

FINANCIAL STATEMENTS

THE LIFT GARAGE
MINNEAPOLIS, MINNESOTA

FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024



The Lift Garage
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June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Lift Garage
Minneapolis, Minnesota

Opinion

We have audited the accompanying financial statements of The Lift Garage (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and 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 financial statements referred to above present fairly, in all material respects, the financial position of The Lift Garage as of June 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.

Basis for Opinion

We conducted our audits 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 The Lift Garage 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 The Lift Garage'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 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.



Abdo
Minneapolis, Minnesota
November 24, 2025



FINANCIAL STATEMENTS

The Lift Garage
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,787,952	\$ 922,521
Accounts receivable	24,888	8,203
Inventory	10,692	12,891
Prepaid expenses	14,166	16,726
Total Current Assets	1,837,698	960,341
Property and Equipment		
Building	971,534	971,534
Furniture and equipment	202,361	168,354
Leasehold improvements	29,780	29,780
Total Property and Equipment, Cost	1,203,675	1,169,668
Less Accumulated Depreciation	(253,398)	(191,798)
Total Property and Equipment, Net	950,277	977,870
Other Noncurrent Assets		
Investments	420,535	383,851
Certificates of deposit	-	479,946
Right-of-use asset - operating	-	9,941
Total Other Noncurrent Assets	420,535	873,738
Total Assets	\$ 3,208,510	\$ 2,811,949

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Financial Position (Continued)
June 30, 2025 and 2024

	2025	2024
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 16,137	\$ 27,837
Accrued expenses	71,803	56,535
Notes payable, current	17,610	31,989
Operating lease liability, short-term portion	-	9,942
Total Current Liabilities	105,550	126,303
Long-Term Liabilities		
Notes payable, noncurrent, net of closing costs and loan fees of \$1,894 and \$7,130 in 2025 and 2024, respectively	176,250	201,140
Total Liabilities	281,800	327,443
Net Assets		
Without donor restriction		
Undesignated	1,482,961	1,163,702
Board designated	916,437	955,000
Total Without Donor Restrictions	2,399,398	2,118,702
With donor restriction	527,312	365,804
Total Net Assets	2,926,710	2,484,506
Total Liabilities and Net Assets	\$ 3,208,510	\$ 2,811,949

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Activities
For the Year Ended June 30, 2025
(With Comparative Totals For the Year Ended June 30, 2024)

	2025		2024	
	Without Donor Restriction	With Donor Restriction	Total	Total
Support and Revenue				
Support				
Contributions	\$ 1,655,470	\$ 346,836	\$ 2,002,306	\$ 1,925,249
In-kind contributions	58,609	-	58,609	105,989
Total Support	<u>1,714,079</u>	<u>346,836</u>	<u>2,060,915</u>	<u>2,031,238</u>
Revenue				
Sales	330,183	-	330,183	366,406
Interest income	37,370	-	37,370	30,909
Investment income	53,435	-	53,435	52,622
Miscellaneous income	520	-	520	10,682
Total Revenue	<u>421,508</u>	<u>-</u>	<u>421,508</u>	<u>460,619</u>
Total Support and Revenue Before Releases	2,135,587	346,836	2,482,423	2,491,857
Net Assets Released from Restrictions	<u>185,328</u>	<u>(185,328)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>2,320,915</u>	<u>161,508</u>	<u>2,482,423</u>	<u>2,491,857</u>
Expenses				
Program services	<u>1,188,072</u>	<u>-</u>	<u>1,188,072</u>	<u>1,497,105</u>
Supporting services				
Management and general	341,722	-	341,722	312,402
Fundraising	510,425	-	510,425	295,774
Total Supporting Services	<u>852,147</u>	<u>-</u>	<u>852,147</u>	<u>608,176</u>
Total Expenses	<u>2,040,219</u>	<u>-</u>	<u>2,040,219</u>	<u>2,105,281</u>
Change in Net Assets	280,696	161,508	442,204	386,576
Beginning Net Assets	<u>2,118,702</u>	<u>365,804</u>	<u>2,484,506</u>	<u>2,097,930</u>
Ending Net Assets	<u>\$ 2,399,398</u>	<u>\$ 527,312</u>	<u>\$ 2,926,710</u>	<u>\$ 2,484,506</u>

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Activities (Continued)
For the Year Ended June 30, 2024

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Support and Revenue			
Support			
Contributions	\$ 1,254,409	\$ 670,840	\$ 1,925,249
In-kind contributions	105,989	-	105,989
Total Support	<u>1,360,398</u>	<u>670,840</u>	<u>2,031,238</u>
Revenue			
Sales	366,406	-	366,406
Interest income	30,909	-	30,909
Investment income	52,622	-	52,622
Miscellaneous income	10,682	-	10,682
Total Revenue	<u>460,619</u>	<u>-</u>	<u>460,619</u>
Total Support and Revenue Before Releases	1,821,017	670,840	2,491,857
Net Assets Released from Restrictions	<u>380,130</u>	<u>(380,130)</u>	<u>-</u>
Total Support and Revenue	<u>2,201,147</u>	<u>290,710</u>	<u>2,491,857</u>
Expenses			
Program services	<u>1,497,105</u>	<u>-</u>	<u>1,497,105</u>
Supporting services			
Management and general	312,402	-	312,402
Fundraising	295,774	-	295,774
Total Supporting Services	<u>608,176</u>	<u>-</u>	<u>608,176</u>
Total Expenses	<u>2,105,281</u>	<u>-</u>	<u>2,105,281</u>
Change in Net Assets	95,866	290,710	386,576
Beginning Net Assets	<u>2,022,836</u>	<u>75,094</u>	<u>2,097,930</u>
Ending Net Assets	<u>\$ 2,118,702</u>	<u>\$ 365,804</u>	<u>\$ 2,484,506</u>

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Functional Expenses
For the Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

	2025			2024		
	Program Services	Supporting Services Management and General		Fundraising	Total Expenses	Total Expenses
Personnel Costs						
Salaries and wages	\$ 477,447	\$ 159,141	\$ 329,006	\$ 965,594	\$ 982,949	
Employee benefits	73,288	19,415	40,690	133,393	116,610	
Payroll taxes	40,226	12,848	26,926	80,000	83,654	
Total Personnel Costs	<u>590,961</u>	<u>191,404</u>	<u>396,622</u>	<u>1,178,987</u>	<u>1,183,213</u>	
Expenses						
Bank charges	-	196	-	196	3,331	
Contracted services	17,487	29,469	3,954	50,910	53,410	
Cost of goods sold	327,640	-	-	327,640	403,156	
Credit card fees	5,883	-	13,727	19,610	14,182	
Customer services	16,786	-	-	16,786	26,171	
Depreciation and amortization	61,599	-	-	61,599	69,238	
Dues and subscriptions	-	23,785	-	23,785	16,109	
Equipment	9,205	-	-	9,205	6,486	
Event expense	-	-	24,915	24,915	26,324	
Information technology	14,054	6,460	20,697	41,211	45,398	
In-kind donations	41,259	-	17,350	58,609	80,489	
Insurance	36,894	15,990	2,753	55,637	21,260	
Interest	-	12,933	-	12,933	10,150	
Marketing and communications	-	8,654	-	8,654	3,159	
Meetings	4,134	1,378	1,378	6,890	4,611	
Office expense	407	375	-	782	4,486	
Postage	-	73	8,961	9,034	5,798	
Professional fees	-	31,454	12,731	44,185	20,668	
Property taxes	-	359	-	359	351	
Provision for credit losses	-	-	-	-	2,606	
Rent	2,000	-	-	2,000	18,000	
Repairs and maintenance	10,232	4,385	-	14,617	13,079	
Shop expense	12,208	-	-	12,208	16,212	
Supplies	7,759	820	771	9,350	19,112	
Tax and licenses	-	695	-	695	514	
Towing	10,680	-	-	10,680	9,357	
Training and development	565	4,019	5,204	9,788	3,044	
Travel	-	1,421	1,362	2,783	581	
Utilities	18,319	7,852	-	26,171	24,786	
Total Expenses	<u>\$ 1,188,072</u>	<u>\$ 341,722</u>	<u>\$ 510,425</u>	<u>\$ 2,040,219</u>	<u>\$ 2,105,281</u>	

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Functional Expenses (Continued)
For the Year Ended June 30, 2024

	2024			
	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising	
Personnel Costs				
Salaries and wages	\$ 632,731	\$ 158,338	\$ 191,880	\$ 982,949
Employee benefits	73,554	19,532	23,524	116,610
Payroll taxes	54,505	13,158	15,991	83,654
Total Personnel Costs	<u>760,790</u>	<u>191,028</u>	<u>231,395</u>	<u>1,183,213</u>
Expenses				
Bank charges	-	3,331	-	3,331
Contracted services	19,613	29,980	3,817	53,410
Cost of goods sold	403,156	-	-	403,156
Credit card fees	4,254	-	9,928	14,182
Customer services	26,171	-	-	26,171
Depreciation and amortization	69,238	-	-	69,238
Dues and subscriptions	-	3,032	13,077	16,109
Equipment	6,486	-	-	6,486
Event expense	-	26,324	-	26,324
Information technology	25,938	9,830	9,630	45,398
In-kind donations	67,576	1,731	11,182	80,489
Insurance	13,936	5,302	2,022	21,260
Interest	-	10,150	-	10,150
Marketing and communications	-	3,159	-	3,159
Meetings	2,767	922	922	4,611
Office expense	2,319	2,167	-	4,486
Postage	2,997	2,801	-	5,798
Professional fees	-	9,475	11,193	20,668
Property taxes	281	70	-	351
Provision for credit losses	2,606	-	-	2,606
Rent	18,000	-	-	18,000
Repairs and maintenance	10,189	2,890	-	13,079
Shop expense	16,212	-	-	16,212
Supplies	16,378	1,431	1,303	19,112
Tax and licenses	514	-	-	514
Towing	9,357	-	-	9,357
Training and development	977	1,343	724	3,044
Travel	-	-	581	581
Utilities	17,350	7,436	-	24,786
Total Expenses	<u>\$ 1,497,105</u>	<u>\$ 312,402</u>	<u>\$ 295,774</u>	<u>\$ 2,105,281</u>

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ 442,204	\$ 386,576
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	61,599	64,793
Deferred closing costs and loan fees	5,236	4,445
Provision for credit losses	-	2,606
Unrealized (gain)/loss on investments	(19,962)	52,622
Amortization of right-of-use asset	2,000	18,000
Reinvestment of interest and dividend income	(16,722)	(82,459)
(Increase) decrease in assets:		
Accounts receivable	(16,685)	(3,069)
Inventory	2,199	(3,309)
Prepaid expenses	2,560	(6,038)
Increase (decrease) in liabilities:		
Accounts payable	(11,700)	(22,229)
Accrued expenses	15,268	(6,798)
Net Cash Provided by Operating Activities	465,997	405,140
Cash Flows from Investing Activities		
Purchase of property and equipment	(34,007)	(29,799)
Purchase of investments	-	(175,000)
Proceeds from redemption of certificates of deposit	479,946	113,509
Net Cash Provided (Used) by Investing Activities	445,939	(91,290)
Cash Flows From Financing Activities		
Payments on notes payable	(44,505)	(79,568)
Payments on operating lease liability	(2,000)	(18,000)
Net Cash Used by Financing Activities	(46,505)	(97,568)
Change in Cash and Cash Equivalents	865,431	216,282
Beginning Cash and Cash Equivalents	922,521	706,239
Ending Cash and Cash Equivalents	\$ 1,787,952	\$ 922,521
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for:		
Interest	\$ 12,933	\$ 10,150
Noncash Investing Activities:		
Disposal of fully depreciated property and equipment	\$ -	\$ 3,195

See Independent Auditor's Report and Notes to Financial Statements.

The Lift Garage
Notes to the Financial Statements
June 30, 2025 and 2024

Note 1: Summary of Significant Accounting Policies

A. Nature of Activities

The Lift Garage (the Organization) was organized as a Minnesota nonprofit corporation in 2013. The Organization is an affordable, non-profit auto repair service that moves people out of poverty and homelessness by providing low-cost quality car repair, connecting with community partners to strengthen the support network, and linking customers to needed resources.

B. Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting with revenue being recorded when earned and expenditures recorded when the obligation is incurred or the benefits are received in accordance with Generally Accepted Accounting Principles (GAAP). Net assets of the Organization and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions (Unrestricted) - Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions (Restricted) - Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time or are to be maintained permanently.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions are reported as net assets released from restrictions. Contributions with donor restrictions whose restrictions are met in the same period are recorded as contributions without donor restrictions.

C. Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents. Certain cash accounts are insured by the FDIC.

E. Accounts Receivable and Allowance for Credit Losses

The Organization's accounts receivables are due in less than one year and are recorded at net realizable value. Management determines the allowance for credit losses by identifying troubled accounts and by using historical experience applied to an aging of accounts receivable. The allowance estimate is derived from a review of the Organization's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. The Organization believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses. Based on the Organization's current analysis of expected credit losses on receivables, it has been determined that such amounts are immaterial to the financial statements as a whole and, therefore, no allowance for credit losses is recorded as of June 30, 2025 and 2024.

The Lift Garage
Notes to the Financial Statements
June 30, 2025 and 2024

Note 1: Summary of Significant Accounting Policies (Continued)

F. Property and Equipment

Property and equipment is recorded at cost or estimated fair value at the date of contribution. The Organization capitalizes all property and equipment acquisitions in excess of \$2,500. Depreciation is recognized using the straight-line method based on estimated useful lives as follows:

Assets	Useful Lives in Years
Buildings	40
Leasehold improvements	5
Furniture and equipment	3 - 10

For the years ended June 30, 2025 and 2024, depreciation and amortization expense was \$61,599 and \$69,238, respectively.

G. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

H. In-kind Contributions

Contributions of gifts in-kind that can be used or sold by the Organization are recorded at fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

I. Functional Allocation of Expenses

The costs of providing the Organization's various programs have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses, except for certain items accounted for on a direct allocation basis, are allocated among the program and supporting service categories based on management estimates.

J. Income Taxes

The Organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code and Minnesota Statute 290.05. The Organization is a public charity and contributions to the Organization may be tax-deductible by the contributors.

The Lift Garage
Notes to the Financial Statements
June 30, 2025 and 2024

Note 1: Summary of Significant Accounting Policies (Continued)

K. Revenue Recognition

In the case of sales, revenue is recognized when there is persuasive evidence that an arrangement exists, delivery has occurred, the fee is fixed or determinable and collectability is probable. Thus, revenue is recognized at a point in time.

Performance Obligations

The performance obligation related to sales is satisfied when earned, an arrangement exists, and delivery has occurred; therefore, the Organization recognizes revenue at a point in time.

Revenue from performance obligations satisfied at a point in time consists of sales revenue. Revenue from performance obligations satisfied at a point in time was \$330,183 and \$366,406 for the years ended June 30, 2025 and 2024, respectively. There was no revenue from performance obligations satisfied over a period of time.

Contract Balances

Billing primarily occurs concurrently with recognition of revenue. However, the Organization may offer payment terms resulting in accounts receivable, which are considered contract assets. Accounts receivable included on the statement of financial position represent all amounts billed and additional amounts recorded as accrued unbilled revenue as of June 30, 2025, July 01, 2024, and July 01, 2023. Accounts receivable contract balances from sales as of June 30, 2025, July 01, 2024, and July 01, 2023 were \$24,888, \$8,203, and \$7,740, respectively.

L. Subsequent Events

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 24, 2025, the date the financial statements were available to be issued.

Subsequent to June 30, 2025, the Organization paid off the remaining principal balances of the notes payable on July 14, 2025.

Note 2: Concentration of Credit Risk

From time to time, the Organization's cash balances at financial institutions may exceed the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000. At June 30, 2025 and 2024 the Organization had uninsured funds. Management does not believe this presents a significant risk to the Organization.

Note 3: Fair Value Measurements

The Organization has adopted ASC Topic 820, *Fair Value Measurements and Disclosures*. ASC Topic 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. It emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that the market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value, as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that included quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

The Lift Garage
Notes to the Financial Statements
June 30, 2025 and 2024

Note 3: Fair Value Measurements (Continued)

Level 3 - Inputs that are unobservable inputs for the assets or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls into is based on the lowest level input that is significant to the fair value measurement in its entity.

The following is a description of the valuation methodologies used for assets measured at fair value:

Certificates of Deposit: Valued at investment basis and accrued interest.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

Exchange Traded Funds: Valued at the closing price reported in the active market in which the individual securities are traded.

The Organization's investments reported at fair value in the accompanying statement of financial position consist of the following at June 30, 2025 and 2024:

2025	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 264,301	\$ -	\$ -	\$ 264,301
Exchange traded funds	156,234	-	-	156,234
Total	\$ 420,535	\$ -	\$ -	\$ 420,535
2024	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 243,202	\$ -	\$ -	\$ 243,202
Exchange traded funds	140,649	-	-	140,649
Certificates of deposit	-	479,946	-	479,946
Total	\$ 383,851	\$ 479,946	\$ -	\$ 863,797

Investment income for the years ended June 30, 2025 and 2024 consisted of the following:

	2025	2024
Interest and dividend income	\$ 28,176	\$ 30,864
Realized gains	5,297	3,237
Unrealized gains	19,962	18,521
Total Investment Income	\$ 53,435	\$ 52,622

The Lift Garage
Notes to the Financial Statements
June 30, 2025 and 2024

Note 4: Notes Payable

Notes payable at June 30 consisted of the following:

	2025	2024
Note payable with Affinity Plus Federal Credit Union commencing in August 2020 for purchase of the building. The note requires monthly payments of \$2,169 at 3.5% interest. The note matures in August 2030.	\$ 10,168	\$ 45,956
Note payable with Affinity Plus Federal Credit Union commencing in August 2020 for construction on the building. The note requires monthly payments of \$1,282 at 4.25% interest. The note matures in January 2031.	185,586	194,303
Total Notes Payable	195,754	240,259
Closing Costs and Unamortized Loan Fees	(1,894)	(7,130)
Less: Current Portion	(17,610)	(31,989)
Long-term Notes Payable	\$ 176,250	\$ 201,140

Current maturities of notes payable are as follows for the years ended June 30:

Years Ending June 30,	Note Payable	Closing Costs and Loan Fees	Total
2026	\$ 17,610	\$ (1,894)	\$ 15,716
2027	7,765	-	7,765
2028	8,101	-	8,101
2029	8,452	-	8,452
2030	8,818	-	8,818
Thereafter	145,008	-	145,008
Total	\$ 195,754	\$ (1,894)	\$ 193,860

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Note 5: Leases - Operating

The Organization entered into a lease agreement with Turbo Tim's Anything on December 1, 2022. The lease was for two automotive repair bays and a storage closet, and it was permitted for auto repairs. The lease was set to expire on November 30, 2024, but an agreement was made to terminate the lease in August 2024.

The Organization's total rent expense for the years ended June 30, 2025 and 2024 was \$2,000 and \$18,000, respectively.

Additional information about the Organization's lease under ASC 842 for the year ended June 30, 2025 and 2024, is as follows:

	2025	2024
Lease Expense		
Operating lease expense	\$ 2,000	\$ 18,000
Operating lease expense provided in-kind	3,169	-
Early termination of operating lease	4,773	-
Total Lease Expense	\$ 9,942	\$ 18,000
(Gains) losses on sale-leaseback transactions, net *		
Financing cash flows from finance leases (i.e. principal portion)		
ROU assets obtained in exchange for new operating lease liabilities	\$ -	\$ -
Weighted-average remaining lease term in years for operating leases	-	0.417

Note 6: Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted as follows at June 30:

	2025	2024
Capital campaign	\$ 237,000	\$ 200,000
Emergency services	163,251	106,777
Time restrictions	100,000	-
Exodus Matching Program	22,568	50,000
Equipment and capital improvements	4,493	9,027
Total Net Assets with Donor Restriction	\$ 527,312	\$ 365,804

Note 7: Board Designated Net Assets

The Board of Directors of the Organization has designated funds for certain purposes. Net assets designated by the Board consist of the following at June 30:

	2025	2024
Operating reserve	\$ 500,000	\$ 500,000
Building and equipment reserve	341,437	380,000
Opportunity reserve	75,000	75,000
Total Board Designated Net Assets	\$ 916,437	\$ 955,000

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Note 8: In-Kind Contributions

In-kind contributions consist of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>	<u>Usage in Programs/Activities</u>	<u>Fair Value Techniques</u>
Auto parts and supplies	\$ 16,302	\$ 33,333	Operations	Estimated wholesale prices of identical or similar products if purchased in the region
Gifts and gift cards	14,789	12,035	Fundraiser	Estimated wholesale prices of identical or similar products if purchased in the region
Professional services	11,225	-	Operations	Estimated based on time rates for each practitioner
Repair services	9,013	15,593	Operations	Estimated based on time rates for each practitioner
Rent	3,169	15,845	Operations	Estimated rental rates of identical or similar spaces in the region
Training	2,280	2,280	Operations	Estimated based on time rates for each practitioner
Annual Breakfast	1,501	-	Operations	Estimated wholesale prices of identical or similar products if purchased in the region
Grant writing	330	523	Operations	Estimated based on time rates for each writer
Vehicles	-	26,080	Operations	Estimated wholesale prices of identical or similar products if purchased in the region
Video editing	-	300	Operations	Estimated based on time rates for each editor
Total	<u>\$ 58,609</u>	<u>\$ 105,989</u>		

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Note 9: Liquidity and Availability of Financial Resources

The Organization's board of directors has approved and monitors a comprehensive set of policies which govern the responsibilities and limitations of financial management. In turn, management routinely monitors liquidity and cash reserves which fund operations and program service delivery in accordance with these board established policies. Additionally, liquidity measures are tracked and provided to the board of directors as part of its regular reporting cycle and to funders as requested.

The Organization's liquid financial assets available to meet cash needs for general expenditures within one year of June 30, 2025 and 2024 are summarized as follows:

	2025	2024
Cash and Cash Equivalents	\$ 1,787,952	\$ 922,521
Investments	420,535	383,851
Certificates of Deposit	-	479,946
Accounts Receivable	24,888	8,203
Total Financial Assets Available Within One Year	2,233,375	1,794,521
Less: amounts unavailable for general expenditures within one year, due to:		
Board designated	(916,437)	(955,000)
Net assets with donor restrictions	(527,312)	(365,804)
Total Assets Unavailable	(1,443,749)	(1,320,804)
Financial assets available to meet cash needs for general expenditures within one year	\$ 789,626	\$ 473,717

As part of our liquidity management, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due.