Financial Statements
December 31, 2025

Colorado UpLift, Inc.

(With Comparative Totals for 2024)

Independent Auditor's Report

To the Board of Directors
Colorado UpLift, Inc.
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Colorado Uplift, Inc., which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Colorado Uplift, Inc. as of December 31, 2025, 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 (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 Colorado Uplift, Inc. 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 Colorado Uplift, Inc.'s ability to continue as a going concern for 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 Colorado Uplift, Inc.'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 Colorado Uplift, Inc.'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 2024 financial statements of Colorado UpLift, Inc. and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 11, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended 2025 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Eide Bailly LLP

Denver, Colorado
[REPORT DATE]

	2025	2024
Assets		
Cash and cash equivalents	$ 1,213,573	$ 1,326,242
Investments	147,773	139,725
Contributions and grants receivable	406,421	163,758
Prepaid expenses and other assets	228,219	153,017
Cash restricted to capital expansion	2,929,974	-
Cash designated for operating reserve	750,000	750,000
Investments held for deferred compensation	304,582	270,131
Property and equipment, net	126,178	154,763
Operating lease right of use asset	142,416	376,534
Endowment		
Cash	169,047	235,219
Investment	1,753,879	1,511,767
Total assets	$ 8,172,062	$ 5,081,156
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 242,094	$ 318,926
Deferred compensation liability	304,582	270,131
Operating lease liability	138,939	467,338
Total liabilities	685,615	1,056,395
Net Assets		
Without donor restrictions		
Undesignated	1,075,511	620,627
Designated by the board for operating reserve	750,000	750,000
Invested in property and equipment, net	126,178	154,763
	1,951,689	1,525,390
With donor restrictions		
Time-restricted for future periods	333,009	189,592
Purpose restrictions	3,601,832	742,385
Perpetual in nature	1,599,917	1,567,394
	5,534,758	2,499,371
Total net assets	7,486,447	4,024,761
Total liabilities and net assets	$ 8,172,062	$ 5,081,156

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support, Revenue, and Gains				
Contributions and grants	$ 4,454,972	$ 3,530,642	$ 7,985,614	$ 5,407,990
In-kind contributions	19,100	-	19,100	-
Gross special event revenue	827,399	-	827,399	309,369
Less cost of direct benefits to donors	(231,759)	-	(231,759)	(95,715)
Net special event revenue	595,640	-	595,640	213,654
Net investment return	38,886	255,940	294,826	160,034
Interest and other income	4,000	-	4,000	8,530
Net assets released from restrictions	751,195	(751,195)	-	-
Total support, revenue, and gains	5,863,793	3,035,387	8,899,180	5,790,208
Expenses				
UpLift program	4,506,411	-	4,506,411	3,825,639
Administrative	506,622	-	506,622	441,808
Fundraising	424,461	-	424,461	453,980
Total expenses	5,437,494	-	5,437,494	4,721,427
Change in Net Assets	426,299	3,035,387	3,461,686	1,068,781
Net Assets, Beginning of Period	1,525,390	2,499,371	4,024,761	2,955,980
Net Assets, End of Period	$ 1,951,689	$ 5,534,758	$ 7,486,447	$ 4,024,761

Colorado UpLift, Inc.
Statement of Functional Expenses
Year Ended December 31, 2025
(with comparative totals for 2024)

	2025					2024
	UpLift Program	Administrative	Fundraising	Cost of Goods Sold	Total	Total
Salaries, taxes, and benefits	$ 2,871,155	$ 346,691	$ 247,920	$ -	$ 3,465,766	$ 2,980,936
Lift events and activities	376,031	-	-	-	376,031	348,832
Occupancy	259,243	24,824	12,367	-	296,434	272,380
Professional fees	126,340	42,758	100,027	-	269,125	228,016
Cost of direct benefits to donors	-	-	-	231,759	231,759	95,715
Insurance	187,350	17,940	8,937	-	214,227	195,770
Transportation	200,993	4,231	6,347	-	211,571	225,162
Information technology	173,668	16,630	8,284	-	198,582	159,159
Marketing and promotion	61,023	35,613	31,645	-	128,281	107,904
Other miscellaneous expenses	73,329	7,022	3,498	-	83,849	34,365
Depreciation and amortization	64,353	6,162	3,070	-	73,585	74,010
Scholarship expenses	47,729	-	-	-	47,729	23,051
Office supplies	27,175	2,602	1,296	-	31,073	28,290
Conferences and meetings	22,438	2,149	1,070	-	25,657	28,454
Assistance fund	15,584	-	-	-	15,584	15,098
Total expenses by function	4,506,411	506,622	424,461	231,759	5,669,253	4,817,142
Less expenses included with revenues on the statement of activities						
Cost of direct benefits to donors	-	-	-	(231,759)	(231,759)	(95,715)
Total expenses included in the expense section on the statement of activities	$ 4,506,411	$ 506,622	$ 424,461	$ -	$ 5,437,494	$ 4,721,427

Colorado UpLift, Inc.
Statement of Cash Flows
Year Ended December 31, 2025
(with comparative totals for 2024)

	2025	2024
Operating Activities		
Contributions received, net of amounts restricted for long-term purposes	$ 3,223,908	$ 5,409,769
Cash received from special events	827,399	309,369
Interest and dividends on operating investments	-	2,849
Cash paid for salaries, benefits and taxes	(3,507,212)	(2,961,819)
Cash paid to vendors	(2,315,671)	(1,855,319)
Net Cash from (used for) Operating Activities	(1,771,576)	904,849
Investing Activities		
Purchases of property and equipment	(45,000)	-
Proceeds of sale of property and equipment	4,000	8,530
Purchase of investments	(1,373,966)	(355,189)
Proceeds of sale of investments	3,007,701	733,047
Net Cash from Investing Activities	1,592,735	386,388
Financing Activities		
Collections of contributions restricted to building project	2,929,974	-
Net Cash from Financing Activities	2,929,974	-
Net Change in Cash, Cash Equivalents, and Restricted Cash	2,751,133	1,291,237
Cash and Cash Equivalents, and Restricted Cash		
Beginning of Year	2,311,461	1,020,224
End of Year	$ 5,062,594	$ 2,311,461
Cash and cash equivalents	$ 1,213,573	$ 1,326,242
Cash restricted to building project	2,929,974	-
Cash designated for operating reserve	750,000	750,000
Endowment cash	169,047	235,219
	$ 5,062,594	$ 2,311,461

Note 1 - Principal Activity and Significant Accounting Policies

Organization

Colorado UpLift, Inc. (UpLift, we, us, our) has been building long-term, life-changing relationships with urban youth in Denver since 1982. Full-time Teacher/Mentors walk with students year after year, starting in 4th grade and continuing into adulthood.

During the year ended December 31, 2025, UpLift taught In-School classes across Denver Metro Area schools, with students from more than 100 schools participating across our four areas of programming: In-School, After-School, Adventure, and College and Career. UpLift served 4,000+ students annually across Denver, Aurora, and Westminster. Our goal is to develop confident leaders by giving students the character growth, skill building, and positive relationships that prepare them for high school graduation, post-secondary enrollment, and life beyond.

Cash, Cash Equivalents, and Restricted Cash

We consider all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects and endowments that are perpetual in nature or held in our investment portfolio are excluded from this definition. Cash and highly liquid financial instruments designated by the Board of Directors for operating reserves are reported separately in the statement of financial position and are combined with cash, cash equivalents, and restricted cash for the statement of cash flows.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Contributions and Grants Receivable

We record unconditional contributions and grants receivable that are expected to be collected within one year at net realizable value. Unconditional contributions and grants receivable 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 discount is included in contribution revenue in the statement of activities. Allowance for uncollectable contributions and grants receivable is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions and grants receivable are written off when deemed uncollectable. At December 31, 2025, management believes the amount of uncollectible balances to be insignificant and no allowance is reflected in the financial statements. Contributions and grants receivable totaled $230,000 and $176,421, respectively, at December 31, 2025.

Property and Equipment

We record property and equipment additions over $1,000 and/or having a useful life exceeding one year at cost, or if donated, at estimated fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to ten years, or in the case of capitalized leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2025.

Right of Use Leased Assets and Liabilities

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent our right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

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 available for use in general operations and not subject to donor (or certain grantor) restrictions. From this classification, the governing board has designated net assets for operating reserves.

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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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 statement of activities as net assets released from restrictions. We report conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released when the assets are placed in service.

Revenue and Revenue Recognition

Contributions and grants are recognized when cash, securities or other assets, an unconditional contributions and grants receivable, or notification of a beneficial interest is received. Conditional contributions and grants receivable, 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. Grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position, if any.

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

In-Kind Contributions

In-kind contributions include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. We do not sell donated gifts-in-kind. In addition to in-kind contributions, 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. In-kind contributions totaling $19,100 were received during the year ended December 31, 2025.

In-kind contributions represent contributed legal services provided by attorneys who advise us on various administrative legal matters. Contributed legal services are used for administrative activities and are recognized at fair value based on current rates for similar legal services. In-kind contributions received during the year ended December 31, 2025 were without donor restrictions.

Advertising Costs

Advertising costs are expensed as incurred and totaled $57,310 during the year ended December 31, 2025 and are included in marketing and promotion on the statement of functional expenses.

Functional Allocation of Expenses

The costs of conducting our program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. 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 salaries, taxes, and benefits, occupancy, insurance, transportation, information technology, marketing and promotion, depreciation and amortization, other miscellaneous expenses, office supplies, and conferences and meetings, which are all allocated on the basis of time and effort.

Income Taxes

UpLift is organized as a Colorado 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. Uplift is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, Uplift is subject to income tax on net income that is derived from business activities that are unrelated to our exempt purpose. We have 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.

We believe that we have appropriate support for any tax positions taken affecting our annual filing requirements, and as such, do not have any uncertain tax positions that are material to the financial statements. UpLift would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us 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 revenues 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 our cash and money market accounts with various financial institutions considered by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. We maintain cash in the bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2025, we had no amounts in excess of FDIC insured limits. To date, we have not experienced losses in any of these accounts. Credit risk associated with contributions and grants receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, organizations, and foundations supportive of our mission.

Investments are made by diversified investment managers whose performance is monitored by management 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 believe that the investment policies and guidelines are prudent for the long-term welfare of UpLift.

Subsequent Events

We have evaluated subsequent events through [REPORT DATE], the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following at December 31, 2025:

Cash and cash equivalents	$ 761,715
Investments	147,773
Contributions and grants receivable	186,421
Endowment spending-rate appropriation	90,000
	$ 1,185,909

Our cash and cash equivalents balance includes donor-restricted funds of $451,858 (excluding those restricted by donors for Campus Capital which are not available for general operations), which are excluded from the amount above.

The Board of Directors has designated from net assets without donor restrictions $750,000 as an operating reserve. Distributions from the operating reserve may be made at the discretion of the Board of Directors, if necessary. Our endowment funds are restricted by donors for investment in perpetuity. Earnings on the endowment funds in the amount of $323,009 are available for appropriation for our unrestricted use in accordance with our spending policy.

Note 3 - Fair Value Measurements and Disclosures

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs. We had no Level 2 investments at December 31, 2025.

Level 3 – Unobservable inputs for the asset. In these situations, we develop inputs using the best information available in the circumstances. We had no Level 3 investments at December 31, 2025.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to UpLift’s assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they are comprised of mutual funds, exchange traded and closed end funds, and fund of funds with readily determinable fair values based on quoted market prices for identical securities in active markets and daily redemption values.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at December 31, 2025:

		Fair Value Measurements at Report Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Cash and money market funds (at cost)	$ 3,775	$ -	$ -	$ -
Mutual funds - bond	8,164	8,164	-	-
Exchange traded and closed end funds	135,834	135,834	-	-
	$ 147,773	$ 143,998	$ -	$ -
Investments held for deferred compensation				
Mutual funds				
Domestic equities	$ 139,402	$ 139,402	$ -	$ -
International equities	23,617	23,617	-	-
Bond	141,563	141,563	-	-
	$ 304,582	$ 304,582	$ -	$ -
Endowment Investments				
Cash and money market funds (at cost)	$ 4,715	$ -	$ -	$ -
Fund of funds	1,749,164	1,749,164	-	-
	$ 1,753,879	$ 1,749,164	$ -	$ -

Note 4 - Contributions and Grants Receivable

Contributions and grants receivable of $406,421 are estimated to be collected within one year, therefore no discount is recorded for the year ended December 31, 2025.

At December 31, 2025, two grantors accounted for 82% of total contributions and grants receivable. These grantors do not constitute a significant portion of revenue. During the year ended December 31, 2025, 45% of contribution revenue came from members of the Board of Directors.

Note 5 - Property and Equipment

Property and equipment consist of the following at December 31, 2025:

Furniture and office equipment	$ 139,196
Technology	250,919
Vehicles	372,742
	762,857
Less accumulated depreciation and amortization	(636,679)
	$ 126,178

Note 6 - Leases

During the year ended December 31, 2025, we leased our office and some vehicles under long-term non-cancelable operating lease agreements. Our office lease ended in December 2025. Our office lease provided for increases in future minimum annual rental payments and required us to pay real estate taxes, insurance, and repairs. Vehicle leases expire at different times through fiscal year 2028.

The weighted average discount rate is based on the discount rate implicit in the lease. We have elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable.

Total lease costs for the year ended December 31, 2025 were as follows:

Operating lease cost	$ 316,173

The following summarizes the supplemental cash flow information for the year ended December 31, 2025:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	$ 410,454
Right-of-use assets obtained in exchange for lease liabilities	
Operating leases	74,130

The following summarizes the weighted-average remaining lease term and weight-average discount rate for our operating leases:

Weighted-average remaining lease term (years):	1.99
Weighted-average discount rate:	3.98%

The future minimum lease payments under non-cancelable operating leases with terms greater than one year are listed below as of December 31, 2025:

Year Ending December 31,	
2026	$ 78,244
2027	49,487
2028	13,103
Total lease payments	140,834
Less interest	(1,895)
Present value of operating lease liability	$ 138,939

Note 7 - Endowment

We have two endowment funds (the Endowment) established by donors to provide discretionary operating income on an as-needed basis as well as to support our strategic plan and growth initiatives. The Endowment includes only donor-restricted funds, as the Board of Directors has not designated any of our net assets without donor restriction to function as endowment. Net assets associated with the Endowment are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. At December 31, 2025, there were no contrary donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment, and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

The composition of the Endowment with donor restrictions is as follows at December 31, 2025:

Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	$ 1,599,917
Accumulated investment gains	323,009
	$ 1,922,926

Investment and Spending Policies

Investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments.

We have a policy of appropriating for distribution each year a portion of the accumulated earnings in excess of fair value of the original gift to the Endowment as is necessary to fund discretionary expenses as determined by the Board of Directors. In establishing this policy, we considered the long-term expected return on our Endowment. In addition, one of the endowment funds stipulates that spending from underwater endowment be suspended when the fair value of the underlying investments fall below 80% of the original gift value. Accordingly, over the long term, we expect the current spending policy to preserve the fair value of the original gifts made to the Endowment. This is consistent with our objective to preserve the fair values of the original gifts made to the Endowment while providing an opportunity for real growth through new gifts and undistributed investment return.

Changes in Endowment with donor restrictions for the year ended December 31, 2025 are as follows:

Endowment net assets, beginning of year	$ 1,746,986
Net investment return	255,940
Appropriation	(80,000)
Endowment net assets, end of year	$ 1,922,926

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2025:

Subject to the passage of time	$ 10,000
Subject to expenditure for specified purpose	
Scholarships	93,968
High School Support Services	357,219
Tijuana Service Trip	671
Campus expansion	2,929,974
Promises to give, the proceeds from which have been restricted by donors for campus expansion	220,000
Endowment	
Subject to appropriation and expenditure	
Available for general use	323,009
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation	1,599,917
Total endowment	1,922,926
	$ 5,534,758

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the passage of time as follows during the year ended December 31, 2025:

Endowment appropriation	$ 80,000
Expiration of time restrictions	10,000
Satisfaction of purpose restrictions:	
High School Support Services	651,851
Tijuana Service Trip	9,344
	$ 751,195

Note 9 - Employee Benefits

We sponsor a tax-deferred annuity plan (the Plan) qualified under Section 403(b) of the Internal Revenue Code (IRC) covering substantially all full-time employees. The Plan covers all full-time employees immediately upon hire and employees are vested 100% immediately at all times. Employees may make voluntary contributions to the Plan up to the maximum amount allowed by the IRS. We match employee contributions equal to 100% of each participant's elective deferrals but not to exceed 6% of the participants compensation. During the year ended December 31, 2025, we contributed $111,934 to the Plan.

We sponsor a deferred compensation plan pursuant to section 457(b) of the IRC. Participants may make voluntary contributions to the plan up to the maximum amount allowed by the IRS. UpLift does not contribute to the plan.

Note 10 - Campus Capital Expansion

During the year, we embarked on a capital campaign for campus expansion, resulting in acquisition of a real property located in Aurora, Colorado. Subsequent to year end, we purchased a building for approximately $6,000,000 that will serve as our main operating and programmatic facility going forward. As part of the transaction, we entered into the following agreements:

Loan Agreement

To finance the acquisition, we entered into a note payable with a bank with an original principal balance of approximately $3,000,000, secured by a deed of trust on the property and an assignment of rents.

As part of the transaction, various closing costs, including title, legal, and brokerage fees, were incurred and capitalized as part of the acquisition.

Lease Agreement

Concurrent with the purchase, we entered into a lease agreement with the seller for continued occupancy of a portion of the property. The lease has an initial term of six years commencing January 8, 2026, with annual base rent escalating after the first year.

We also assumed and/or entered into various agreements associated with the property, including utilities, maintenance, and other operational contracts transferred as part of the acquisition.