

# Wellness Together



## Audited Financial Statements

Years Ended June 30, 2024 and 2023



**Wellness Together  
Financial Statements  
Years Ended June 30, 2024 and 2023**

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## Independent Auditors' Report

To the Board of Directors of  
Wellness Together

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Wellness Together (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, 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 Wellness Together as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Wellness Together 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 opinions.

#### Change in Accounting Principle

As discussed in Note 2 to the financial statements, during the year ended June 30, 2024, the Organization adopted new accounting guidance, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Our opinion is not modified with respect to this matter.

#### 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.

**Board of Directors of  
Wellness Together  
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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 Wellness Together'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 Responsibility 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 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 Wellness Together'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 Wellness Together'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.

*GLENN BURDETTE ATTEST CORPORATION*

Glenn Burdette Attest Corporation  
San Luis Obispo, California

March 10, 2025

**Wellness Together**  
**Statement of Financial Position**  
**June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,253,365	\$ 1,911,747
Accounts receivable	861,350	891,040
Contributions receivable	768,840	872,500
Prepaid expenses	185,016	55,179
Deposits	10,441	5,160
Total current assets	5,079,012	3,735,626
<b>Property and equipment, net of accumulated depreciation and amortization</b>	957,808	1,046,606
<b>Other assets:</b>		
Right-of-use assets	86,559	-
Total other assets	86,559	-
Total assets	\$ 6,123,379	\$ 4,782,232
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 82,571	\$ 78,636
Accrued expenses	325,373	290,952
Current portion of operating lease liability	75,427	-
Current portion of notes payable	69,356	36,026
Deferred revenue	705,909	274,323
Total current liabilities	1,258,636	679,937
<b>Long-term liabilities:</b>		
Notes payable, net of current portion and unamortized debt issuance costs	470,742	503,960
Operating lease liability, net of current portion	12,892	-
Total long-term liabilities:	483,634	503,960
Total liabilities	1,742,270	1,183,897
<b>Net assets:</b>		
Net assets without donor restrictions	3,009,291	1,253,335
Net assets with donor restrictions	1,371,818	2,345,000
Total net assets	4,381,109	3,598,335
Total liabilities and net assets	\$ 6,123,379	\$ 4,782,232

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

**Wellness Together**  
**Statement of Activities**  
**Years Ended June 30, 2024 and 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restricted</u>	<u>2024 Total</u>	<u>2023 Total</u>
<b>Revenues and support:</b>				
Grants	\$ 74,288	\$ 1,487,128	\$ 1,561,416	\$ 2,580,746
Program service revenue	9,217,934		9,217,934	7,445,741
Conference revenue	725,119		725,119	588,043
Other revenue	48,951		48,951	6,906
Total revenues and support	<u>10,066,292</u>	<u>1,487,128</u>	<u>11,553,420</u>	<u>10,621,436</u>
Net assets released from restrictions	<u>2,460,310</u>	<u>(2,460,310)</u>	<u>-</u>	<u>-</u>
<b>Expenses:</b>				
Program services				
School-based therapy	7,017,515		7,017,515	5,798,302
Hear You	607,542		607,542	758,666
Events	1,291,122		1,291,122	988,287
Total program services	<u>8,916,179</u>	<u>-</u>	<u>8,916,179</u>	<u>7,545,255</u>
Supporting services:				
General and administrative	1,064,718		1,064,718	923,569
Fundraising	789,749		789,749	474,841
Total support services	<u>1,854,467</u>	<u>-</u>	<u>1,854,467</u>	<u>1,398,410</u>
Total expenses	<u>10,770,646</u>	<u>-</u>	<u>10,770,646</u>	<u>8,943,665</u>
Change in net assets	1,755,956	(973,182)	782,774	1,677,771
<b>Net assets - beginning of year</b>	<u>1,253,335</u>	<u>2,345,000</u>	<u>3,598,335</u>	<u>1,920,564</u>
<b>Net assets - end of year</b>	<u>\$ 3,009,291</u>	<u>\$ 1,371,818</u>	<u>\$ 4,381,109</u>	<u>\$ 3,598,335</u>

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

**Wellness Together**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2024**

	<u>Program Services</u>				<u>Supporting Services</u>			<b>2024 Total</b>	<b>2023 Total</b>
	<u>School-based Therapy</u>	<u>Hear You</u>	<u>Events</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total Support Services</u>		
Advertising and promotion	\$ 66,477	\$ 4,811	\$ 56,795	\$ 128,083	\$ 6,211	\$ 15,750	\$ 21,961	\$ 150,044	\$ 105,655
Bad debt	-	-	15,028	15,028	-	-	-	15,028	4,885
Bank and payroll charges	-	-	-	-	681	155	836	836	66,098
Depreciation	68,552	5,851	4,893	79,296	9,420	6,427	15,847	95,143	38,781
Dues and subscriptions	678	-	1,626	2,304	15,599	8,484	24,083	26,387	27,858
Equipment purchases	64,720	5,332	13,751	83,803	8,377	5,717	14,094	97,897	117,733
Facilities	288,842	24,653	20,615	334,110	39,691	26,851	66,542	400,652	
Insurance	116,642	9,956	8,706	135,304	16,028	10,936	26,964	162,268	117,929
Interest paid	19,660	1,678	1,403	22,741	2,702	1,844	4,546	27,287	27,014
Miscellaneous	-	-	-	-	-	-	-	-	5,214
Office expenses	65,537	3,907	30,099	99,543	5,765	6,440	12,205	111,748	201,625
Production cost	500	-	544,715	545,215	1,194	545	1,739	546,954	
Professional fees	54,910	95	21,754	76,759	114,031	6,000	120,031	196,790	534,640
Staff development	79,581	7,702	5,671	92,954	10,539	14,506	25,045	117,999	59,498
Software and IT	252,421	44,718	42,863	340,002	31,361	23,579	54,940	394,942	217,136
Tax and license	13,837	1,115	932	15,884	1,795	1,225	3,020	18,904	16,111
Travel and meetings	60,822	2,571	108,223	171,616	4,140	117,364	121,504	293,120	159,657
Salaries and wages	5,036,146	429,843	359,436	5,825,425	692,037	472,181	1,164,218	6,989,643	6,084,655
Payroll taxes	423,271	36,127	30,209	489,607	58,163	39,686	97,849	587,456	510,232
Payroll charges	50,592	4,318	3,611	58,521	6,952	4,743	11,695	70,216	
Employee benefits	354,327	24,865	20,792	399,984	40,032	27,316	67,348	467,332	332,301
<b>Total expenses</b>	<b>\$ 7,017,515</b>	<b>\$ 607,542</b>	<b>\$1,291,122</b>	<b>\$ 8,916,179</b>	<b>\$ 1,064,718</b>	<b>\$ 789,749</b>	<b>\$ 1,854,467</b>	<b>\$ 10,770,646</b>	<b>\$8,627,022</b>

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

**Wellness Together**  
**Statement of Cash Flows**  
**Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 782,774	\$ 1,677,771
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	95,143	38,781
Lease expense - operating leases	88,319	
Changes in operating assets and liabilities:		
Accounts receivable	29,690	(411,882)
Contributions receivable	103,660	(122,500)
Prepaid expenses	(129,837)	20,223
Deposits	(5,281)	54
Accounts payable	3,935	17,672
Accrued expenses	34,421	53,991
Operating lease liabilities	(86,559)	
Deferred revenue	431,586	47,971
Net cash provided by operating activities	1,347,851	1,322,081
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(6,345)	(53,711)
Net cash used in investing activities	(6,345)	(53,711)
<b>Cash flows from financing activities:</b>		
Borrowings on note payable	53,252	
Repayments on note payable	(53,140)	(30,376)
Net cash provided by financing activities	112	(30,376)
Net increase in cash	1,341,618	1,237,994
<b>Cash and cash equivalents - beginning of year</b>	1,911,747	673,753
<b>Cash and cash equivalents - end of year</b>	\$ 3,253,365	\$ 1,911,747
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid for interest during the year	\$ 27,287	\$ 27,014

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

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 1: Nature of Activities**

Wellness Together (the Organization) is a not-for-profit corporation established in 2016 under the laws of the State of California. Our primary mission is to provide innovative mental health solutions to promote mental health awareness, advocacy, and access. We are primarily funded by client fees and donor contributions.

**Note 2: Summary of Significant Accounting Policies**

**Basis of Presentation**

Our financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

**Cash and Cash Equivalents**

We consider demand deposits with financial institutions, money market funds, and certificates of deposits with an original maturity date of three months or less, to be cash equivalents for the statement of cash flows.

**Property and Equipment**

Property and equipment is recorded at historical cost when purchased or estimated fair market value when donated. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets. Repairs and maintenance costs are expensed when incurred. Capital expenditures over \$5,000 are recorded as property and equipment. Estimated useful lives of assets range from 3 to 40 years.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions*

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Our governing board may from time to time designate a portion of this asset class for specific projects or activities. There were no board restricted net assets at June 30, 2023 or 2024, respectively.

*Net Assets With Donor Restrictions*

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

## **Wellness Together**

### **Notes to Financial Statements**

**June 30, 2024 and 2023**

#### **Note 2: Summary of Significant Accounting Policies (Continued)**

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 and reported in the statements of activities as net assets released from restrictions.

#### **Revenue and Revenue Recognition**

We recognize revenue from providing mental health services at the time the services are performed. The performance obligation consists of providing our clients continuous access to mental health services, and is recognized ratably, as the services are simultaneously received and consumed by the clients. Revenue from the annual conference is recognized when the conference is held. All amounts received prior to the services being provided or the conference being held are deferred to the applicable period.

We recognize 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, that is, those with a measurable performance, or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Federal grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses.

#### **Income Taxes**

We are organized as a California nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. Annually, we file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to the exempt purposes. Management has determined that we are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Additionally, management has evaluated the tax positions and related income tax contingencies and does not believe that any material uncertain tax positions exist. Management also has in place processes to ensure our tax-exempt status remains in place.

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 2: Summary of Significant Accounting Policies (Continued)**

**Donated Materials and Services**

We receive donations of time and services from members of the community and volunteers assisting in leadership committees, and both fundraising and program service activities. The value of this donated time is not reflected in our accompanying financial statements since it does not meet the criteria for recognition.

**Estimates**

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

**Concentration of Credit Risk**

We maintain cash balances with Federal Deposit Insurance Corporation (FDIC) insured financial institutions. At times the balances may exceed federally insured limits. The FDIC insures deposit accounts and certificates of deposit up to \$250,000 at each financial institution. At June 30, 2024, we had \$2,756,008 on deposit that exceeded the insured limit. At June 30, 2023, we had \$1,411,747 on deposit that exceeded the insured limit.

As of June 30, 2024, 100% of contributions receivable are due from two donors. In addition, 27% of the school-based therapy revenue recognized for the year ended June 30, 2024 was attributed to two resource providers. As of June 30, 2023, 100% of contributions receivable are due from one donor. In addition, 28% of the school-based therapy revenue recognized for the year ended June 30, 2023 was attributed to two resource providers.

**Functional Allocations**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Certain categories of expenses are attributable to both program services and supporting activities. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The allocation of shared expenses are based on estimates of time and effort, an estimated use percentage, or on an estimated square-foot basis.

**Advertising Costs**

Advertising and promotion costs are expensed as incurred. For the years ended June 30, 2024 and 2023, advertising expense totaled \$150,044 and \$105,655, respectively.

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 2: Summary of Significant Accounting Policies (Continued)**

**Litigation**

From time to time, in the normal course of operations, we may become involved in litigation for which we may or may not have additional insurance coverage, depending upon the individual circumstances of the claim.

**Change in Accounting Principle**

Effective July 1, 2023, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modified the measurement of expected credit losses on certain financial instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in Topic 326 are grants and contracts receivable. The adoption of Topic 326 did not have an impact on the Organization's financial statements but did change how the allowance for credit losses is determined.

**Accounts Receivable and Allowance for Credit Losses**

We operate in the mental health industry and its accounts receivables are primarily derived from educational and government institutions. Accounts receivables are recorded when invoices are issued for services rendered to the customer accounts and are presented on the balance sheet. As of June 30, 2024 and 2023, trade accounts receivable was \$861,350 and \$810,862 respectively. As of July 1, 2022, trade accounts receivable was \$466,572.

At each balance sheet date, we recognize an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. The allowance estimate is derived from a review of our 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 other relevant factors. We believe historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as our portfolio segments have remained constant since the our inception.

## Wellness Together

### Notes to Financial Statements

June 30, 2024 and 2023

#### Note 2: Summary of Significant Accounting Policies (Continued)

We write off receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with our accounting policy election. At June 30, 2024, management has determined that no allowance for credit losses was necessary and the total amount of write-offs was immaterial to the financial statements as a whole for the year then ended.

#### Leases

We lease certain office spaces on a short-term basis. We have elected the practical expedient for short-term leases with terms of 12 months or less. For short-term leases, we recognize the lease payments in the income statement on a straight-line basis over the term of the lease. Variable lease expenses are recorded when incurred. The lease agreements do not contain any material residual value guarantees or material restrictive covenants. Total short-term lease expense included in operating expenses for the year ending June 30, 2024, was \$89,605.

#### Note 3: Property and Equipment

At June 30, 2024 and 2023, property and equipment consisted of the following:

	<b>2024</b>	<b>2023</b>
Land	\$ 60,000	\$ 60,000
Building	834,591	834,591
Equipment	80,031	68,870
Vehicles	52,795	46,450
Furniture	7,125	7,125
Software development costs	118,220	75,671
	<u>1,152,762</u>	<u>1,092,707</u>
Less accumulated depreciation and amortization	<u>(194,954)</u>	<u>(61,029)</u>
Property and equipment, net of accumulated depreciation and amortization	<u>\$ 957,808</u>	<u>\$ 1,031,678</u>

Depreciation expense was \$95,143 and \$38,781 for the years ended June 30, 2024 and 2023, respectively.

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 4: Notes Payable**

At June 30, 2024 and 2023 notes payable consisted of the following:

	<u>2024</u>	<u>2023</u>
Note payable to a bank, secured by a first deed of trust, including interest at 13.99% due in monthly installments of \$6,094 with a maturity date of January 2025.	\$ 35,120	\$ -
Note payable to a bank, secured by a first deed of trust, including interest at 7.65% due in monthly installments of \$583 with a maturity date of August 2025.	7,596	13,747
Note payable to a bank, secured by a first deed of trust, including interest at 4.83% due in monthly installments of \$4,474 with a maturity date of August 2036.	497,382	526,239
Total notes payable	<u>540,098</u>	<u>539,986</u>
Less current portion	<u>(69,356)</u>	<u>(34,524)</u>
Notes payable, net of current portion	<u>\$ 470,742</u>	<u>\$ 539,986</u>

At June 30, 2024, estimated future minimum principal payments and amortization of debt issuance costs were as follows:

<u>For the Year Ending June 30,</u>	
2025	69,356
2026	30,918
2027	30,928
2028	32,456
2029	34,058
Thereafter	<u>342,382</u>
Total	<u>\$ 540,098</u>

**Note 5: Leasing Activities**

**Short Term Leases**

We rent office space under non-cancellable operating leases that expire in January 2025 in which \$78,359 in lease payments are due for the year ending June 30, 2025.

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 6: Net Assets**

At June 30, 2024 and 2023, net assets with donor restrictions are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Purpose restriction:		
Mental health services in specific school districts	\$ 1,487,128	\$ 2,345,000
Mental health services - summer program	<u>-</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 1,487,128</u>	<u>\$ 2,345,000</u>
Satisfaction of purpose restriction:		
Mental health services in specific school districts	\$ 2,460,310	\$ 1,434,664
Mental health services - summer program	<u>-</u>	<u>108,750</u>
Total net assets released from donor restrictions	<u>\$ 2,460,310</u>	<u>\$ 1,543,414</u>

**Note 7: Retirement Plans**

We sponsor a 403(b) plan which allows all employees to defer a portion of their salary up to Internal Revenue Code limits. Employees are eligible immediately but are expected to complete a minimum of 1000 hours. We provide 100% of the employee contributions up to 3% of their compensation, with straight line vesting over four years, and a first time vesting event occurring after year one. Loans and hardship distributions are allowed, and employees can contribute to either a traditional for 403(b) or a Roth 403(b). We made contributions to the 403B plan in the amount of \$89,452 and \$88,954 for the years and June 30, 2024 and 2023.

**Note 8: Commitments and Contingencies**

We have been awarded certain grants and contracts and are subject to financial and compliance requirements of the grantors or their representatives. Any expenses, which may be disallowable by the granting agencies, cannot be determined at this time, although our management does not expect such amounts, if any, to materially affect, the financial statements.

**Wellness Together**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 9: Liquidity**

Financial assets available for general expenditures within one year, that is, without donor or other restrictions limiting their use as of June 30, 2024, are comprised by the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 3,253,365	\$ 1,911,747
Accounts receivable	861,350	891,040
Contributions receivable	<u>768,840</u>	<u>872,500</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,883,555</u>	<u>\$ 3,675,287</u>

We have as a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of general operating expenditures, as well as access to a committed line of credit in the amount of \$500,000 which we could draw upon, if needed (See Note 10).

**Note 10: Line of Credit**

We have a \$500,000 line of credit available to us through a local financial institution that renewed in January 2025 and now matures in January 2026. The credit line is unsecured as of June 30, 2024 and bears a variable interest rate. As of June 30, 2024 and 2023, there was no balance outstanding on the line of credit.

**Note 11: Related Parties**

The manager of our Hear You program is the spouse of a member of our board of directors. The manager was paid approximately \$90,000 and \$90,000 in combined salary and benefits for the years ended June 30, 2024 and 2023, respectively. The manager also was due accrued salary and paid time off of \$7,314 and \$5,695 as of June 30, 2024 and 2023, respectively.

**Note 12: Subsequent Events**

Events subsequent to June 30, 2024 have been evaluated through March 10, 2025, which is the date of our financial statements were available to be issued. Management did not identify any subsequent events requiring disclosure.