

**LINK HOUSTON**  
**FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT**  
**DECEMBER 31, 2024**

**LINK HOUSTON**  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
LINK Houston  
Houston, Texas

***Opinion***

We have audited the financial statements of LINK Houston which comprise the statement of financial position as of December 31, 2024 and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of LINK Houston as of December 31, 2024, and the results of its operations, 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 (GAAS). 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 LINK Houston 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 LINK Houston'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***

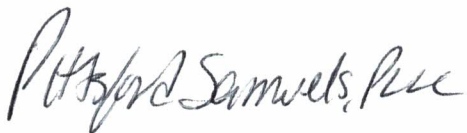
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 LINK Houston'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 LINK Houston'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.

A handwritten signature in black ink, appearing to read "P. H. Samuels, PLLC". The signature is written in a cursive, flowing style.

June 16, 2025  
Houston, Texas

**LINK HOUSTON**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2024**

**ASSETS**

**Current Assets**

Cash	\$ 575,005
Short Term Marketable Investments	1,360,617
Grants Receivable - Due in One Year	158,916
Prepaid Expenses	<u>2,966</u>
Total Current Assets	<u>2,097,504</u>

**Other Assets**

Equipment and Furniture, Less Accumulated Depreciation of \$13,313	<u>3,016</u>
Total Other Assets	<u>3,016</u>

<b>Total Assets</b>	<b>\$ <u>2,100,520</u></b>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable and Accrued Salaries	\$ <u>65,601</u>
Total Current Liabilities	<u>65,601</u>
<b>Total Liabilities</b>	<b><u>65,601</u></b>

**NET ASSETS**

Net Assets Without Donor Restrictions	1,866,003
Net Assets With Donor Restrictions	<u>168,916</u>
<b>Total Net assets</b>	<b><u>2,034,919</u></b>

<b>Total Liabilities and Net Assets</b>	<b>\$ <u>2,100,520</u></b>
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**LINK HOUSTON**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Contributions and Support	\$ 184,442	\$ 27,000	\$ 211,442
Special Event	20,739	-	\$ 20,739
Investment Return	<u>119,262</u>	<u>-</u>	<u>119,262</u>
Total	324,443	27,000	351,443
Net Assets Released from Restrictions			
Restrictions Satisfied	<u>307,015</u>	<u>(307,015)</u>	<u>-</u>
Total Support and Revenue	<u>631,458</u>	<u>(280,015)</u>	<u>351,443</u>
<b>EXPENSES</b>			
Program expenses			
Increase Transportation Access to Housing	52,548	-	52,548
Ensure Inclusive Mobility	560,770	-	560,770
Keep Communities United	85,489	-	85,489
Administrative expenses	157,965	-	157,965
Fundraising expenses	<u>100,646</u>	<u>-</u>	<u>100,646</u>
Total expenses	<u>957,418</u>	<u>-</u>	<u>957,418</u>
<b>OTHER INCOME (EXPENSE)</b>			
Refunded grant	<u>-</u>	<u>(55,000)</u>	<u>(55,000)</u>
<b>DECREASE IN NET ASSETS</b>	<u>(325,960)</u>	<u>(335,015)</u>	<u>(660,975)</u>
<b>NET ASSETS</b>			
<b>BEGINNING OF YEAR</b>	<u>2,191,963</u>	<u>503,931</u>	<u>2,695,894</u>
<b>END OF YEAR</b>	<u>\$ 1,866,003</u>	<u>\$ 168,916</u>	<u>\$ 2,034,919</u>

See accompanying notes.

**LINK HOUSTON  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Increase (Decrease) In Cash**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ (660,975)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities	
Depreciation	2,506
Amortization	7,490
Unrealized and Realized Gain on Marketable Investments	(77,250)
Gain on disposition of equipment	(168)
Payment of capital operating lease obligation	(9,145)
Decrease in	
Grants Receivable	290,015
Prepaid Expenses	579
Deposits	10,750
Increase in	
Accounts Payable and Accrued Salaries	<u>18,113</u>
<b>Net Cash Used by Operating Activities</b>	<u><b>(418,085)</b></u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from disposition of equipment	250
Proceeds from Redemption of Marketable Securities	5,808,064
Purchases of Marketable Securities	<u>(5,539,948)</u>
<b>Net Cash Provided by Investing Activities</b>	<u><b>268,366</b></u>

Net Decrease in Cash	(149,719)
Cash, Beginning of Year	<u>724,724</u>
Cash, End of Year	<u><b>\$ 575,005</b></u>

**SUPPLEMENTAL CASH FLOW DISCLOSURE**

Cash Paid for Interest	\$ <u><u>424</u></u>
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**LINK HOUSTON  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Programs</u>						
	<u>Increase Transportation Access to Housing</u>	<u>Ensure Inclusive Mobility</u>	<u>Keep Communities United</u>	<u>Total</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 41,267	\$ 440,362	\$ 67,138	\$ 548,767	\$ 110,134	\$ 59,200	\$ 718,101
Payroll Taxes and Benefits	5,765	61,522	9,380	76,667	15,387	8,270	100,324
Professional Fees	749	8,041	1,218	10,008	19,725	7,181	36,914
Fundraising Event	-	-	-	-	-	19,163	19,163
Advertising and Marketing	102	1,084	165	1,351	271	145	1,767
Insurance	139	1,484	226	1,849	371	200	2,420
Office	2,839	30,280	4,617	37,736	7,575	4,070	49,381
Travel and Conferences	1,088	11,607	1,770	14,465	2,904	1,559	18,928
Depreciation and Amortization	575	6,130	935	7,640	1,533	823	9,996
Interest	24	260	40	324	65	35	424
Total	<u>\$ 52,548</u>	<u>\$ 560,770</u>	<u>\$ 85,489</u>	<u>\$ 698,807</u>	<u>\$ 157,965</u>	<u>\$ 100,646</u>	<u>\$ 957,418</u>

See accompanying notes.

## LINK HOUSTON

### NOTES TO FINANCIAL STATEMENTS

#### NOTE 1 - NATURE OF ORGANIZATION AND OPERATIONS

LINK Houston (LINK) is a Texas non-profit organization that was organized in March 2017. Its mission is to ensure a diverse and robust transportation network for all people to connect to opportunity. LINK provides education and advocacy services in the greater Houston region related to its mission.

LINK's programs are presently pursuing three primary focus areas to address mobility equity as follows:

**Increase Transportation Access to Housing** - Through community engagement and data analysis, LINK advocates for high-quality, affordable, environmentally friendly transportation infrastructure – sidewalks, bikeways, and transit services – being within reach of the region's affordable housing. Many residents in Houston face a decreasing supply of affordable housing, increasing rents, and an eviction crisis. In order to address affordability for Houstonians, LINK advocates for decision-makers to consider housing and transportation costs together as they work on improving affordability and developing new housing.

**Ensure Inclusive Mobility** - LINK aims to improve the quantity and quality of mobility options, especially in communities of color where transportation infrastructure and service investments have lagged for decades. LINK continues to update and release the Equity in Transit reports to measure public transit progress and to provide data to community members to hold decision-makers accountable to the promises they make. LINK advocates for improvement to high-frequency transit in areas with high demand for affordable transportation; lives saved among people walking and biking; and affordable, zero-to-low carbon emissions mobility options, especially for communities of color.

**Keep Communities United** - LINK partners with residents and non-profit organizations to advocate for mitigation in the proposed North Houston Highway Improvement Project and other highway expansion projects. Through community engagement, LINK works closely with residents to impact decision-making systems influencing long-term transportation planning and funding in the region. The Keep Communities United program focuses on advocacy for investments in transportation infrastructure transform projects that maintain communities and provide access to important destinations.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States (GAAP). LINK follows the guidance in Accounting Standards for Not-For-Profit Entities. Accordingly, LINK is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

**Cash** - Cash consists of all cash in bank and brokerage accounts.

**Short Term Marketable Investments** - LINK presents its marketable investments in accordance with the authoritative standards regarding *Accounting for Certain Investments Held by Non Profit Organizations*. The standards require investments in marketable securities to be carried at fair market value.

**Grants Receivable** - Grants that are expected to be collected in more than one year have been discounted to reduce the expected cash flow to present value.

**Leases** - Leases with terms greater than 12 months are recorded as right of use assets and lease obligations in the statement of financial position.

**Equipment and Furniture** - Equipment and furniture and equipment are recorded at cost. Additions costing over \$500 are capitalized. Repairs are expensed. Depreciation is recorded on the straight-line over the estimated useful life of the asset for five years.

**Impairment of Long-Lived Assets** - The authoritative guidance requires that long-lived assets held and used be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The guidance has not materially affected LINK's reported financial position, activities or cash flows.

## LINK HOUSTON

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Contributions and Support** - Contributions in the form of cash and services are recorded as support in the period received and valued at fair market value at the date of donation. Conditional promises to give are not recognized until the condition on which it depends have been met. Services are performed for LINK by its board of directors who receive no compensation for their efforts. The value of their donated services is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for accounting recognition.

**Special Events**- LINK recognizes revenue from special events when the event has taken place.

**Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated. The most critical estimates are the functional allocation of expenses.

**Fair Value Measurements** - The financial statements follow the authoritative standards for *Fair Value Measurements*. The standards establish a single authoritative definition of fair value, set a framework for measuring fair value and require additional disclosures about fair value measurement. In accordance with the standards, LINK classifies its investments into Level 1, which refers to securities traded in an active market; Level 2, which refers to securities not traded in an active market but for which observable market inputs are readily available or Level 1 securities where there is a contractual restriction; and Level 3, which refers to securities not traded in an active market and for which no significant observable market inputs are available. At December 31, 2024, all of LINK's investments are considered Level 1. LINK did not elect the fair value option for measuring its other eligible assets and liabilities. The carrying amount of other financial instruments (composed primarily of cash, receivables and payables) approximates fair value because of the short maturity of those instruments and the ability to liquidate in a short time frame.

**Allocation of Expenses** - Expenditures incurred have been summarized on a functional basis and by natural categories in the Statement of Functional Expenses based on management's estimates.

**Federal Income Tax** - LINK is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization that normally receives a substantial part of its support from a government unit or from the general public as described in Section 170(b)(1)(A)(vi) and is other than a private foundation. Therefore, no provision for federal income tax has been included in these financial statements.

**Date of Management Review** - Subsequent events have been evaluated through June 16, 2025 which is the date the financial statements were available to be issued. Based on this evaluation, no adjustments are required to the financial statements.

#### NOTE 3 - SHORT TERM MARKETABLE INVESTMENTS

Short term investments at December 31, 2024 consist of \$1,360,617 of U.S. Treasury bills maturing on January 23, 2025 and are all considered Level 1. Upon maturity, they were redeemed and the funds were re- invested in U.S. Treasury bills. The short term investments are held in a portfolio managed by a third-party for LINK in order to provide LINK with both income and liquidity to conduct its programs.

U.S. Treasury bills are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes, to calculate fair values. This valuation method may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while LINK believes its valuation method is appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

## LINK HOUSTON

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

#### NOTE 4 - GRANTS RECEIVABLE

Grants receivable consist of the following at December 31, 2024:

Grants (due in 2025)	\$ 175,000
Discount	<u>(16,084)</u>
Net amount	<u>\$ 158,916</u>

The receivable consists of grants due from two organizations. Management has reviewed the collectability of the receivable and has determined an allowance for doubtful accounts is not needed.

#### NOTE 5 - EQUIPMENT AND FURNITURE

A summary of equipment and furniture at December 31, 2024 is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Equipment	\$ 15,355	\$ (12,339)	\$ 3,016
Furniture	<u>974</u>	<u>(974)</u>	<u>-</u>
	<u>\$ 16,329</u>	<u>\$ (13,313)</u>	<u>\$ 3,016</u>

#### NOTE 6 - CAPITAL OPERATING LEASE

LINK leased office facilities under an operating lease with an initial term of 25 months. The agreement provided for minimum lease payments and variable payments based on a proportionate share of facility operating expenses as defined in the agreement. The lease was recorded as a capital operating lease in accordance with the authoritative guidance. The lease was terminated in April 2024, and the associated right of use asset and capital operating lease obligation were removed from the statement of financial position. Amortization of the right of use asset for 2024 through the termination date amounted to \$7,490. Principal and interest paid on the capital operating lease obligation for 2024 through termination amounted to \$9,145 and \$424, respectively. As of the termination date, LINK entered into a common desk membership agreement for office space on a month-to-month basis.

#### NOTE 7 - CONTRIBUTIONS AND SUPPORT

Contributions and support recognized for the year ended December 31, 2024 are as follows:

Foundations and corporations	\$ 192,786
Board of directors	3,861
Others	<u>14,795</u>
	<u>\$ 211,442</u>

## LINK HOUSTON

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

#### NOTE 8 - INVESTMENT RETURN

Investment return for the year ended December 31, 2024 is as follows:

Interest income	\$ 44,442
Realized gain on redemptions of investment	66,221
Unrealized gain	11,029
Fees	<u>(2,430)</u>
	<u>\$ 119,262</u>

#### NOTE 9 - OTHER INCOME (EXPENSE)

LINK received a grant in October 2023 to support capital improvement costs associated with the Resilient Ecology Shade Transit (REST Stops) project. Due to a change in circumstances with an essential partner to the project, LINK was unable to complete the project as expected and within the grant timeline and therefore refunded the grant received in the amount of \$55,000 and is shown on the statement of activities as refunded grant.

#### NOTE 10 - INCOME TAX UNCERTAINTIES

LINK is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to Federal income taxes. LINK has reviewed its filing positions. LINK did not have any unrecognized tax positions that do not meet the more likely than not criterion. Accordingly, there was no effect on LINK's financial condition or results of operations for the period ended December 31, 2024.

#### NOTE 11 - DEFERRED COMPENSATION PLAN

LINK established a Savings Incentive Match Plan for Employees or SIMPLE IRA which covers all eligible employees. For the year ending December 31, 2024, LINK contributed \$14,083 to the plan.

#### NOTE 12 - CREDIT RISK CONCENTRATION

LINK maintains a cash balance at a financial institution. The account at the financial institution is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2024, its deposits at the bank exceeded the FDIC limits by approximately \$307,000. Management believes any credit risk is low due to the financial strength of the financial institution.

#### NOTE 13 - RISKS AND UNCERTAINTIES

The U.S. economy has experienced a significant amount of volatility. There is still uncertainty as to how this issue will impact the economy in future periods. LINK has robust management systems in place to both oversee the well-being of their stakeholders and react quickly to new economic conditions, however management cannot determine the short-term or long-term effect on operations.

**LINK HOUSTON**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 14 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects LINK's financial assets as of December 31, 2024, reduced by amounts not available for general use because of designations or certain restrictions within one year of the statement of financial position date.

Financial assets at December 31, 2024	\$	2,094,538
Less those unavailable for general expenditure within one year		
Donations restricted by time		158,916
Donations restricted by purpose		<u>10,000</u>
Financial assets available to meet cash needs for general expenditure within one year	\$	<u><u>1,925,622</u></u>

LINK has \$1,925,622 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures. LINK manages liquidity needed for operations primarily through budgets of monthly cash inflows and outflows. Cash outflows are planned accordingly so as to not exceed expected inflows.

**NOTE 15 - SUBSEQUENT EVENTS**

LINK has evaluated subsequent events through June 16, 2025, the date which the financial statements were available for issue. Based on the evaluation, no adjustments or additional disclosures were required by the accompanying financial statements.