

**LEAVE NO TRACE CENTER FOR
OUTDOOR ETHICS**

Financial Statements For The Years Ended
December 31, 2024 and 2023

Together With Independent Auditors' Report

JDS professional
group
certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Leave No Trace Center For Outdoor Ethics:

Opinion

We have audited the accompanying financial statements of Leave No Trace Center For Outdoor Ethics (the "Organization"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in net assets 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 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.

Independent Auditors' Report (Continued)

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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

Independent Auditors' Report (Continued)

- 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 the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to 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

JDS Professional Group

November 5, 2025

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Statements Of Financial Position
As Of December 31, 2024 And 2023

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ASSETS	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 148,975	\$ 71,364
Accounts receivable, net of allowance	132,978	98,712
Government grants receivable	216,864	131,063
Promises to give, net of discount	55,705	19,180
Investments	132,132	469,808
Prepayments	22,693	18,694
Inventory, net of allowance	89,445	110,650
Property and equipment, net of accumulated depreciation	<u>1,587,589</u>	<u>1,613,322</u>
TOTAL ASSETS	<u><u>\$ 2,386,381</u></u>	<u><u>\$ 2,532,793</u></u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 70,717	\$ 83,275
Accrued liabilities	42,700	49,217
Refundable advance	152,638	
Deferred revenue	245,507	100,121
Note payable, net of debt issuance costs	<u>1,136,341</u>	<u>1,161,583</u>
Total Liabilities	<u>1,647,903</u>	<u>1,394,196</u>
Net Assets:		
Without donor restrictions -		
Undesignated	690,568	860,211
Designated for future operations		<u>255,000</u>
Total Without Donor Restrictions	<u>690,568</u>	<u>1,115,211</u>
With donor restrictions	<u>47,910</u>	<u>23,386</u>
Total Net Assets	<u>738,478</u>	<u>1,138,597</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,386,381</u></u>	<u><u>\$ 2,532,793</u></u>

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

LEAVE NO TRACE CENTER FOR OUTDOOR ETHICS

Statement Of Activities

For The Year Ended December 31, 2024

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	Without Donor Restrictions	With Donor Restrictions	2024 Total
Support and Revenue:			
Support -			
Contributions and grants	\$ 1,911,936	\$ 44,004	\$ 1,955,940
Contributions of nonfinancial assets	142,379		142,379
Total Support	<u>2,054,315</u>	<u>44,004</u>	<u>2,098,319</u>
Revenue -			
Service fees	582,640		582,640
Sales revenue	160,263		
Less: Cost of goods sold	<u>(88,740)</u>		<u>71,523</u>
Investment income	13,676		13,676
Other income	84,866		84,866
Net assets released from restrictions -			
Satisfaction of program restrictions	19,480	(19,480)	
Total Revenue	<u>2,826,500</u>	<u>24,524</u>	<u>2,851,024</u>
Expenses:			
Program Services -			
Education and outreach	2,643,435		2,643,435
Supporting Services -			
General and administrative	291,888		291,888
Fundraising	315,820		315,820
Total Supporting Services	<u>607,708</u>		<u>607,708</u>
Total Expenses	<u>3,251,143</u>		<u>3,251,143</u>
CHANGES IN NET ASSETS FROM OPERATIONS	(424,643)	24,524	(400,119)
Net Assets, Beginning Of Year	<u>1,115,211</u>	<u>23,386</u>	<u>1,138,597</u>
NET ASSETS, END OF YEAR	<u>\$ 690,568</u>	<u>\$ 47,910</u>	<u>\$ 738,478</u>

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

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Statement Of Activities

For The Year Ended December 31, 2023

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	Without Donor Restrictions	With Donor Restrictions	2023 Total
Support and Revenue:			
Support -			
Contributions and grants	\$ 1,972,652	\$ 10,979	\$ 1,983,631
Contributions of nonfinancial assets	234,066		234,066
Total Support	<u>2,206,718</u>	<u>10,979</u>	<u>2,217,697</u>
Revenue -			
Service fees	630,538		630,538
Sales revenue	187,407		
Less: Cost of goods sold	<u>(96,844)</u>		
Investment income	22,044		22,044
Other income	22,896		22,896
Net assets released from restrictions -			
Satisfaction of program restrictions	3,635	(3,635)	
Total Revenue	<u>2,976,394</u>	<u>7,344</u>	<u>2,983,738</u>
Expenses:			
Program Services -			
Education and outreach	2,414,505		2,414,505
Supporting Services -			
General and administrative	313,709		313,709
Fundraising	349,331		349,331
Total Supporting Services	<u>663,040</u>		<u>663,040</u>
Total Expenses	<u>3,077,545</u>		<u>3,077,545</u>
CHANGES IN NET ASSETS FROM OPERATIONS	(101,151)	7,344	(93,807)
Net Assets, Beginning Of Year	<u>1,216,362</u>	<u>16,042</u>	<u>1,232,404</u>
NET ASSETS, END OF YEAR	<u>\$ 1,115,211</u>	<u>\$ 23,386</u>	<u>\$ 1,138,597</u>

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

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Statement Of Functional Expenses
For The Year Ended December 31, 2024

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	<u>Program Services</u>	<u>General Admin.</u>	<u>Fundraising</u>	<u>2024 Total</u>
Salaries	\$ 1,286,496	\$ 207,191	\$ 174,264	\$ 1,667,951
Staff benefits	156,775	25,249	21,236	203,260
Retirement plan	29,872	4,811	4,046	38,729
Payroll taxes	105,492	16,990	14,290	136,772
Total salaries and related expenses	<u>1,578,635</u>	<u>254,241</u>	<u>213,836</u>	<u>2,046,712</u>
Advertising and marketing	8,306		8,306	16,612
Auto expense	45,923	2,417		48,340
Communications	13,719			13,719
Depreciation	30,105	2,451	3,446	36,002
Educational programs	480,901			480,901
Fundraising events	14,394		14,394	28,788
Insurance	45,439	3,700	5,201	54,340
Interest expense	43,774	6,210	8,987	58,971
Meetings	9,460	770	1,083	11,313
Membership program expense	35,354		35,354	70,708
Office expense	32,393	2,637	3,709	38,739
Postage and shipping	26,013	3,251	3,251	32,515
Printing	2,554	209	292	3,055
Professional fees	114,807	12,756		127,563
Software subscriptions	11,413	929	1,306	13,648
Storage	3,972			3,972
Travel	137,255	1,038	14,804	153,097
Utilities	9,018	1,279	1,851	12,148
Total	<u>\$ 2,643,435</u>	<u>\$ 291,888</u>	<u>\$ 315,820</u>	<u>\$ 3,251,143</u>

The accompanying notes are an integral part of the financial statements

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Statement Of Functional Expenses
For The Year Ended December 31, 2023

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	<u>Program Services</u>	<u>General Admin.</u>	<u>Fundraising</u>	<u>2023 Total</u>
Salaries	\$ 1,179,524	\$ 213,697	\$ 172,073	\$ 1,565,294
Staff benefits	136,752	24,776	19,950	181,478
Retirement plan	26,461	4,794	3,860	35,115
Payroll taxes	93,959	17,023	13,707	124,689
Total salaries and related expenses	<u>1,436,696</u>	<u>260,290</u>	<u>209,590</u>	<u>1,906,576</u>
Advertising and marketing	36,692		36,692	73,384
Auto expense	56,010	2,948		58,958
Communications	13,010			13,010
Depreciation	35,438	3,250	4,419	43,107
Educational programs	213,406			213,406
Facilities	16,051			16,051
Fundraising events	26,975		26,975	53,950
Insurance	36,846	3,379	4,594	44,819
Interest expense	45,330	6,192	8,418	59,940
Meetings	17,864	1,639	2,228	21,731
Membership program expense	31,909		31,908	63,817
Office expense	27,052	2,481	3,373	32,906
Postage and shipping	31,200	3,900	3,900	39,000
Printing	3,664	336	457	4,457
Professional fees	234,684	26,076		260,760
Software subscriptions	13,096	1,201	1,633	15,930
Storage	3,748			3,748
Travel	127,110	962	13,710	141,782
Utilities	7,724	1,055	1,434	10,213
Total	<u>\$ 2,414,505</u>	<u>\$ 313,709</u>	<u>\$ 349,331</u>	<u>\$ 3,077,545</u>

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

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Statements Of Cash Flows

For The Years Ended December 31, 2024 And 2023

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	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Changes in net assets from operations	\$ (400,119)	\$ (93,807)
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	36,002	43,107
(Gain) loss on disposal of assets	(2,841)	1,036
Amortization of debt issuance fees	911	911
Changes in assets and liabilities:		
(Increase) in accounts receivable	(34,266)	(68,372)
(Increase) decrease in government grants receivable	(85,801)	30,276
(Increase) in promises to give	(36,525)	(6,965)
(Increase) in prepayments	(3,999)	(6,142)
(Increase) decrease in inventory	21,205	(9,426)
Increase (decrease) in accounts payable	(12,564)	35,880
Increase (decrease) in accrued liabilities	(6,516)	2,773
Increase (decrease) in refundable advances	152,638	(197,656)
Increase in deferred revenue	145,386	12,237
Net cash (used in) operating activities	<u>(226,489)</u>	<u>(256,148)</u>
Cash flows from investing activities		
Acquisition of property and equipment	(11,043)	(27,540)
Proceeds from sale of property and equipment	3,615	240
Purchases of investments	(201,953)	(469,808)
Proceeds from sales of investments	539,629	
Net cash provided by (used in) investing activities	<u>330,248</u>	<u>(497,108)</u>
Cash flows from financing activities		
Payments on note payable	(26,148)	(25,190)
Net cash (used in) investing activities	<u>(26,148)</u>	<u>(25,190)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	77,611	(778,446)
Cash And Cash Equivalents, Beginning Of Year	<u>71,364</u>	<u>849,810</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 148,975</u>	<u>\$ 71,364</u>
Supplemental Cash Flow Information:		
Interest paid	<u>\$ 59,058</u>	<u>\$ 59,028</u>

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

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Notes To Financial Statements
For The Years Ended December 31, 2024 And 2023

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(1) **Nature Of Organization**

Leave No Trace Center for Outdoor Ethics (the “Organization”) was incorporated as a not-for-profit organization in 1994. The Organization teaches people of all ages how to enjoy the outdoors responsibly, and is the most widely accepted outdoor ethics program used on public lands. Through relevant and targeted education, research and outreach, the Organization ensures the long-term health of our natural world. In its simplest form, Leave No Trace is about making good decisions to protect the world around you - the world we all enjoy.

The Organization’s major sources of revenue are contributions and grants.

(2) **Summary Of Significant Accounting Policies**

Method Of Accounting

The financial statements of the Organization have been prepared on the accrual basis.

Basis Of Accounting

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and with donor restrictions as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement 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.

Cash And Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash demand deposits and all highly liquid debt instruments with an original maturity of three months or less.

Accounts Receivable

The Organization's policy for charging off receivables is when future payments thereon are determined to be improbable. In determining the amount of the allowance as of the statement of financial position date, the Organization develops a loss rate. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions and based on a specific assessment of the creditworthiness of each customer. As of December 31, 2024 and 2023, there was an allowance for credit losses on accounts receivable balances of \$1,000. Additionally, there was no change in this allowance during the year ended December 31, 2024.

Fair Value Measurements

The Organization follows fair value measurements which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value.

Certificates of deposit: The fair value of the certificates of deposit is based on amortized cost or original cost plus accrued interest.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

The carrying amount reported in the statement of financial position for cash and cash equivalents, accounts receivable, government grants receivable, accounts payable, and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Inventory

Inventory consists of educational and promotional items held for resale and for promotional distribution purposes. Items include skills and ethics booklets, pamphlets, reference cards, shirts, hats, mugs, and other similar products. Inventory is recorded at the lower of cost or net realizable value. Inventory is presented net of an allowance for obsolete inventory of \$2,000 and \$9,000, as of December 31, 2024 and 2023, respectively.

Property And Equipment

Property and equipment are stated at cost or at fair market value in the case of donated items. The Organization capitalizes purchases greater than \$500. Depreciation is provided using the straight-line method over estimated useful lives as follows:

Property and equipment	3 to 10 years
Building and improvements	30 years

Measure Of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non operating activities. Operating activities consists of those items attributable to the Organization's ongoing program services and investment income. Nonoperating activities are limited to resources that generate other activities considered to be of a more unusual or nonrecurring nature.

Revenue And Revenue Recognition

The Organization recognizes revenue from sales of educational and promotional items as items are sold (point in time). Revenue is recognized on service fees as courses are completed or services are performed (over time) or as performance obligations are met (point in time). As of December 31, 2024 and 2023, in regards to service fees, the timing of transfer of goods or services over time was \$413,640 and \$500,538 and at a point in time was \$169,000 and \$130,000, respectively. Other income is recognized at a point in time when the event is held or as performance obligations are met. Payment is due within 30 days of invoice date.

The Organization recognizes contributions when cash, securities or other assets; or an unconditional promise to give is received. Unconditional promises are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in more than one year are initially recorded at fair value. That fair value is computed using a present value technique applied to anticipated cash flows discounted using a risk-free interest rate of 2.64% return, which as of December 31, 2024 and 2023, amounted to \$0 and \$820. Amortization of the resulting discount is recognized as additional contribution revenue in subsequent periods.

Conditional promises to give with a measurable performance or other barrier and a right of return/right of release are not recognized until the conditions on which they depend have been met. As of December 31, 2024 and 2023, the Organization received advances on conditional promises to give of \$152,638 and \$0, respectively, which is recognized in the statement of financial position as a refundable advance.

A portion of the Organization's revenue is derived from cost-reimbursable government grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. As of December 31, 2024 and 2023, the Organization received cost-reimbursable grants of \$18,893 and \$106,758, respectively, which have not been recognized, because qualifying expenditures have not yet been incurred.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All

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other donor-restricted support is reported as an increase in net assets with donor restrictions. When a 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 statement of activities as net assets released from restrictions.

Contributed nonfinancial assets 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.

Shipping And Handling Costs

Freight billed to customers is considered sales revenue and the related freight costs as postage and shipping included in program services. For the years ended December 31, 2024 and 2023, freight costs amounted to \$22,134 and \$23,469, respectively.

Advertising

The Organization expenses advertising costs when incurred.

Methods Used For Allocation Of Expenses From Management And General Activities

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Accordingly, certain expenses require allocation on a reasonable and consistently applied basis. Such allocations are determined by management and include the following:

<u>Time and Effort</u>	<u>Full-Time Equivalents</u>
Salaries and benefits	Communications
Advertising and marketing	Depreciation
Auto expense	Insurance
Educational programs	Meetings
Fundraising events	Interest
Membership program expense	Office expense
Postage and shipping	Printing
Professional fees	Rent
Storage	Amortization
Travel	Software subscriptions
	Utilities

Evaluation Of Subsequent Events

The Organization has performed an evaluation of subsequent events through November 5, 2025, which is the date the financial statements were available to be issued, and has considered any relevant matters in the preparation of the financial statements and footnotes.

(3) Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes has been provided. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Accordingly, the accompanying financial statements contain no provision for income taxes.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization 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.

The Organization is no longer subject to U.S. federal tax audits on its Form 990 by taxing authorities for years ending prior to December 31, 2021. The years subsequent to this year contain matters that could be subject to differing interpretations of applicable tax laws and regulations. Although the outcome of tax audits is uncertain, the Organization believes no material issues would arise.

(4) Concentrations

During the year ended December 31, 2024 and 2023, the Organization received 20% and 25% of its total revenue from one contributor, respectively. The contributor has been a major sponsor of the Organization since 1999.

The Organization's cash demand deposits are held at financial institutions at which deposits are insured up to \$250,000 by the FDIC. As of December 31, 2024, the Organization did not exceed the FDIC limit.

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Notes To Financial Statements (Continued)

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(5) Investments

The Organization's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2024, and 2023 were investments in certificates of deposit classified as a Level 1 investment of \$132,132 and \$469,808, respectively.

(6) Property And Equipment

Property and equipment as of December 31, 2024 and 2023, consisted of the following:

	<u>2024</u>	<u>2023</u>
Furniture and equipment	\$ 153,665	\$ 170,679
Building	331,014	331,014
Land	1,237,000	1,237,000
	<u>1,721,679</u>	<u>1,738,693</u>
Less: accumulated depreciation	(134,090)	(125,371)
Property and equipment, net	<u>\$ 1,587,589</u>	<u>\$ 1,613,322</u>

(7) Notes Payable

Elevations Credit Union:

The note accrues interest based on a variable interest rate based on the Index (currently 2.97% at the commencement of the note) plus a margin of 2.03%. Resulting in an initial interest rate of 5%. Principal and interest payments of \$7,018 shall be due and payable monthly. The note matures on August 22, 2032 with a balloon payment of \$890,491. The note is secured by the property as well as Organization's accounts, inventory, equipment, fixtures, goods, and intangibles.

	<u>2024</u>	<u>2023</u>
	\$ 1,140,596	\$ 1,166,750

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Notes To Financial Statements (Continued)

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Future maturities of the notes payable as of December 31, 2024, is as follows:

Year ended December 31,		
2025	\$	27,825
2026		29,429
2027		30,745
2028		32,169
2029		33,964
Thereafter		986,464
Total		<u>1,140,596</u>
Less: unamortized debt issuance costs		(4,255)
	\$	<u><u>1,136,341</u></u>

(8) Net Assets With Donor Restrictions

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

<u>Subject to expenditure for specified purpose:</u>	<u>2024</u>	<u>2023</u>
Scholarships	\$ 6,205	\$ 4,206
Time restrictions	41,705	19,180
	<u>\$ 47,910</u>	<u>\$ 23,386</u>

(9) Contribution Of Nonfinancial Assets

Gifts-In-Kind

The Organization received gifts-in-kind for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Membership shirts	\$ 10,670	\$ 14,134
Equipment	69,350	56,153
Professional services	62,359	163,779
Total gifts-in-kind	<u>\$ 142,379</u>	<u>\$ 234,066</u>

During the year ended December 31, 2024 and 2023, a donation was received for membership shirts which was valued using U.S. retail prices (principal market) of identical products. \$5,335 and \$7,067 was used for program and \$5,335 and \$7,067 was used for fundraising purposes, respectively.

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Contributed equipment consisted of team outfitting equipment and vehicle use of Subaru vehicles for one year. Contributed equipment was valued using estimated U.S. retail prices (principal market) of identical products or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution. Contributed equipment was used to support the Traveling Trainer program.

All gifts-in-kind received by the Organization for the year ended December 31, 2024 and 2023, were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

During the year ended December 31, 2024, in-kind services had \$56,123 reflected in the program expenses and \$6,236 reflected in general and administrative expenses. During the year ended December 31, 2023, in-kind services had \$147,401 reflected in the program expenses and \$16,378 reflected in general and administrative expenses. In-kind services were contributed legal services and are recognized at fair value based on current rates for similar legal services.

(10) Liquidity And Availability Of Financial Assets

The following reflects the Organization’s financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor imposed restrictions within one year of the statement of financial position date.

Financial assets, at year-end	2024	2023
Cash and cash equivalents	\$ 148,975	\$ 71,364
Accounts receivable, net	132,978	98,712
Government grants receivable	216,864	131,063
Promises to give, net	55,705	19,180
Investments	132,132	469,808
Total financial assets	686,654	790,127
Less those unavailable for general expenditures within one year, due to:		
Board designated reserve - for future operations		255,000
Financial assets available to meet cash needs for general expenditures within one year	\$ 686,654	\$ 535,127

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Occasionally, the Board designates a portion of any operating surplus to its net assets designated for future operations, which as of December 31, 2024 and 2023, was \$0 and \$255,000, respectively. This reserve may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

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(11) **Expenses**

Total expenses incurred are as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Total expenses reported by function	\$ 3,251,143	\$ 3,077,545
Cost of goods sold	88,740	96,844
Total expenses	<u>\$ 3,339,883</u>	<u>\$ 3,174,389</u>

(12) **Retirement Plan**

The Organization maintains a SIMPLE IRA retirement plan for its eligible employees who can contribute the lesser of their gross wages or the maximum contribution limit established annually by the IRS. The Organization contributes the lesser of 3% of the eligible employees' gross wages or the employees' contributed amount. The Organization contributed \$38,729 and \$35,115 to the SIMPLE IRA for the years ended December 31, 2024 and 2023, respectively.

(13) **Memorandum Of Understanding**

The Organization entered into a Memorandum Of Understanding agreement ("MOU") with the United States Department of Agriculture - Forest Service; United States Department of the Interior - Bureau of Land Management; National Park Service; and United States Fish and Wildlife Service, and United States Department of Defense - United States Army Corps of Engineers. The MOU allows the Organization to use the Leave No Trace name and trademarks, including the words "Leave No Trace" in any form of lettering for its programs, with prior written approval required in some cases. The MOU may be amended upon written agreement of both parties and either party may terminate this MOU after 60 days written notice.