assets

Net assets without donor restrictions consists of undesignated net assets as of December 31, 2024.