HEALTH TEAM WORKS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

HEALTH TEAM WORKS

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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TAYLORROTH
Certified Public Accountants
WORKING EXCLUSIVELY WITH NONPROFITS

March 9, 2026

INDEPENDENT AUDITORS' REPORT

Board of Directors
HealthTeamWorks
Golden, Colorado

Opinion

We have audited the accompanying financial statements of **HealthTeamWorks**, (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2025, 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 HealthTeamWorks 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. 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 HealthTeamWorks 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 HealthTeamWorks'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, including omissions, 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 HealthTeamWorks'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 HealthTeamWorks'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.

Report on Summarized Comparative Information

We have previously audited HealthTeamWorks' 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 28, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Taylor Roth and Company PLLC

TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER COLORADO

HEALTH TEAM WORKS

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	Restated 2024
Assets		
Cash and cash equivalents	$ 450,082	$ 340,558
Contracts receivable	92,868	270,902
Grants receivable (Note 3)	125,000	250,000
Prepaid expenses	8,909	21,192
Total assets	$ 676,859	$ 882,652
Liabilities and net assets		
Liabilities		
Accounts payable	$ 16,638	$ 51,075
Payroll liabilties	53,845	65,073
Total liabilities	70,483	116,148
Net assets		
Without donor restrictions	481,376	516,504
With donor restrictions (Note 4)	125,000	250,000
Total net assets	606,376	766,504
Total liabilities and net assets	$ 676,859	$ 882,652

The accompanying notes are an integral part of these financial statements

HEALTH TEAM WORKS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025			Restated 2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and other support				
Contract revenue	$ 996,168	$ -	$ 996,168	$ 1,496,826
Employer Retention Tax Credit	63,303	-	63,303	-
Foundations	35,000	-	35,000	617,500
Contributions	906	-	906	4,310
Interest income	239	-	239	1,542
Aquisition revenue (Note 9)	-		-	18,035
Other	-	-	-	2,232
Net assets released from restrictions (Note 5)	125,000	(125,000)	-	-
Total revenue and other support	1,220,616	(125,000)	1,095,616	2,140,445
Expense				
Program services	1,139,618	-	1,139,618	1,546,702
Supporting services				
Management and general	95,002	-	95,002	264,970
Business development	21,124	-	21,124	41,876
Total expense	1,255,744	-	1,255,744	1,853,548
Change in net assets	(35,128)	(125,000)	(160,128)	286,897
Net assets, beginning of year	516,504	250,000	766,504	479,607
Net assets, end of year	$ 481,376	$ 125,000	$ 606,376	$ 766,504

The accompanying notes are an integral part of these financial statements

HEALTH TEAM WORKS

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025				2024
	Program	Supporting Services			
	Systems Transformation	Management and General	Business Development	Total	Total
Salaries	$ 481,804	$ 10,923	$ 9,451	$ 502,178	$ 643,560
Payroll taxes and benefits	106,991	3,372	2,345	112,708	153,035
Stipends	225,290	-	-	225,290	420,300
Program consultants	160,243	11,220	-	171,463	263,057
Organizational consultants	-	61,548	-	61,548	81,358
Software and IT support	50,814	1,244	1,026	53,084	96,160
Contract and professional	32,418	793	655	33,866	37,659
Travel	21,254	1,118	4,685	27,057	26,091
Staff development	18,755	3,206	-	21,961	5,617
Insurance	19,676	481	397	20,554	28,954
Meetings	8,376	-	1,097	9,473	60,439
Telephone	7,201	208	84	7,493	13,568
Facilities	3,908	96	79	4,083	14,648
Equipment	2,319	57	47	2,423	5,665
Supplies	569	736	1,258	2,563	939
Other	-	-	-	-	2,498
Total expenses	$ 1,139,618	$ 95,002	$ 21,124	$ 1,255,744	$ 1,853,548

The accompanying notes are an integral part of these financial statements

HEALTH TEAM WORKS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	Restated 2024
Cash flows from operating activities		
Change in net assets	$ (160,128)	$ 286,897
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Changes in operating assets and liabilities		
(Increase)decrease in contracts receivable	178,034	(137,071)
(Increase)decrease in grants receivable	125,000	(118,750)
(Increase)decrease in prepaid expenses	12,283	420
Increase(decrease) in accounts payable	(34,437)	32,500
Increase(decrease) in payroll accruals	(11,228)	(720)
Net cash provided(used) by operating activities	109,524	63,276
Net increase(decrease) in cash and cash equivalents	109,524	63,276
Cash and cash equivalents, beginning of year	340,558	277,282
Cash and cash equivalents, end of year	$ 450,082	$ 340,558

The accompanying notes are an integral part of these financial statements

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

HealthTeamWorks, (Organization) a national nonprofit organization, partners with healthcare teams, organizations, and communities to transform healthcare with responsive solutions that drive high quality and strengthen communities. As the healthcare landscape evolves, HealthTeamWorks delivers performance improvement, organizational development, and training services to strengthen value-based care, enhance population health strategies, and promote trust-based whole-person care. Our expertise in Alternative Payment Models (APMs), care management, behavioral health integration, and workforce development equips organizations to meet the needs of all patient populations.

Since 2020, HealthTeamWorks has focused on refining its strategic direction to maximize impact. This evolution led to prioritizing service delivery, program development, and collaborative partnerships while streamlining administrative functions. Our expanded efforts in delivery system quality, workforce readiness, personal health and wellness, and community collaboration build on our legacy of driving sustainable improvements in health care. In alignment with these strategic shifts, HealthTeamWorks continues diversifying funding sources and strengthening teaming relationships. We sustain operations primarily through contract revenue and grants

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

   The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of presentation

   The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization 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; those restrictions will be met by actions of the Organization. or by the passage of time. Other donor restrictions are perpetual in nature, where by 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. Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

3. Cash and Cash Equivalents

   Cash and cash equivalents are considered to be all unrestricted highly liquid investments with an initial maturity of three months or less.

4. Contracts Receivable

   The Organization states accounts receivable at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. Currently, Management considers no allowance for uncollectible accounts necessary.

5. Revenue and Revenue Recognition

   The Organization recognizes contract revenue by providing services that are reimbursed, payments that mirror the services provided, or considered deferred revenue. The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 - *Revenue from Contracts with Customers (Topic 606*), as amended as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

   The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received; conditional promises to give with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend have been met.

6. Capitalization and Depreciation

   The Organization follows the practice of capitalizing all expenditures for land, buildings and equipment of $5,000 or more. The fair value of donated assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. At year-end, the organization had no fixed assets.

7. Estimates

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

8. Income Taxes

   The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

9. Functional Reporting of Expenses

   For the year ended December 31, 2025, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries, payroll taxes & benefits and telephone are allocated by time and effort.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

10. Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

11. Subsequent Events

Management has evaluated subsequent events through March 9, 2026, the date the financial statements were available to be issued.

NOTE 3 - GRANTS RECEIVABLE

At year-end, Grants receivable consisted of two foundation awards. Management has evaluated these receivables and does not believe that an allowance for doubtful accounts is needed. Management expected payments to be received on these contracts as follows:

Year	Amount
2026	$ 125,000

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Description	Amount
Time restricted	$ 125,000

NOTE 5 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from restrictions by satisfying the following restrictions:

Description	Amount
Time restricted	$ 125,000

NOTE 6 - PENSION PLAN

The Organization has a 401(k) retirement plan. Employee contributions were matched up to 4% of compensation. The total pension expense for the year was $19,555.

NOTE 7 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2025:

Description	Amount
Cash and cash equivalents	$ 450,082
Contracts receivable	92,868
Grants receivable (Note 3)	125,000
Financial assets available to meet cash needs for general expenditures within one year	$ 667,950

The Organization's goal is to maintain financial assets to meet 3 months of operating expenses, which would approximate $348,000.

NOTE 8 - ACQUISITION OF ORGANIZATION

In November 2022, the Iowa Chronic Care Consortium (ICCC) Board of Directors approved a resolution to merge with HealthTeamWorks (HTW). This combination is a logical step to combine complementary training programs which ICCC and HTW have teamed to co-deliver over a number of years. ICCC's flagship services included Clinical Health Coach® (CHC) and Community Health Coach (CHW) Training. These trainings coming under the Organization's brand, expand our ecosystem of services geared toward impacting HTW value-based care delivery and patient-focused outcomes. The integration of the two organizations was effective January 1, 2024.

NOTE 9 - PRIOR PERIOD ADJUSTMENT

In 2025, the Organization determined that the prior year grants receivable foundation income had been overstated by $75,000. The prior year change in net assets and ending net assets with donor restrictions have been decreased by $75,000.