



TEXAS RAMP PROJECT

Richardson, Texas

Financial Statements

For the Year Ended December 31, 2023

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For the Year Ended December 31, 2023

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Wade R. Moran CPA, PLLC
Certified Public Accounting Firm

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TEXAS RAMP PROJECT

Opinion

We have audited the accompanying financial statements of TEXAS RAMP PROJECT (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TEXAS RAMP PROJECT as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 TEXAS RAMP PROJECT 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 TEXAS RAMP PROJECT's ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

Wade R. Moran, CPA

Wade R. Moran CPA, PLLC

Dallas, Texas

July 2, 2024

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TEXAS RAMP PROJECT
Statement of Financial Position
December 31, 2023

ASSETS

Current Assets

Cash and Cash Equivalents (Note 2-Section 4 and Note 3)	\$	1,461,109
Pledges Receivable (Notes 3 and 4)		210,803
Interest Receivable (Note 3)		12,956
Prepaid Expenses - Insurance and IT		6,547
Inventory (Note 5)		100,131
Total Current Assets		1,791,546

Property and Equipment-Net (Note 2-Section 5 and Note 6)		2,234
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Other Assets

Security Deposits		2,555
Endowment Fund - Board Designated (Note 7)		87,163
Total Other Assets		89,718

TOTAL ASSETS	\$	1,883,498
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable and Accrued Liabilities	\$	18,759
Total Current Liabilities		18,759

Net Assets (Note 2-Section 7)

Without Donor Restrictions		978,278
Without Donor Restrictions-Board Designated (Notes 3 and 7)		87,163
Total Without Donor Restrictions		1,065,441
With Donor Restrictions (Notes 3 and 8)		799,298
Total Net Assets		1,864,739

TOTAL LIABILITIES AND NET ASSETS	\$	1,883,498
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The accompanying notes are an integral part of these financial statements.

TEXAS RAMP PROJECT
Statement of Activities
Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND PUBLIC SUPPORT			
Contributions			
Board of Directors	\$ 44,245	\$ 8,268	\$ 52,513
Businesses	33,474	187,899	221,373
Churches	24,923	115,391	140,314
Civic Organizations	9,797	115,247	125,044
Foundations and Charities	65,509	1,165,575	1,231,084
Individuals	39,650	181,455	221,105
United Way	250	32,460	32,710
In Kind Contributions (Note 9)	184,466	145,816	330,282
Total Contributions	<u>402,314</u>	<u>1,952,111</u>	<u>2,354,425</u>
Other Revenue			
Fees for Services	0	144,858	144,858
Interest Income	46,380	0	46,380
	<u>448,694</u>	<u>2,096,969</u>	<u>2,545,663</u>
Net Assets Released from Restriction			
Satisfaction of Program Use (Note 10)	1,663,527	(1,663,527)	0
Total Revenue and Public Support	<u>2,112,221</u>	<u>433,442</u>	<u>2,545,663</u>
EXPENSES			
Program Services	1,874,148	0	1,874,148
Management and General	70,854	0	70,854
Fundraising	9,703	0	9,703
Total Expenses	<u>1,954,705</u>	<u>0</u>	<u>1,954,705</u>
CHANGE IN NET ASSETS	157,516	433,442	590,958
NET ASSETS AT BEGINNING OF YEAR	<u>907,925</u>	<u>365,856</u>	<u>1,273,781</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,065,441</u>	<u>\$ 799,298</u>	<u>\$ 1,864,739</u>

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

TEXAS RAMP PROJECT
Statement of Functional Expenses
Year Ended December 31, 2023

Natural Expense Categories	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 29,066	\$ 29,065	\$ 6,459	\$ 64,590
Professional Services	0	6,950	0	6,950
Advertising (Note 2-Section 10)	0	13,216	0	13,216
Office Expense	0	8,456	0	8,456
Information Technology **	0	11,629	0	11,629
Fundraising	0	0	3,244	3,244
Travel	5,964	0	0	5,964
Conferences and Meetings	0	268	0	268
Depreciation (Note 2-Section 5 and Note 6)	558	0	0	558
Insurance	7,257	1,156	0	8,413
Warehouse Rent - In Kind (Note 9)	175,696	0	0	175,696
Warehouse Utilities - In Kind (Note 9)	7,704	0	0	7,704
Ramp, Direct Costs *	1,462,007	0	0	1,462,007
Warehouse	54,112	0	0	54,112
Tools	131,784	0	0	131,784
Other	0	114	0	114
Total Expenses	\$ <u>1,874,148</u>	\$ <u>70,854</u>	\$ <u>9,703</u>	\$ <u>1,954,705</u>

* Includes \$145,816 In-Kind Contributions (See Note 9)

** Includes \$1,066 In-Kind Contributions (See Note 9)

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

TEXAS RAMP PROJECT
Statement of Cash Flows
Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 590,958
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation Expense	558
Change in Pledges Receivable	(157,731)
Change in Interest Receivable	(10,387)
Change in Prepaid Expenses	4,326
Change in Inventory	4,227
Change in Accounts Payable and Accrued Liabilities	<u>(9,122)</u>
Net Cash Provided by Operating Activities	422,829

CASH FLOWS FROM INVESTING ACTIVITIES

Transfers to Endowment Fund	<u>(3,796)</u>
Net Cash (Used) by Investing Activities	(3,796)

NET CHANGE IN CASH AND CASH EQUIVALENTS 419,033

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 1,042,076

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 1,461,109

SUPPLEMENTAL DISCLOSURES

Noncash	
In-Kind Contributions	\$ 330,282

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

TEXAS RAMP PROJECT
Notes to the Financial Statements
December 31, 2023

NOTE 1 – NATURE OF ACTIVITIES

TEXAS RAMP PROJECT (hereinafter “Organization”) is a 501(c) (3) nonprofit organization whose mission is to establish regional wheelchair ramp-building programs across Texas. The regional Ramp Projects provide free wheelchair ramps to elderly and disabled clients in need identified by local health care professionals. Ramps are built without regard to race, religion, ethnicity, age or gender. The Organization’s vision is that no Texas resident shall lack safe access to and from his or her home because of financial limitations.

The organization is a Texas nonprofit organization supported by contributions and fees for services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management selects accounting principles generally accepted in the United States of America and adopts methods for their application. This summary of significant accounting policies selected by the Organization’s management is presented to assist in understanding the financial statements.

- 1) Basis of Accounting - The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recorded when incurred on the accrual basis of accounting.
- 2) Programs - The Organization pursues its objectives through the execution of these major programs:
 - Program Services-The Organization provides free wheelchair ramps to elderly and disabled clients in need identified by local health care professionals.
 - Supporting Services
 - Fundraising-This program supports the general operations of the Organization.
 - General and administrative-This program supports the general operations of the Organization.
- 3) Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Accordingly, it is reasonably possible for actual results to differ from those estimates.
- 4) Cash Equivalents - For statement of cash flow purposes, cash equivalents include highly liquid investments that are readily convertible to known amounts of cash. The Organization estimates that the fair value of cash and cash equivalents do not differ materially from the aggregate carrying value recorded in the accompanying statement of financial position as of December 31, 2023.
- 5) Property and Equipment - It is the Organization’s policy to capitalize property and equipment with an acquisition cost greater than \$1,000. Lesser amounts are expensed. Donations of property and equipment are capitalized, and recorded as support, at their fair value at the date of receipt. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without restrictions at that time. The cost of maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using the straight-line method over the estimated useful life of the assets. (See Note 6 below).
- 6) Impairment of Long-Lived Assets - Management evaluates its long-lived assets for financial impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when the undiscounted future cash flows from the assets are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less cost to sell. Management is of the opinion that the carrying amount of its long-lived assets does not exceed their estimated recoverable amount.

TEXAS RAMP PROJECT
Notes to the Financial Statements
December 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 7) Net Asset Classification – Net Asset Classification - In accordance with GAAP, the Organization has adopted Accounting Standards Update (ASU) No. 2016-14, Note-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. Therefore, the Organization classifies its net assets into two categories as follows: Without Donor Restrictions – Net assets which are not subject to donor-imposed stipulations. These may be used for any purpose or designated for specific purposes by action of the Board of Trustees. With Donor Restrictions – (1) Net assets which are subject to donor-imposed purpose restrictions, or which expire with the passage of time (formerly called temporarily restricted). (2) Net assets subject to donor-imposed stipulations that the corpus be maintained permanently (formerly called permanently restricted). Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. These are often referred to as endowments.
- 8) Contributions – Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Restrictions on gifts of fixed assets or cash for the purchase of fixed assets expire when the asset is placed in service.
- 9) Donated Assets and Services - Donated property is recorded at fair market value on the date of receipt in the appropriate investment, expense or equipment account. In the absence of donor restrictions, donated assets are reported as unrestricted revenue. Contributed services are recognized as unrestricted revenues if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution.
- 10) Advertising - The Organization utilizes advertising primarily to promote its programs to supporters and the general public. The costs of advertising are expensed when incurred and advertising expense was \$13,216 for the year ended December 31, 2023.
- 11) Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are compensation and benefits, which are allocated on the basis of estimates of time and effort; occupancy costs and depreciation, which are allocated on a usage basis.
- 12) Uncertain Tax Positions - Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code as other than a private foundation. The Organization is not aware of any activities that would jeopardize its tax-exempt status and is not aware of any activities that are subject to tax on unrelated business income. As of December 31, 2023, the Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. With few exceptions, Federal information returns filed prior to 2020 for the Organization are no longer subject to examination by tax authorities.
- 13) Subsequent Events – Management reviewed Type 1 subsequent events (events that reveal conditions existing at or before the balance sheet date and require adjustment to the financial statements) and Type 2 subsequent events (events that reveal conditions arising after the balance sheet date and require disclosure in, but not adjustment to, the financial statements). No subsequent events were noted. Management has evaluated subsequent events after the statement of financial position date of December 31, 2023 through the date the financial statements were available to be issued and concluded that no additional disclosures are required.

TEXAS RAMP PROJECT
Notes to the Financial Statements
December 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 14) Recent Accounting Pronouncements – The accounting principles governing the reported amounts, presentations, and disclosures in the financial statements are subject to change from time to time based on the issuance of new pronouncements of various standard-setting bodies. New pronouncements not yet in effect as of December 31, 2023, will not have a material effect on the financial statements of financial position, activities, and cash flows.
- 15) Fair Value Measurements and Disclosures - Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 *Fair Value Measurements and Disclosures* established a framework for measuring fair value. That framework provides for a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs based on unadjusted quoted prices for identical assets or liabilities accessible at the measurement date,

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets, and

Level 3 - Unobservable inputs for the asset or liability including the reporting entity’s own assumptions in determining the fair value measurement.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value, or reflective of future fair values. Furthermore, while the Organization believes that its valuation methods are appropriate and consistent with other market techniques, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The estimated fair values of the Organization’s financial instruments not measured at fair value, including cash and cash equivalents, receivables, prepaid expenses, security deposits, the endowment fund, and accounts payable and accrued liabilities approximated their carrying values based on the short-term nature of these items as of December 31, 2023.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial Assets at Year-End	
Cash and Cash Equivalents	\$ 1,461,109
Pledges Receivable	210,803
Interest Receivable	<u>12,956</u>
Total Financial Assets Available	1,684,868
Less: Board Designated Funds	(87,163)
Less: Donor Imposed Restrictions	<u>(799,298)</u>
Financial Assets Available to Meet Cash Needs	
General Expenditures within One Year	<u>\$ 798,407</u>

NOTE 4 - PLEDGES RECEIVABLE

Pledges receivable as of December 31, 2023 totaled \$210,803. Pledges receivable as of December 31, 2023, consists of the following:

Foundations and Charities	<u>\$ 210,803</u>
Total	<u>\$ 210,803</u>

An allowance for uncollectible receivables was not deemed necessary due to collection verification and past collection history of pledges receivable accounts.

TEXAS RAMP PROJECT
Notes to the Financial Statements
December 31, 2023

NOTE 5 - INVENTORY

Inventory consists of construction supplies for use to build ramps. Inventory is stated at an estimated amount per unit. A physical inventory was taken at or near year-end and is valued at \$100,131 as of December 31, 2023.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment are used for operating purposes and consisted of the following at December 31, 2023:

Warehouse Building (15 years)	\$ 14,700
Office Equipment (5 years)	<u>2,473</u>
Total Property and Equipment	17,173
Less: Accumulated Depreciation	<u>(14,939)</u>
Net Property and Equipment	<u>\$ 2,234</u>

Depreciation expense for the year ended December 31, 2023 was \$558.

NOTE 7 - BOARD DESIGNATED UNRESTRICTED NET ASSETS

Board Designated unrestricted net assets as of December 31, 2023 consist of cash and cash equivalent balances set aside in an endowment account for the board and are available for the following purposes:

Program Expenses	<u>\$ 87,163</u>
Total	<u>\$ 87,163</u>

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2023 consist of cash and cash equivalent balances and are available for the following purposes:

Ramps, Direct Costs	<u>\$ 799,298</u>
Total	<u>\$ 799,298</u>

NOTE 9 - IN-KIND CONTRIBUTIONS

In-kind contributions for the year ended December 31, 2023 were used for the following purposes:

Warehouse Rent	\$ 175,696
Warehouse Utilities	7,704
Telephone	201
Information Technology	865
Ramps, Direct Costs	<u>145,816</u>
Total	<u>\$ 330,282</u>

There were no donor-imposed restrictions associated with any of the in-kind contributions.

Warehouse rent and utilities were valued using average costs per square foot across all of the warehouses. The direct costs were valued using actual costs given by the donor.

NOTE 10 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions as expenses were incurred which simultaneously satisfied the restricted purposes of the funds. Net assets released during the year ending December 31, 2023 are as follows:

Ramp, Direct Costs	\$ 1,461,982
Storage and Warehouse	54,112
Tools	131,784
Travel	5,941
All Others	<u>9,708</u>
Total	<u>\$ 1,663,527</u>

TEXAS RAMP PROJECT
Notes to the Financial Statements
December 31, 2023

NOTE 11 - COMPENSATED ABSENCES

Compensated absences for sick pay and personal time have not been accrued since they cannot be reasonably estimated. The Organization's policy is to recognize these costs when actually paid.

NOTE 12 - VOLUNTEER CONTRIBUTED SERVICES

The Organization relies on volunteer contributed services for operations and administration. The Organization estimates the volunteer hours during the fiscal year ending December 31, 2023 to be approximately 73,660 for board members and other volunteers. Using the Independent Sector's value of a volunteer hour, these contributed services are valued at \$2,094,852. Volunteer services are not recorded in these financial statements since they do not meet the criteria set forth in Note 2 under Donated Assets and Services.