Report of Independent Auditors and
Financial Statements

University Lab Partners

December 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
University Lab Partners

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of University Lab Partners, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years 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 University Lab Partners as of December 31, 2024 and 2023, and the results of its operations 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 (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 University Lab Partners and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 University Lab Partners' 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 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.

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 University Lab Partners' 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 University Lab Partners' 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.

Baker Tilly US, LLP

San Diego, California
June 24, 2025

Financial Statements

University Lab Partners
Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
ASSETS		
ASSETS		
Cash	$ 394,400	$ 239,382
Certificates of deposit, at fair value	605,557	810,160
Accounts receivable, net	150,594	119,397
Grants receivable	119,693	107,796
Prepaid expenses and other assets	279,373	209,710
Right-of-use asset	3,599,782	4,434,148
Property and equipment, net	2,050,414	2,274,966
Total assets	$ 7,199,813	$ 8,195,559
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 157,045	$ 306,044
Accrued expenses and other liabilities	444,626	505,896
Deferred revenue	117,059	58,505
Lease liability	3,992,261	4,846,758
Total liabilities	4,710,991	5,717,203
NET ASSETS		
Net assets without donor restrictions	2,488,822	2,478,356
Total net assets	2,488,822	2,478,356
Total liabilities and net assets	$ 7,199,813	$ 8,195,559

See accompanying notes.

University Lab Partners
Statements of Activities
Years Ended December 31, 2024 and 2023

	2024	2023
REVENUE AND SUPPORT WITHOUT DONOR RESTRICTIONS		
Resident fee revenue	$ 3,215,806	$ 3,442,555
Contract revenue	481,244	933,456
Workforce development revenue	299,409	214,203
Grant revenue	1,196,256	169,294
Contributions of cash	274,581	163,231
In-kind contributions	116,331	61,742
Other revenue	32,188	15,790
Total revenue and support without donor restrictions	5,615,815	5,000,271
EXPENSES		
Program services	2,859,573	3,048,369
General and administrative	2,463,480	1,825,876
Membership development	261,738	244,548
Fundraising	20,558	45,206
Total expenses	5,605,349	5,163,999
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	10,466	(163,728)
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning of year	2,478,356	2,642,084
End of year	$ 2,488,822	$ 2,478,356

See accompanying notes.

University Lab Partners
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
OPERATING ACTIVITIES		
Change in net assets	$ 10,466	$ (163,728)
Reconciliation to net cash provided by		
Operating activities		
Depreciation expense	409,170	377,316
Noncash lease expense	834,366	820,165
Credit loss expense	105,339	123,588
Changes in operating assets and liabilities		
Accounts receivable, net	(136,536)	(181,337)
Certificates of deposit	204,603	(810,160)
Grants receivable	(11,897)	(72,815)
Prepaid expenses and other assets	(69,663)	(12,739)
Accounts payable	(148,999)	55,909
Accrued expenses	(61,270)	133,791
Deferred revenue	58,554	37,599
Lease liability	(854,497)	(811,557)
Net cash provided by operating activities	339,636	(503,968)
INVESTING ACTIVITIES		
Purchases of property and equipment	(184,618)	(144,252)
Net cash used in investing activities	(184,618)	(144,252)
INCREASE (DECREASE) IN CASH	155,018	(648,220)
CASH		
Beginning of period	239,382	887,602
End of period	$ 394,400	$ 239,382
SUPPLEMENTAL NONCASH DISCLOSURES		
Purchases of fixed assets in AP	$ -	$ 159,462

See accompanying notes.