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RAISE THE BARR
(A California Not-For-Profit Corporation)

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2024
(With summarized financial information for 2023)

RAISE THE BARR
(A California Not-For-Profit Corporation)
FOR THE YEAR ENDED DECEMBER 31, 2024

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Zuehls, Legaspi & Company

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Raise the Barr
Hawthorne, California

Opinion

We have audited the accompanying financial statements of Raise the Barr (the "Organization"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows, and functional expenses 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 Raise the Barr as of December 31, 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 Ignite 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 these 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 Ignite's ability to continue as a going concern within one year after the date 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.

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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 misstatements 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 Ignite'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 Ignite'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 the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Zuehls, Legaspi & Co.

Los Angeles, California
June 6, 2025

RAISE THE BARR
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 631,207	$ 465,529
Promises to give, net	942,489	1,265,968
Prepaid expenses	37,055	24,089
Other assets	2,000	-
TOTAL CURRENT ASSETS	1,612,751	1,755,586
TOTAL ASSETS	$ 1,612,751	$ 1,755,586
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 15,446	$ 30,427
Accrued expenses and other liabilities	48,761	12,619
Deferred revenue	-	15,000
TOTAL CURRENT LIABILITIES	64,207	58,046
TOTAL LIABILITIES	64,207	58,046
NET ASSETS		
Without donor restrictions	678,030	1,468,315
With donor restrictions	870,514	229,225
TOTAL NET ASSETS	1,548,544	1,697,540
TOTAL LIABILITIES AND NET ASSETS	$ 1,612,751	$ 1,755,586

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

RAISE THE BARR
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions	$ 150,687	$ 8,111	$ 158,798	$ 118,528
Grants revenues	213,247	862,403	1,075,650	1,975,408
Program service fees	15,000	-	15,000	75,000
Interest and dividend income	20,961	-	20,961	6,274
Other Income	1,350	-	1,350	35,000
Total support and other revenues	401,245	870,514	1,271,759	2,210,210
Gross special events revenues	341,924	-	341,924	375,771
Less cost of direct benefits to donors	(232,381)	-	(232,381)	(297,194)
Net special events revenues	109,543	-	109,543	78,577
Released from restrictions	229,225	(229,225)	-	-
TOTAL SUPPORT AND REVENUE	740,013	641,289	1,381,302	2,288,787
EXPENSES				
Program services	1,307,388	-	1,307,388	1,105,728
Management and general	79,263	-	79,263	58,421
Fundraising	143,647	-	143,647	89,686
TOTAL EXPENSES	1,530,298	-	1,530,298	1,253,835
CHANGE IN NET ASSETS	(790,285)	641,289	(148,996)	1,034,952
NET ASSETS AT BEGINNING OF YEAR	1,468,315	229,225	1,697,540	662,588
NET ASSETS AT END OF YEAR	$ 678,030	$ 870,514	$ 1,548,544	$ 1,697,540

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

RAISE THE BARR
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)

	2024					2023
	Program Services	Management and General	Fundraising	Cost of Benefits to Donors	Total	Total
Activity and program supplies	$ 44,631	$ -	$ -	$ 47	$ 44,678	$ 26,043
Advertising and marketing	3,416	-	95	4,866	8,377	7,568
Bank and credit card charges	5,477	-	-	1	5,478	6,442
Depreciation and amortization	-	-	-	-	-	-
Dues and subscription	1,458	170	-	-	1,628	915
IT and telecommunications	34,937	918	-	-	35,855	31,123
Insurance	25,422	8,039	-	-	33,461	44,347
Licences and permits	482	238	-	-	720	259
Office expenses	987	550	-	-	1,537	2,251
Operational expenses	63,640	803	79	8,036	72,558	56,223
Payroll fees and taxes	47,581	2,348	6,424	117	56,470	2,351
Postage and shipping	2,173	-	140	1,228	3,541	1,759
Printing and copying	245	15	-	38	298	393
Professional fees	188,369	31,675	60,081	-	280,125	108,648
Rent expense	5,215	-	-	30,894	36,109	27,826
Salaries, wages and benefits	571,173	29,542	76,828	1,381	678,924	736,914
Scholarships	311,197	4,965	-	-	316,162	250,950
Special events and in-kind expenses	985	-	-	185,773	186,758	247,017
Total expenses by function	1,307,388	79,263	143,647	232,381	1,762,679	1,551,029
Less expenses included with revenues on the statement of activities						
Cost of direct benefits to donors	-	-	-	(232,381)	(232,381)	(297,194)
TOTAL EXPENSES INCLUDED IN EXPENSE SECTION ON THE STATEMENT OF ACTIVITIES	$ 1,307,388	$ 79,263	$ 143,647	$ -	$ 1,530,298	$ 1,253,835

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

RAISE THE BARR
(A CALIFORNIA NOT-FOR-PROFIT CORPORATION)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (148,996)	$ 1,034,952
Adjustments to reconcile change in net assets to net cash from (used for) operating activities:		
Depreciation and amortization	-	-
Change in operating assets and liabilities		
(Increase) decrease in assets:		
Promises to give, net	323,479	(1,175,968)
Prepaid expenses	(12,966)	(21,253)
Other assets	(2,000)	-
Increase (decrease) in liabilities:		
Accounts payable	(14,981)	6,611
Accrued expenses and other liabilities	36,142	12,619
Deferred revenue	(15,000)	15,000
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	165,678	(128,039)
NET CHANGE IN CASH AND CASH EQUIVALENTS	165,678	(128,039)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	465,529	593,568
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 631,207	$ 465,529

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

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Raise The Barr (the "Organization") is a nonprofit organization whose mission is to increase opportunity and economic mobility for low-income single-parent students and their children through higher education. We aim to reduce the generational impacts of poverty through programs including access to affordable housing, educational and career advising, mentorship, financial literacy, and family wellness.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification and Reporting of Funds

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958). Under the main provisions of this update, net assets and changes in net assets are presented only for two classes: net assets with donor restrictions and net assets without donor restrictions, rather than the three classes: unrestricted, temporarily restricted, and permanently restricted.

FASB ASC 958-205-45 requires the Organization to report all of its expenses in the assets without donor restrictions (unrestricted), regardless of the source of the funds for the expenditures. A transfer of expenses from the assets without donor restrictions (unrestricted) to the assets with donor restrictions (restricted) will be reported, if applicable, to match the restricted revenue with the restricted expenses.

Comparative Financial Information

The accompanying 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 accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents for the Organization include demand deposits with financial institutions. For the statement of cash flows, cash equivalents are defined as short-term, highly liquid amounts of cash or were purchased so near their maturity that they present insignificant risk of change in value because of changes in interest rates.

The total amount of $631,207 reported as cash and cash equivalents as of December 31, 2024, consists of demand deposits with maturities of 90 days or less and cash on hand.

Receivables and Credit Policies

Grants and pledges receivable are recorded when they meet specific criteria and which consist primarily of noninterest-bearing receivables for services, educational, and training programs. The Organization determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Grants and pledges receivable are written off when deemed uncollectable.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Promises to Give, Net

We record unconditional promises to give that meet specific criteria and which are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset.

In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable.

Property and Equipment

Property and equipment are recorded in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated.

The Organization capitalizes property and equipment with a cost of $2,500 and over and an estimated useful life when acquired of more than one year. Major additions are capitalized. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Gains and losses on dispositions are included in operations in the year of disposal.

Depreciation is computed on the straight-line method over their estimated useful lives as follows:

Furniture and fixtures	7 years
Vehicles	7 years
Computers and office equipment	5 – 7 years

Net Assets

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

Net Assets Without Donor Restrictions – Net assets are available for use in general operations and are not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor (or grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. The Organization reports conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions Received and Made

In accordance with FASB ASC 958-605-50, revenues from contributions are recognized pursuant to the terms specified by the donor. The Organization recognizes all contributed support received as income in the period received. Contributed support is reported as unrestricted or as restricted depending on the existence of donor stipulations that limit the use of the support or if they are designated as support for future periods.

In accordance with FASB ASC 958-605-50, unconditional grant payments are recognized as an expense in the period in which they are approved. If these grants are to be paid over a period exceeding one year they are recorded at the net present value of the future cash payments, using an applicable discount rate. Grants that are conditional upon a future and uncertain event are expensed when these conditions are substantially met. A conditional promise to give is considered unconditional if the possibility that the condition will not be met is remote.

Revenue and Revenue Recognition

We recognize grants and contributions when cash, securities, or other assets, an unconditional promises 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.

Revenues from fee-for-service activities are recognized when the services are provided.

Special events revenue is comprised of an exchange element based on the direct benefits donors receive and a contributing element for the difference. We recognize special events revenue as equal to the fair value of direct benefits to donors when the special event takes place. We recognize the contribution element of special event revenue immediately unless there is a right of return if the special event does not take place.

Donated Services and In-Kind Contributions

Contributed nonfinancial assets include donated supplies, professional services, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 7). We do not sell donated gifts in kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services based on estimates of employees' time and the usage of resources.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses (continued)

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated based on an allocation study that encompasses factors such as square footage. Salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and others are allocated based on estimated time and effort.

Accordingly, certain costs have been allocated to program services, management, and general and fundraising. The functional classifications are defined as follows:

- *Program service expenses* – consist of costs incurred in connection with providing services and conducting programs.

- *Management and general expenses* – consist of costs incurred in connection with the overall activities of the Organization, which are allocable to another functional expense category.

- *Fundraising costs* – are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgments contain requests for contributions, joint costs (if any) would be allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising.

Income Taxes

The Organization is exempt from federal income taxation under Section 501(c)(3) classified as a public charity and related state provisions, though it would be subject to tax on any income unrelated to its exempt purposes (unless that income is otherwise excluded by statute). Contributions to the Organization are generally tax-deductible to donors.

The Organization does not earn any unrelated business income and does not pay any material excise taxes. Therefore, no provision for taxes was recorded.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk (continued)

Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. As of December 31, 2024, and 2023, we had $300,235 and $181,274, respectively, in excess of FDIC insurance limits. To date, we have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by us and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

NOTE 2: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2024	2023
Cash and cash equivalents	$ 631,207	$ 465,529
Promises to give, net	942,489	1,265,968
Total	$ 1,573,696	$ 1,731,497

As of December 31, 2024, and 2023, the financial assets available for general expenditures totaled $1,573,696 and $1,731,497, respectively.

NOTE 3: PROMISES TO GIVE, NET

Promises to give are stated as the amount management expects to collect from outstanding balances. Management provides 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 eliminated as an uncollectible receivable.

Management estimates that all promises to give amounts are fully collectible based on their familiarity and history with the donors/sponsors. The allowances for promises to give during the years ended December 31, 2024, and 2023 were both $0.

The net promises to give for the years ended December 31, 2024, and 2023 were $942,489 and $1,265,968, respectively.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4: PREPAID EXPENSES

Prepaid expenses consist of amounts paid in advance for items that had not yet occurred as of the end of the fiscal year period. The amounts of prepaid expenses on December 31, 2024, and 2023, were $37,055 and $24,089, respectively.

NOTE 5: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2024, and 2023 consisted of the following:

	2024	2023
Subject to expenditure for a subject purpose:		
Housing subsidy program	$ 870,514	$ 229,225
Total net assets with donor restrictions	$ 870,514	$ 229,225

All donor-restricted contributions are reported as an increase in net position with restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), restricted assets are reclassified without donor restrictions and reported in the statement of activities as net position released from restriction.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors for the years ended December 31, 2024, and 2023, totaling $229,225 and $337,776, respectively.

NOTE 6: SPECIAL EVENTS REVENUES, NET AND IN-KIND DONATIONS

The Organization held several fundraising events in 2024. All net proceeds from these events went to support the Organization's mission—to increase opportunity and economic mobility for low-income single-parent students and their children through higher education. The special events revenues, net of direct expenses, for the years ended December 31, 2024, and 2023 were $109,543 and $78,577, respectively.

In addition, the organization received in-kind donations during fundraising events held in 2024. The amounts of in-kind donations for the years ended December 31, 2024, and 2023 were $42,846 and $0, respectively, and were included and recorded as part of the reported special events revenues, net.

NOTE 7: ADVERTISING AND MARKETING

Advertising and marketing costs are expensed as incurred and included in the statement of functional expenses. Advertising and marketing expenses, net of cost of direct benefits to donors, for the years ended December 31, 2024, and 2023 were $3,511 and $2,283, respectively.

NOTE 8: FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include rent, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional fees, office expenses, interest, insurance, and others, which are allocated based on time and effort.

RAISE THE BARR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 9: LEASE COMMITMENT

The Organization subleases property from Ace in the City on a month-to-month basis with a monthly rent of $200. The incurred rent of $2,400 is expensed and included in the statement of functional expenses. Rent expense including transitory rents for the years ended December 31, 2024, and 2023 totaled $5,215 and $3,214, respectively.

NOTE 10: RELATED PARTY TRANSACTIONS

In accordance with ASC 850, there were no related party transactions for the years ended December 31, 2024, and 2023, respectively.

NOTE 11: CONTINGENCIES

The Organization is potentially subject to various claims and legal actions in the normal course of its activities. Based on counsel and management's representations, no current claims are outstanding.

NOTE 12: NEW ACCOUNTING PRONOUNCEMENTS

ASU 2016-02

For lessees, any leases that are over 12 months in duration will need to be presented on the entity's statement of financial position as a right-to-use asset and corresponding liability for the obligation to pay rent. The asset and liability should be initially measured at the present value of the lease payments, including payments to be made in optional renewal periods if the lessee is reasonably certain to exercise an option to extend the lease. The present value should be calculated using the discount rate implicit in the lease (if determinable) or the lessee's incremental borrowing rate.

The asset will be depreciated, and the liability will be reduced by lease payments. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. As of this report date, ASU 206-02 will be effective for fiscal years beginning after December 15, 2021, with early adoption permitted.

NOTE 13: SUBSEQUENT EVENTS

In accordance with ASC 855, subsequent events through June 6, 2025, the date of these financial statements, were evaluated. There were no other material subsequent events that required recognition or additional disclosure in these financial statements.