

# Climb Wyoming

# Works



*Climb*  
W Y O M I N G

**AUDITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED SEPTEMBER 30, 2025**

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MHP Assurance Services, LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Climb d/b/a Climb Wyoming  
Cheyenne, Wyoming

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Climb d/b/a Climb Wyoming (the Organization), which comprise the Statements of Financial Position as of September 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 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 (U.S. GAAP).

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 U.S. GAAP, 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 that the financial statements are issued or available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 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.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we issued a separate report dated February 17, 2026 on our consideration of the Organization's 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. That report was issued under a separate cover. 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 Organization'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 the Organization's internal control over financial reporting and compliance.

*MHP Assurance Services, LLP*

Cheyenne, Wyoming  
February 17, 2026

## CLIMB D/B/A CLIMB WYOMING

### STATEMENTS OF FINANCIAL POSITION September 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 1,491,441	\$ 1,245,636
Certificates of deposit	1,224,442	1,083,617
Grants receivable	449,919	331,004
Contract and other receivables	433	6,315
Pledges receivable, net of doubtful pledges (2025 \$11,613; 2024 \$9,151) (Notes 1 and 2)	486,580	395,192
Prepaid contracted services	63,574	87,038
Prepaid rent and insurance	25,651	20,422
	<u>3,742,040</u>	<u>3,169,224</u>
Noncurrent Assets		
Investments (Note 4)	4,987,198	4,572,219
Cash held for permanent endowment (Note 3)	6,990	8,638
Investments held for permanent endowment (Notes 3 and 4)	1,677,564	1,503,306
Pledges receivable, net of doubtful pledges (2025 \$4,179; 2024 \$7,924) and net of discount (Notes 1 and 2)	81,276	163,527
Furniture and equipment, net of accumulated depreciation (2025 \$128,335; 2024 \$115,215)	9,298	22,418
Right-of-use lease assets, net of accumulated amortization (Note 6)	601,627	618,251
	<u>7,363,953</u>	<u>6,888,359</u>
<b>Total assets</b>	<u>\$ 11,105,993</u>	<u>\$ 10,057,583</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 203,130	\$ 153,193
Deferred revenue	-	60,245
Right-of-use lease liabilities (Note 6)	295,858	308,639
<b>Total current liabilities</b>	<u>498,988</u>	<u>522,077</u>
Right-of-use lease liabilities (Note 6)	307,130	312,294
<b>Total liabilities</b>	<u>806,118</u>	<u>834,371</u>
Net Assets		
Without donor restrictions	<u>7,347,634</u>	<u>6,522,162</u>
With donor restrictions (Note 3):		
Subject to the passage of time or expenditure for specified purpose	<u>1,267,687</u>	<u>1,189,106</u>
Endowment funds:		
Original gifts (corpus)	799,511	794,511
Accumulated endowment earnings	885,043	717,433
<b>Total endowment funds</b>	<u>1,684,554</u>	<u>1,511,944</u>
<b>Total net assets with donor restrictions</b>	<u>2,952,241</u>	<u>2,701,050</u>
<b>Total net assets</b>	<u>10,299,875</u>	<u>9,223,212</u>
<b>Total liabilities and net assets</b>	<u>\$ 11,105,993</u>	<u>\$ 10,057,583</u>

See Notes to Financial Statements.

**CLIMB D/B/A CLIMB WYOMING**

**STATEMENTS OF ACTIVITIES**

**Years Ended September 30, 2025 and 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Additions to Net Assets						
Federal grant revenue	\$ 4,064,954	\$ -	\$ 4,064,954	\$ 4,071,647	\$ -	\$ 4,071,647
Individual and corporate donation income (Note 2)	1,660,077	877,199	2,537,276	1,935,837	1,060,191	2,996,028
Foundation and corporate grant revenue	435,000	67,000	502,000	205,000	22,015	227,015
State and local grant revenue	234,182	15,015	249,197	117,170	-	117,170
Realized and unrealized gains on investments	295,983	173,968	469,951	500,315	335,503	835,818
Interest income	126,167	48,743	174,910	118,753	29,621	148,374
Miscellaneous income	2,330	17,411	19,741	7,438	6,000	13,438
	<b>6,818,693</b>	<b>1,199,336</b>	<b>8,018,029</b>	<b>6,956,160</b>	<b>1,453,330</b>	<b>8,409,490</b>
Net assets released from restrictions (Note 3)	948,145	(948,145)	-	716,838	(716,838)	-
<b>Total revenue and additions to net assets</b>	<b>7,766,838</b>	<b>251,191</b>	<b>8,018,029</b>	<b>7,672,998</b>	<b>736,492</b>	<b>8,409,490</b>
Expenses and Reductions in Net Assets (Notes 2, 6 and 8)						
Program services	5,570,039	-	5,570,039	5,221,914	-	5,221,914
Management and support	539,524	-	539,524	698,668	-	698,668
Fundraising	831,803	-	831,803	702,559	-	702,559
<b>Total expenses and reductions in net assets</b>	<b>6,941,366</b>	<b>-</b>	<b>6,941,366</b>	<b>6,623,141</b>	<b>-</b>	<b>6,623,141</b>
<b>Net increase in net assets</b>	<b>825,472</b>	<b>251,191</b>	<b>1,076,663</b>	<b>1,049,857</b>	<b>736,492</b>	<b>1,786,349</b>
Net Assets, beginning of year	6,522,162	2,701,050	9,223,212	5,472,305	1,964,558	7,436,863
Net Assets, end of year	<b>\$ 7,347,634</b>	<b>\$ 2,952,241</b>	<b>\$ 10,299,875</b>	<b>\$ 6,522,162</b>	<b>\$ 2,701,050</b>	<b>\$ 9,223,212</b>

See Notes to Financial Statements.

**CLIMB D/B/A CLIMB WYOMING**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**Years Ended September 30, 2025 and 2024**

	2025				2024			
	Program Services	Management and Support	Fundraising	Total	Program Services	Management and Support	Fundraising	Total
Bad debt expense	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ -	\$ -	\$ 13,300	\$ 13,300
Contracted services	508,269	58,927	61,082	628,278	312,175	83,037	92,402	487,614
Depreciation expense	10,365	1,443	1,312	13,120	10,935	1,523	1,384	13,842
Employee health and retirement benefits	155,971	40,052	51,987	248,010	136,234	51,986	46,432	234,652
Employer payroll taxes	175,921	30,899	41,321	248,141	147,903	35,778	28,781	212,462
Events and mailing	-	-	80,215	80,215	-	-	57,005	57,005
Facility	511,442	37,147	39,217	587,806	494,606	54,149	33,147	581,902
GED instruction	30	-	-	30	323	-	-	323
Graduate services	18,119	-	-	18,119	12,240	-	-	12,240
Insurance	22,901	3,872	5,945	32,718	24,856	5,032	2,683	32,571
Mental health provider	636,378	-	-	636,378	617,484	-	440	617,924
Office supplies	46,616	14,882	11,287	72,785	87,296	23,082	25,725	136,103
Participant and employer recruitment	326,270	-	-	326,270	337,557	-	-	337,557
Participant career clothing	42,769	-	-	42,769	42,401	-	-	42,401
Participant group life skills training	167,821	-	-	167,821	182,448	-	-	182,448
Participant incentives	144,938	-	-	144,938	136,678	-	-	136,678
Participant license and certification	11,039	-	-	11,039	9,095	-	-	9,095
Participant recognition events	8,881	-	-	8,881	14,598	-	-	14,598
Participant screenings	17,097	-	-	17,097	6,813	-	-	6,813
Participant transportation assistance	16,205	-	-	16,205	13,154	-	-	13,154
Participant tuition	323,476	-	-	323,476	328,683	-	-	328,683
Participant wage reimbursement	238,889	-	-	238,889	208,673	-	-	208,673
Program coordination and salary	1,865,543	347,825	446,582	2,659,950	1,694,374	433,620	342,113	2,470,107
Staff development and training	280,027	4,036	72,056	356,119	348,683	10,176	41,549	400,408
Staff travel	41,072	441	18,299	59,812	54,705	285	17,598	72,588
	<b>\$ 5,570,039</b>	<b>\$ 539,524</b>	<b>\$ 831,803</b>	<b>\$ 6,941,366</b>	<b>\$ 5,221,914</b>	<b>\$ 698,668</b>	<b>\$ 702,559</b>	<b>\$ 6,623,141</b>

See Notes to Financial Statements.

**CLIMB D/B/A CLIMB WYOMING**

**STATEMENTS OF CASH FLOWS**  
**Years Ended September 30, 2025 and 2024**

	2025	2024
<b>Cash Flows From Operating Activities</b>		
Net increase in net assets	\$ 1,076,663	\$ 1,786,349
Adjustments to reconcile net increase in net assets to net cash provided by operating activities:		
Depreciation	13,120	13,842
Noncash operating lease expense	413,190	303,628
Realized and unrealized (gain) on investments held for endowment	(138,851)	(257,414)
Realized and unrealized (gain) on investments	(331,099)	(578,404)
Contributions received for endowment purposes	(5,000)	(5,000)
Changes in operating assets and liabilities:		
Prepaid expenses	18,235	2,727
Receivables	(122,170)	68,253
Accounts payable and accrued expenses	49,937	(18,300)
Deferred revenue	(60,245)	47,531
Operating lease liabilities	(414,511)	(309,243)
<b>Net cash provided by operating activities</b>	<b>499,269</b>	<b>1,053,969</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments - permanent endowment	(445,047)	(499,602)
Purchase of investments	(4,201,853)	(5,414,755)
Sale of investments - permanent endowment	409,640	475,024
Sale of investments	4,117,973	4,832,157
Purchase of certificates of deposit and reinvested interest	(140,825)	(42,873)
<b>Net cash (used in) investing activities</b>	<b>(260,112)</b>	<b>(650,049)</b>
<b>Cash Flows From Financing Activities</b>		
Contributions restricted for endowment purposes	5,000	5,000
<b>Net cash provided by financing activities</b>	<b>5,000</b>	<b>5,000</b>
<b>Change in cash and cash equivalents</b>	<b>244,157</b>	<b>408,920</b>
Cash and Cash Equivalents, beginning of year	1,254,274	845,354
Cash and Cash Equivalents, end of year	\$ 1,498,431	\$ 1,254,274
<b>Supplemental Schedule of Noncash Operating Activities</b>		
Initial recognition of right-of-use lease asset and lease liability	\$ 512,936	\$ 554,119
Write-off of superseded right-of-use lease asset and lease liability	-	(78,668)
Write-off of terminated right-of-use lease asset and lease liability	(116,370)	-

See Notes to Financial Statements.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies

**Nature of business:** Climb d/b/a Climb Wyoming (the Organization) is a not-for-profit corporation that operates solely for charitable purposes of training and placing low-income single mothers in jobs that successfully support their families. The Organization achieves this mission through Climb Wyoming programs that provide employer-driven job skills training and placement, life skills training, counseling, and the support necessary to ensure self-sufficiency and long-term success.

A summary of significant accounting policies follows:

**Basis of accounting:** The Organization conforms to accounting principles generally accepted in the United States of America, as applicable to not-for-profit entities. Revenue is recognized when earned, and expenses are recorded when incurred.

**Financial statement presentation:** The Organization has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*, as the basis of presentation of its financial statements. This Topic establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories:

*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 (the Board). These also include Board-designated or -appropriated amounts.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these 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 must be maintained in perpetuity.

ASC Topic 958 also requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed conditions.

**Income taxes:** The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). Contributions to the Organization are deductible, as allowed under Section 170 of the IRC.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustments to the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by U.S. Federal, state, or local tax authorities except for the last three years filed.

**Cash and cash equivalents:** For purposes of reporting cash flows, the Organization considers all demand deposits, money market accounts, and highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies, *Continued*

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

**Certificates of deposit:** Certificates of deposit (non-negotiable) are carried at cost plus accrued interest.

**Pledges receivable:** Pledges receivable represent amounts committed by donors that have not been received by the Organization. Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts were computed using an interest rate of 4% for the years ended September 30, 2025 and 2024. Amortization of the discount is included in donation income. The unamortized discount was \$19,011 and \$26,649 as of September 30, 2025 and 2024, respectively.

Gross pledges receivable, prior to the discount and allowance for doubtful accounts, as of September 30 are due during the following periods:

	2025	2024
Less than one year	\$ 498,193	\$ 404,343
One to five years	104,466	198,100
	<u>\$ 602,659</u>	<u>\$ 602,443</u>

**Investments:** The Organization accounts for its investments under ASC Topic 958. Under this Topic, investments in marketable securities with readily determinable fair values are valued at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities. The investment portfolio disclosed in Note 4 is diversified among major industry sectors.

**Depreciation:** It is the Organization's policy to capitalize property and equipment over \$3,000 with a useful life of at least three years. Furniture and equipment are stated at cost at the date of acquisition or, in the case of gifts, at the acquisition value at the date of donation. Depreciation on furniture and equipment is calculated using the straight-line method. Furniture and equipment are depreciated over their useful lives of three to seven years. Expenditures for repairs and maintenance are expensed when incurred.

**Revenue recognition:** The Organization recognizes revenue in accordance with ASC Topic 958 and FASB ASC Topic 606, *Revenue From Contracts With Customers*. Accordingly, the Organization evaluates whether a transfer of assets is (1) an exchange transaction, in which a resource provider is receiving commensurate value in return for the resources transferred, or (2) a contribution.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies, *Continued*

*Exchange transactions:* If the transfer of assets is determined to be an exchange transaction, the Organization applies guidance under ASC Topic 606, which provides a five-step model for recognizing revenue from contracts with customers, as follows:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue when or as performance obligations are satisfied

*Contributions:* If the transfer of assets is determined to be a contribution, ASC Topic 958 applies. Under this Topic, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Organization is entitled to the assets transferred and promised, and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Grant revenue (Federal, state, local, foundation and corporate): The Organization recognizes grant revenue in accordance with ASC Topic 958. Grants received are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses and are recognized as costs are incurred. Grant revenue is deferred when amounts received from grant and contract sponsors have not yet been earned under the terms of the agreement. Grants receivable include amounts due from Federal, state, and local grant programs. All grants are considered by management to be fully collectible; no allowance for doubtful accounts has been accrued.

Individual and corporate donation income: The Organization recognizes contribution income in accordance with ASC Topic 958. Unconditional promises to give are recognized as revenue or a gain in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Depending on the existence or nature of any donor restrictions, unconditional contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and promises become unconditional. There were no conditional promises to give received by the Organization during the years ended September 30, 2025 or 2024.

**Leases:** The Organization determines if a contract contains a lease at inception. Generally, the lease term is the minimum of the noncancelable period of the lease, inclusive of renewal periods that the Organization is reasonably certain to exercise. The Organization recognizes a right-of-use (ROU) asset and lease liability for each lease with a contractual term greater than 12 months at the time of lease inception. The Organization does not record leases with an initial term of 12 months or less on the Statement of Financial Position but continues to record rent expense on a straight-line basis over the lease term.

Lease assets and liabilities are recognized at the lease commencement date, which is the date the Organization controls the use of the property. Lease liabilities represent the present value of lease payments not yet paid. The Organization did not make the policy election to combine lease and nonlease components. As such, common area maintenance payments are not part of future lease payments. The Organization uses a risk-free rate as the discount rate for its leases.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 1. Nature of Business and Summary of Significant Accounting Policies, *Continued***

ROU assets represent the Organization's right to use an underlying asset and are based upon the lease liabilities adjusted for prepayments, initial direct costs, and the impairment of ROU assets, as applicable.

The Organization's real estate operating leases typically include fixed rent escalations over the term of each lease. Operating lease expense is recognized on a straight-line basis over the lease term.

The Organization (a) does not have lease agreements that contain any material residual value guarantees or material restrictive covenants, (b) has not currently entered into any leases with related parties, (c) does not have any leases in which it acts as the lessor, and (d) is not party to any subleasing arrangements.

**Functional allocation of expenses:** The costs of providing program and supporting services have been reported on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited based on management's estimate of the relative attention and effort exerted toward specific functional areas.

**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 may differ from those estimates.

**Subsequent events:** Events occurring subsequent to the Statement of Financial Position date have been evaluated for financial statement impact or disclosure through February 17, 2026, the date the financial statements were available to be issued.

#### **Note 2. Related-Party Transactions**

The Organization received donations from related parties totaling \$111,853 and \$93,029 during the years ended September 30, 2025 and 2024, respectively, and had pledges receivable from related parties totaling \$28,201 and \$80,943 at September 30, 2025 and 2024, respectively.

#### **Note 3. Restricted Funds and Endowments**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

**Net assets released from restrictions:** Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by donors. Net assets released from restrictions amounted to \$948,145 and \$716,838 during the years ended September 30, 2025 and 2024, respectively.

**CLIMB D/B/A CLIMB WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 3. Restricted Funds and Endowments, *Continued***

**Net assets with donor restrictions:** Donor-restricted net assets are available for the following purposes or periods as of September 30:

	2025			
	Endowment Corpus	Endowment Accumulated Earnings	Other Donor Restrictions	Total
Long-term operations	\$ 665,300	\$ 759,646	\$ -	\$ 1,424,946
Locations	134,211	125,397	1,240,286	1,499,894
Organization activities other than personnel-related expenses	-	-	27,401	27,401
	<b>\$ 799,511</b>	<b>\$ 885,043</b>	<b>\$ 1,267,687</b>	<b>\$ 2,952,241</b>
	2024			
	Endowment Corpus	Endowment Accumulated Earnings	Other Donor Restrictions	Total
Long-term operations	\$ 660,300	\$ 617,750	\$ -	\$ 1,278,050
Locations	134,211	99,683	1,062,812	1,296,706
Organization activities other than personnel-related expenses	-	-	126,294	126,294
	<b>\$ 794,511</b>	<b>\$ 717,433</b>	<b>\$ 1,189,106</b>	<b>\$ 2,701,050</b>

**Endowments:** As of September 30, 2025 and 2024, the Organization had received donor-restricted endowments totaling \$1,684,554 and \$1,511,944, respectively, which are classified within net assets with donor restrictions. As of September 30, 2025 and 2024, \$6,990 and \$8,638, respectively, of these permanent endowment funds are temporarily being held as cash until suitable investment opportunities are identified, and the remaining \$1,677,564 and \$1,503,306, respectively, have been invested in equity and debt securities, mutual funds, and U.S. Treasury securities. In accordance with the endowment agreement, the income earned by the permanent endowment shall be used for initiatives that address the operational priorities and mission of the Organization.

**CLIMB D/B/A CLIMB WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 3. Restricted Funds and Endowments, *Continued***

The changes in endowment net asset composition by type of funds during the years ended September 30 are as follows:

	<b>2025</b>		
	<b>Without Restrictions</b>	<b>With Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ -	\$ 1,511,944	\$ 1,511,944
Contribution	-	5,000	5,000
Investment return:			
Investment income, net	-	167,610	167,610
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,684,554</u>	<u>\$ 1,684,554</u>
	<b>2024</b>		
	<b>Without Restrictions</b>	<b>With Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ -	\$ 1,227,605	\$ 1,227,605
Contribution	-	5,000	5,000
Investment return:			
Investment income, net	-	279,339	279,339
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,511,944</u>	<u>\$ 1,511,944</u>

The Organization has interpreted Wyoming’s Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent any explicit donor stipulation to the contrary.

As a result of this interpretation, the Organization classifies donor-restricted net assets as: (a) the original value of the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund;
2. The purposes of the Organization and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effects of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Organization; and
7. The investment policies of the Organization.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 3. Restricted Funds and Endowments, *Continued*

**Funds with deficiencies:** From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to maintain as a fund of perpetual duration. These deficiencies would be a result of unfavorable market fluctuations that occur shortly after the investment of new donor-restricted endowment contributions and the continued appropriation for certain programs that are deemed prudent by the Board. There were no deficiencies of this nature as of September 30, 2025 or 2024.

**Endowment return objectives, risk parameters and spending policy:** The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. It is the Organization's policy to appropriate actual earnings on endowment investments.

#### Note 4. Investments

The Organization invests in a professionally managed portfolio. Such investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

Accounting principles generally accepted in the United States of America require assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

**Level 1:** Quoted market prices in active markets for identical assets or liabilities.

**Level 2:** Observable market-based inputs or unobservable inputs that are corroborated by market data.

**Level 3:** Unobservable inputs that are not corroborated by market data.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Level 2 valuations are based on quoted market prices for identical assets in less-than-active markets.

The Organization has valued all investments utilizing the Level 1 approach, except for U.S. Treasury securities, which are Level 2.

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

#### Note 4. Investments, *Continued*

The costs and fair values of marketable securities are as follows at September 30:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Equity securities (exchange-traded funds and index funds)	\$ 4,241,666	\$ 5,473,774	\$ 3,744,902	\$ 4,615,728
U.S. Treasury securities	858,132	862,548	1,162,702	1,172,260
Mutual funds	78,300	77,840	38,300	36,937
Money market funds	250,600	250,600	250,600	250,600
<b>Total marketable securities</b>	<b>\$ 5,428,698</b>	<b>\$ 6,664,762</b>	<b>\$ 5,196,504</b>	<b>\$ 6,075,525</b>

The Organization's investment portfolio is subject to concentration of credit risk. At September 30, 2025, there were no investments where the individual investment was greater than or equal to 10% of the fair value of the investment portfolio. At September 30, 2024, there was one investment totaling \$630,258 where the individual investment was greater than or equal to 10% of the fair value of the investment portfolio.

#### Note 5. Economic Dependence

During the years ended September 30, 2025 and 2024, the Organization was highly dependent on grant revenue and contracted service income received from the State of Wyoming through grants and contracts provided by the Department of Family Services. Revenue from this source accounted for approximately 51% and 48% of total revenue for the years ended September 30, 2025 and 2024, respectively.

#### Note 6. Lease Commitments

The Organization leases land for office space and office equipment under leases that have extension terms ranging from two to three years.

Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease cost for the years ended September 30 are as follows:

	2025	2024
Operating lease cost	\$ 458,289	\$ 332,736
Short-term lease cost	850	116,240
<b>Total lease cost</b>	<b>\$ 459,139</b>	<b>\$ 448,976</b>

**CLIMB D/B/A CLIMB WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 6. Lease Commitments, *Continued***

Supplemental cash flow and noncash information related to leases for the years ended September 30 is as follows:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of the lease liabilities:		
Operating cash flows from operating leases	\$ 460,565	\$ 339,758
ROU assets obtained in exchange for lease obligations:		
Operating lease liabilities	\$ 512,936	\$ 554,119

Supplemental information related to leases for the years ended September 30 is as follows:

	<u>2025</u>	<u>2024</u>
Weighted-average remaining lease term (years):		
Operating leases	2.05	2.17
Weighted-average discount rate:		
Operating leases	5.82%	6.95%
Supplemental Balance Sheet Information:		
Operating lease ROU assets	\$ 601,627	\$ 618,251

The Organization's lease term expirations range from November 2025 through August 2027, and the future minimum rental payments for noncancelable leases as of September 30, 2025 are as follows:

	<u>Operating Leases</u>
Years ending September 30:	
2026	\$ 320,408
2027	266,061
2028	50,205
<b>Total minimum payments</b>	<u>636,674</u>
Less interest	<u>33,686</u>
<b>Present value of minimum lease payments</b>	<u>\$ 602,988</u>

## CLIMB D/B/A CLIMB WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 7. Liquidity and Availability of Financial Assets

The Organization has a goal to maintain financial assets, consisting of cash and cash equivalents, certificates of deposit, and current receivables, that are sufficient to meet the normal operating expenses for one year. The following reflects the Organization's financial assets as of the Statement of Financial Position dates, reduced by amounts not available for general use within one year of the Statement of Financial Position dates because of donor-imposed restrictions. Amounts available include amounts determined to be used for restricted purposes only, as established by the endowments. The Board has set a policy regarding its level of reserves and evaluates this policy on an annual basis.

The Organization's financial assets available for general expenditures within one year of the Statement of Financial Position dates are as follows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 1,491,441	\$ 1,245,636
Certificates of deposit	1,224,442	1,083,617
Grants receivable	449,919	331,004
Contract and other receivables	433	6,315
Current portion of pledges receivable	486,580	395,192
<b>Total financial assets</b>	<b>3,652,815</b>	<b>3,061,764</b>
Less net assets with donor restrictions	<b>1,267,687</b>	1,189,106
<b>Financial assets available to meet cash needs for general expenditures within one year</b>	<b>\$ 2,385,128</b>	<b>\$ 1,872,658</b>

#### Note 8. Employee Benefit Plan

The Organization maintains a 403(b) savings plan covering eligible employees. The plan allows the Organization to make discretionary non-elective contributions (3%) of each eligible employee's salary. The participants are fully vested in the Organization's discretionary contributions when made. The Organization contributed \$65,760 and \$56,993 for the years ended September 30, 2025 and 2024, respectively.