

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**



**AMATICS**  
CPA GROUP

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Warriors & Quiet Waters Foundation, Inc. and Subsidiary  
Bozeman, Montana

### Opinion

We have audited the accompanying financial statements of Warriors & Quiet Waters Foundation, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Warriors & Quiet Waters Foundation, Inc. and Subsidiary as of December 31, 2024 and 2023, and the changes in their net assets and their 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 Warriors & Quiet Waters Foundation, Inc. and Subsidiary and to meet our 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Warriors & Quiet Waters Foundation, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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.



### **Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

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 consolidated 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 Warriors & Quiet Waters Foundation, Inc. and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Warriors & Quiet Waters Foundation, Inc. and Subsidiary'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.



Bozeman, Montana  
July 23, 2025

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		December 31	
		2024	2023
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$	799,096	\$ 538,104
Certificate of deposit		26,573	24,921
Pledges receivable - current portion		220,000	283,356
Accounts receivable		11,705	11,592
Inventory		192,351	100,384
Prepaid expenses		90,828	145,655
		1,340,553	1,104,012
<b>FIXED ASSETS</b>			
Land		2,757,735	2,757,735
Buildings		4,200,842	4,193,922
Improvements		1,783,425	1,773,089
Furniture and equipment		808,909	797,288
		9,550,911	9,522,034
Less accumulated depreciation		(2,061,990)	(1,804,653)
		7,488,921	7,717,381
<b>OTHER ASSETS</b>			
Pledges receivable, net of discount and current portion		298,889	24,468
Investments		19,670,284	15,050,641
		19,969,173	15,075,109
Totals	\$	28,798,647	\$ 23,896,502

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)**

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 59,326	\$ 127,590
Payroll liabilities	1,194	4,216
Short-term note payable	-	750,000
Deferred revenue	10,000	103,500
Accrued vacation	57,697	52,938
Current portion of note payable	28,407	27,249
	156,624	1,065,493
<b>LONG-TERM LIABILITIES</b>		
Gift annuity obligations	118,834	99,967
Note payable - net of current portion and unamortized debt issuance costs	809,713	864,926
	928,547	964,893
<b>NET ASSETS</b>		
Without donor restrictions:		
Board designated reserve fund	1,340,000	1,340,000
Board designated for endowment	207,102	570,673
Undesignated	9,046,473	8,476,696
With donor restrictions	17,119,901	11,478,747
	27,713,476	21,866,116
Totals	\$ 28,798,647	\$ 23,896,502

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year ended December 31, 2024

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Totals</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 2,341,897	\$ 5,655,693	\$ 7,997,590
Bad debt loss	-	(10,000)	(10,000)
Special events income	1,010,128	-	1,010,128
Sales income	6,490	-	6,490
Rental revenues	75,192	-	75,192
Investment return, net	363,855	1,178,260	1,542,115
In-kind support	285,901	-	285,901
Gain on disposal of assets	24,568	-	24,568
Satisfaction of usage restrictions	<u>1,182,799</u>	<u>(1,182,799)</u>	<u>-</u>
Total revenue and support	<u>5,290,830</u>	<u>5,641,154</u>	<u>10,931,984</u>
<b>EXPENSES</b>			
Program services	3,615,882	-	3,615,882
Administration	332,522	-	332,522
Fundraising	<u>1,136,220</u>	<u>-</u>	<u>1,136,220</u>
Total expenses	<u>5,084,624</u>	<u>-</u>	<u>5,084,624</u>
<b>CHANGE IN NET ASSETS</b>	206,206	5,641,154	5,847,360
Net assets at beginning of year	<u>10,387,369</u>	<u>11,478,747</u>	<u>21,866,116</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$ 10,593,575</u></u>	<u><u>\$ 17,119,901</u></u>	<u><u>\$ 27,713,476</u></u>

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year ended December 31, 2023

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Totals</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 2,287,091	\$ 1,404,333	\$ 3,691,424
Bad debt loss	-	(2,770)	(2,770)
Special events income	711,716	-	711,716
Sales income	2,671	-	2,671
Rental revenues	67,613	-	67,613
Investment return, net	391,045	1,233,961	1,625,006
In-kind support	184,145	-	184,145
Loss on disposal of assets	(8,522)	-	(8,522)
Satisfaction of usage restrictions	<u>774,247</u>	<u>(774,247)</u>	<u>-</u>
Total revenue and support	<u>4,410,006</u>	<u>1,861,277</u>	<u>6,271,283</u>
<b>EXPENSES</b>			
Program services	2,856,779	-	2,856,779
Administration	291,984	-	291,984
Fundraising	<u>941,422</u>	<u>-</u>	<u>941,422</u>
Total expenses	<u>4,090,185</u>	<u>-</u>	<u>4,090,185</u>
<b>CHANGE IN NET ASSETS</b>	319,821	1,861,277	2,181,098
Net assets at beginning of year	<u>10,067,548</u>	<u>9,617,470</u>	<u>19,685,018</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 10,387,369</u>	<u>\$ 11,478,747</u>	<u>\$ 21,866,116</u>

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2024**

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Accommodations	\$ 147,230	\$ -	\$ -	\$ 147,230
Advertising and marketing	86,085	291	118,746	205,122
Bank and credit card fees	645	1,269	20,289	22,203
Board expenses	3,946	3,726	2,082	9,754
Contracted services	792,289	8,145	83,204	883,638
Depreciation	249,243	37,974	-	287,217
Employee benefits	121,943	16,977	42,062	180,982
Equipment rent	2,121	-	-	2,121
Gear for warriors	254,911	-	-	254,911
Insurance	44,678	8,620	-	53,298
Interest expense	12,472	21,145	-	33,617
Occupancy	164,781	7,675	3,494	175,950
Office expense	12,619	15,793	16,627	45,039
Outreach	74,017	3,011	41,244	118,272
Payroll taxes	88,383	13,594	34,827	136,804
Postage	3,754	2,694	1,111	7,559
Printing	9,457	464	12,741	22,662
Professional fees	8,257	20,759	3,300	32,316
Salaries and wages	1,207,287	145,523	479,346	1,832,156
Special events and development	-	-	193,647	193,647
Technology	82,748	16,860	60,486	160,094
Training	21,113	5,618	17,555	44,286
Travel	227,903	2,384	5,459	235,746
	<u>\$ 3,615,882</u>	<u>\$ 332,522</u>	<u>\$ 1,136,220</u>	<u>\$ 5,084,624</u>

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2023**

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Accommodations	\$ 105,294	\$ -	\$ -	\$ 105,294
Advertising and marketing	54,359	134	52,782	107,275
Bank and credit card fees	345	313	15,691	16,349
Board expenses	3,363	11,823	1,549	16,735
Contracted services	539,583	349	47,498	587,430
Depreciation	249,921	36,485	-	286,406
Employee benefits	105,886	17,920	47,655	171,461
Equipment rental	1,001	-	-	1,001
Gear for warriors	99,703	-	-	99,703
Insurance	40,290	4,687	-	44,977
Interest expense	13,190	22,362	-	35,552
Occupancy	188,389	6,165	2,771	197,325
Office expense	10,309	2,845	15,974	29,128
Outreach	36,638	-	80,842	117,480
Payroll taxes	79,553	13,000	34,942	127,495
Postage	4,268	1,509	3,676	9,453
Printing	8,588	3,587	12,428	24,603
Professional fees	20,978	19,448	553	40,979
Salaries and wages	983,136	140,058	405,774	1,528,968
Special events and development	-	-	168,341	168,341
Technology	84,428	6,746	34,113	125,287
Training	13,305	3,923	11,748	28,976
Travel	214,252	630	5,085	219,967
	<u>\$ 2,856,779</u>	<u>\$ 291,984</u>	<u>\$ 941,422</u>	<u>\$ 4,090,185</u>

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Years ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from donors, net of amounts restricted for long-term purposes	\$ 3,548,334	\$ 1,969,183
Receipts from special events	916,628	711,716
Other cash receipts	81,569	169,827
Payments for salaries and related costs	(2,148,205)	(1,816,051)
Payments to vendors	<u>(2,504,407)</u>	<u>(1,908,932)</u>
Net cash used by operating activities	<u>(106,081)</u>	<u>(874,257)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property and equipment	(57,241)	(888,417)
Proceeds from disposal of fixed assets	54,447	-
Purchases of investments	(1,627,497)	(826,971)
Proceeds from sale of investments	2,803,439	2,423,609
Purchase of certificate of deposit	<u>(1,652)</u>	<u>(24,921)</u>
Net cash provided by investing activities	<u>1,171,496</u>	<u>683,300</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Endowment contributions restricted for long-term investment	-	203,657
Payments on short-term note payable	(750,000)	-
Payments on note payable	<u>(54,423)</u>	<u>(52,487)</u>
Net cash provided (used) by financing activities	<u>(804,423)</u>	<u>151,170</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	260,992	(39,787)
Cash and cash equivalents at beginning of year	<u>538,104</u>	<u>577,891</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 799,096</u>	<u>\$ 538,104</u>
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Property and equipment financed through short-term note payable	<u>\$ -</u>	<u>\$ 750,000</u>
Donated stocks and investments	<u>\$ 4,247,058</u>	<u>\$ 1,564,583</u>
Donated property and equipment	<u>\$ 31,935</u>	<u>\$ 36,490</u>
<b>CASH PAID FOR INTEREST</b>	<u>\$ 33,249</u>	<u>\$ 35,184</u>

See the accompanying notes to financial statements.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024 and 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Operations:**

Warriors & Quiet Waters Foundation, Inc. (the Organization) is a 501(c)(3) Veterans Impact Organization headquartered in Bozeman, Montana. The Organization's mission is to equip post-9/11 combat veterans to thrive and live purpose-driven lives through peak experiences in nature and evidence-based programs that foster growth, discovery, connection, and community.

The Organization is led by a community of veterans, veteran spouses, Warrior alumni, experts in their field, and passion-driven patriots. Executive leadership has more than 72 years of collective military service. The Organization's guiding principle is the WQW Way: a collection of values and habits of action and thought that establish WQW's culture and standards.

Through its Built for More program, the Organization equips Veterans and their loved ones to thrive by immersing them in peak experiences in nature that enable the psychological, emotional, and social conditions necessary for personal growth. With those conditions established, Warriors are then guided through rigorous, evidence-based modules that enable them to make meaning of their service, rediscover their identity and potential as Veterans, and chart a path of purpose, continuous growth, and resilience.

Programs are meticulously evaluated by the D'Aniello Institute for Veterans and Military Families (IVMF) at Syracuse University and have shown statistically significant improvements in psychological well-being, sleep, problem solving ability, belonging, and a sense of purpose. The Organization is committed to equipping Veterans and their loved ones with the tools to live resilient, thriving, purposeful lives after military service.

**Principles of Consolidation:**

The accompanying financial statements include the Organization and its wholly-owned subsidiary Semper Fly, LLC (a single member limited liability company) formed in 2018. All significant intercompany transactions have been eliminated. See Note 11.

**Basis of Accounting:**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. This basis of accounting recognizes revenues and related receivables when they are earned and expenses and related liabilities when incurred.

**Use of 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 estimates.

**Income Taxes:**

The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions. The Organization's information returns (Form 990) are open to examination by the IRS, generally, for three years after they were filed or the due date of the return, whichever is later.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024 and 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Advertising Costs:**

Advertising costs are expensed as incurred.

**Cash and Cash Equivalents:**

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except those amounts that are held in investment portfolios or which are invested for long-term purposes.

**Pledges Receivable:**

As required by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, pledges receivable to be paid in more than one year from the date of the financial statements are discounted at the prime interest rate, 7.65% and 8.5% for the years ended December 31, 2024 and 2023, respectively. As a result of adopting the FASB's Fair Value Measurement guidance, including the Fair Value Option for Financial Assets and Financial Liabilities, the discount rate used in the present value technique to determine fair value of pledges receivable is revised at each measurement date to reflect current market conditions and the creditworthiness of donors. Subsequent changes in the fair value of pledges receivable are reported in the statement of activities as contribution revenue. At this time, management believes all pledges receivable are collectible, therefore, no allowance has been recorded as of December 31, 2024 and 2023.

**Inventory:**

Inventory consists of fishing gear, clothing and hats for warriors experiences to occur in the next year. Inventory is stated at estimated fair value, which is based on the cost of inventory plus estimated discount provided by suppliers which is recorded as in-kind support (see Note 16).

**Property and Equipment:**

Purchased assets and assets leased under capital leases over the capitalization policy of \$5,000 are carried at their historical cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restriction at that time. Estimated useful lives of the fixed assets are as follows:

Furniture and equipment	5-7 years
Improvements	20 years
Buildings	40 years

**Investments:**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Investment income or loss (including realized gains and losses on investments, interest and dividends) is reported as change in net assets without donor restrictions unless the income or loss is restricted by donor or law.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024 and 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Functional Expenses:**

The financial statements report certain categories of expenses that are attributed directly to the Organization's fly-fishing program or its supporting functions. Expenses are allocated evenly across all functions of the Organization, or by the ratio that best matches the expense to the function. The expenses that are allocated evenly between program, administrative, and fundraising departments include occupancy and utilities. Salaries, benefits, and payroll taxes are allocated based on employees' job descriptions and estimates of time. Interest expense is allocated based on the utilization of space of the building which the debt was incurred to purchase. All other expenses not directly related to program are allocated by management based on which support function the expense is most directly attributable.

**Split Interest Agreements:**

The Organization's split-interest agreements with donors consist primarily of gift annuity agreements for which the Organization serves as trustee. Assets held in relation to the annuity agreements are included in investments. Contribution revenues are recognized when annuity agreements are established, after recording liabilities for the present value of the estimated future payments to be made to beneficiaries. The liabilities are adjusted annually for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits; this annual adjustment is reported as contribution revenue with donor restrictions.

**Net Assets:**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed 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 and donor-restricted contributions whose restrictions are met in the same reporting period. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and net assets held in a board-designated endowment.
- *Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024 and 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Contributions and Revenue Recognition:**

Contribution, including unconditional promises to give (i.e. pledges receivable), are recognized as revenues in the period cash or assets are transferred or pledges are received. Contributions of assets other than cash are recorded at their estimated fair value at date of receipt. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions and are reclassified to net assets without donor restrictions when the cash is received and any purpose restriction is met.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows, discounted at the short term prime interest rate. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. As a result of adopting the FASB's fair value measurement guidance, including the fair value option for financial assets and liabilities, the discount rate used in the present value measurement is revised at each measurement date to reflect current market conditions and the creditworthiness of donors. Receivables are stated at unpaid balances, less an allowance for doubtful accounts.

**Deferred Revenue:**

Deferred revenue at December 31 consists of sponsorship and contribution amounts for special events that are contingent on the event occurring in the following year.

**In-Kind Support:**

The Organization records various types of in-kind support including services, inventory, and property and equipment. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

**Description of Resources Unavailable for General Expenditure:**

The Organization has certain donor-restricted net assets that are available for general expenditures within one year, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Organization's programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year (Note 3). The Organization has other assets limited to use for donor-restricted purposes that because of the donor's restriction are not available to be spent in the coming year, which are not included.

**WARRIORS & QUIET WATERS FOUNDATION, INC. AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024 and 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Operating Lease Right-of-use Assets and Lease Liabilities**

The Organization obtains the right to control the use of various assets under long-term agreements. The Organization evaluates contracts to determine whether they include a lease, and uses the lessee non-lease component accounting policy election, for all asset classes, to account for the lease and non-lease components separately. Variable lease payments, which are primarily comprised of common area maintenance, utilities, and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments were incurred. Qualifying leases are recognized on the statement of financial position as right-of-use assets with corresponding lease liabilities.

**Financial Statement Presentation:**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**2. CASH AND CASH EQUIVALENTS**

At December 31, 2024 and 2023, the Organization's cash and cash equivalents balances were as follows:

	<u>2024</u>	<u>2023</u>
Checking accounts	\$ 798,996	\$ 112,740
Insured cash sweep demand account	-	425,256
Petty cash on hand	<u>100</u>	<u>108</u>
	<u>\$ 799,096</u>	<u>\$ 538,104</u>

The Organization maintains some of its cash in bank deposit accounts which, at times, may exceed federally insured limits. Account balances and certificates of deposit held in financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank, per depositor. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents. As of December 31, 2024 and 2023, funds exceeded federally insured limits by \$385,899 and \$0, respectively.

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**3. 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 date, comprise the following:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 799,096	\$ 538,104
Certificate of deposit	26,573	24,921
Accounts receivable	11,705	11,592
Pledges receivable	518,889	307,824
Investments	<u>19,670,284</u>	<u>15,050,641</u>
	<u>21,026,547</u>	<u>15,933,082</u>
Unavailable for general expenditure in one year		
Pledges due in more than one year	(380,000)	(30,000)
Restricted for ranch barn improvement	(602,668)	(602,668)
Restricted for capital campaign	(4,977,270)	-
Investments held to fund deferred gift annuities	(118,834)	(99,967)
Endowments' earnings subject to spending policy	(2,417,766)	(1,777,403)
Board-designated endowment funds	(207,102)	(570,673)
Endowment investments to be held in perpetuity	<u>(7,935,159)</u>	<u>(7,761,157)</u>
	<u>(16,638,799)</u>	<u>(10,841,868)</u>
Total financial resources available for general expenditure	<u>\$ 4,387,748</u>	<u>\$ 5,091,214</u>

The purpose of the Organization's endowments is to maintain donor-restricted funds with the investment returns available to be used for their respective purposes. The Board has also designated funds without donor restrictions to be held as an endowment, these funds are available to be used at the discretion of the Board. The Board has also appropriated excess funds without donor restrictions into a designated reserve account. Board designated assets can be used for general expenditures with Board approval. The main purpose of the board-designated reserve accounts is to maximize investment growth, interest income, and dividends from liquid assets that will most likely not be needed in the following year.

As part of the Organization's liquidity plan, the Board has a policy that allows the Organization to draw on the investment earnings of the endowment funds. The income may only be used for their respective donor purpose, those purposes are program purposes and maintenance of the Quiet Waters Ranch.

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**4. PLEDGES RECEIVABLE**

Pledges receivable as of December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Amounts due in:		
Less than one year	\$ 220,000	\$ 283,356
One to five years	<u>380,000</u>	<u>30,000</u>
	600,000	313,356
Less: discount to present value	<u>(81,111)</u>	<u>(5,532)</u>
Pledges receivable, net of discount	518,889	307,824
Less: current portion	<u>(220,000)</u>	<u>(283,356)</u>
Pledges receivable, net of discount and current portion	<u>\$ 298,889</u>	<u>\$ 24,468</u>

**5. FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements, establishes a framework for measuring fair value. That 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy under ASC 820 are described as follows:

- 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 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.

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**5. FAIR VALUE MEASUREMENTS (Continued)**

Following is a description of the valuation methodologies used for assets measured at fair value.

*Marketable securities* (bank insured deposits and mutual funds) - the fair value of marketable securities are based on quoted market prices for those securities.

*Money market funds* - are managed to maintain a net asset value per share of \$1.00 and are reported at that net asset value (NAV), which closely approximates fair value.

*U.S. Treasury bills* - are issued by the U.S. Treasury, maturities are less than one year from purchase and are reported at fair value based on pricing models for similar securities.

*U.S. Treasury notes* - are issued by the U.S. Treasury, maturities range from two to 10 years from purchase and are reported at fair value based on pricing models for similar securities.

*Pledges receivable* - the fair value of pledges receivable is the net present value of expected future cash flows at the discount rate as disclosed in Note 1.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

The follow tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Marketable securities - Level 1	\$ 13,847,655	\$ 13,088,078
Bank insured deposits - Level 1	\$ 130,796	\$ 119,655
U.S. Treasury bills - Level 2	\$ 617,543	\$ 251,187
U.S. Treasury notes - Level 2	\$ 3,130,005	\$ 144,762
Net present value of pledges receivable - Level 3	\$ 518,889	\$ 307,824
Money market funds - net asset value	\$ 1,944,285	\$ 1,446,959

The reconciliation of the changes in the pledges receivable measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

	<u>2024</u>	<u>2023</u>
Pledges receivable, beginning of year	\$ 307,824	\$ 373,365
Additional pledges	767,000	484,362
Payments received	(470,356)	(564,506)
Pledges written off	(10,000)	(2,770)
Change in discount	<u>(75,579)</u>	<u>17,373</u>
Pledges receivable, end of year	<u>\$ 518,889</u>	<u>\$ 307,824</u>

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**6. INVESTMENTS**

Investments are comprised of the following as of December 31, 2024:

	<u>Cost</u>	<u>Fair Value</u>	<u>Gross Unrealized Gains (Losses)</u>
Bank insured deposits	\$ 130,796	\$ 130,796	\$ -
Money market funds	1,944,285	1,944,285	-
US Treasury bills	615,111	617,543	2,432
US Treasury notes	3,120,099	3,130,005	9,906
Mutual funds			
Bond funds	3,083,232	2,993,441	(89,791)
International bond funds	2,503,600	2,366,659	(136,941)
Large blend	3,051,707	4,578,848	1,527,141
International large blend	436,070	517,094	81,024
Large growth	934,929	1,071,532	136,603
International large growth	973,559	1,001,634	28,075
Large value	694,590	622,821	(71,769)
Mid-cap growth	138,974	142,926	3,952
Mid-cap value	251,615	246,536	(5,079)
Real estate ETF	329,818	306,164	(23,654)
	<u>\$ 18,208,385</u>	<u>\$ 19,670,284</u>	<u>\$ 1,461,899</u>

Investments are comprised of the following as of December 31, 2023:

	<u>Cost</u>	<u>Fair Value</u>	<u>Gross Unrealized Gains (Losses)</u>
Bank insured deposits	\$ 119,655	\$ 119,655	\$ -
Money market funds	1,446,959	1,446,959	-
US Treasury bills	248,269	251,187	2,918
US Treasury notes	142,300	144,762	2,462
Mutual funds			
Bond funds	3,035,907	2,969,607	(66,300)
International bond funds	2,359,779	2,139,828	(219,951)
Large blend	1,500,750	2,379,529	878,779
International large blend	466,408	546,604	80,196
Large growth	774,983	877,662	102,679
International large growth	845,334	889,399	44,065
Large value	1,411,912	1,572,112	160,200
Mid-cap blend	241,048	325,561	84,513
Mid-cap growth	139,939	133,986	(5,953)
International mid-cap value	293,825	285,307	(8,518)
Mid-cap value	240,673	229,827	(10,846)
Small blend	326,170	414,736	88,566
Real estate ETF	348,164	323,920	(24,244)
	<u>\$ 13,942,075</u>	<u>\$ 15,050,641</u>	<u>\$ 1,108,566</u>

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**7. BOARD DESIGNATED NET ASSETS**

Net assets the Board of Directors have designated to be held for unbudgeted program or operations expenses for both years ended December 31, 2024 and 2023 was \$1,340,000.

Board-designated endowment funds have been designated by the Board of Directors to achieve investment return and are available to be used at the discretion of the Board of Directors for any purpose the Board deems necessary. The balance of Board-designated endowment funds as of December 31, 2024 and 2023 was \$207,102 and \$570,673, respectively (see Note 9).

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted by the donor as of December 31, 2024 and 2023 for the following purposes:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specific purpose:		
Capital campaign	\$ 4,977,270	\$ -
Alumni engagement	50,000	49,622
New program staff	-	15,515
Memorial garden	32,728	32,728
Ranch barn improvements	602,668	602,668
Three Forks property purchase	-	399,533
Pledges receivable restricted to a specific purpose	<u>187,760</u>	<u>277,824</u>
	<u>5,850,426</u>	<u>1,377,890</u>
Subject to the passage of time:		
Pledges receivable with no donor restrictions	<u>331,129</u>	<u>30,000</u>
	<u>331,129</u>	<u>30,000</u>
Endowments:		
Endowment fund earnings subject to spending policy	3,003,187	2,309,700
Investments held in perpetuity, donor-restricted endowments	<u>7,935,159</u>	<u>7,761,157</u>
	<u>10,938,346</u>	<u>10,070,857</u>
	<u>\$ 17,119,901</u>	<u>\$ 11,478,747</u>

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**9. ENDOWMENTS**

The Organization's endowment consists of donor-restricted endowment funds. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

*Interpretation of Relevant Law*

The Organization's Board of Directors has interpreted the Montana Uniform Prudent Management of Institutional Funds Act ("MUPMIFA") 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. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including fair value of promises to give) 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 MUPMIFA.

The Finance and Budget Committee is responsible for recommending and reviewing investment policies and objectives, monitoring performance of the portfolio, and overseeing certain administrative duties, including providing regular reports to the Board of Directors. The Committee reviews the accounting of the assets, income and expenditures of the endowment on a regular basis, and the Board determines how much of the earnings from the endowment may be appropriated for spending. The investment policy has been established to provide reasonable and sustainable flow of funds to maximize the capital in support of the Organization's activities.

In accordance with MUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (a) The duration and preservation of the fund;
- (b) The purposes of the Organization and the donor-restricted endowment fund;
- (c) General economic conditions;
- (d) The possible effect of inflation and deflation;
- (e) The expected total return from income and the appreciation of investments;
- (f) Other resources of the Organization; and
- (g) The investment policies of the Organization.

*Funds with Deficiencies*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MUPMIFA requires Organization to retain as a fund of perpetual direction. For both years ended December 31, 2024 and 2023, the endowment had no deficiency.

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**9. ENDOWMENTS (Continued)**

*Return Objectives and Risk Parameters*

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to operations while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). The Organization expects its endowment funds, over time, to provide a reasonable level of current income to support the spending policy authorized by the Board of Directors and to grow equity assets. Actual returns in any given year may vary from this amount.

*Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation including cash equivalents, fixed income, and equity securities to achieve its long-term return objectives within prudent risk constraints.

*Spending Policy and How the Investment Objectives Relate to Spending Policy*

The Organization reviews the endowment account statements and the returns of the endowment accounts annually to determine if the income from these accounts has reached a level which is significant to the overall operating budget. Upon this review, the Board of Directors may approve distributions within the parameters of the Organization's endowment and investment policies.

The composition of endowment net assets by fund as of December 31, 2024 and 2023 is as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>December 31, 2024</b>			
Board-designated endowment funds	\$ 207,102	\$ -	\$ 207,102
Donor-restricted endowment funds			
Original donor-restricted gifts required to be maintained in perpetuity by donor	-	7,935,159	7,935,159
Accumulated investment gains	-	3,003,187	3,003,187
	<b>\$ 207,102</b>	<b>\$ 10,938,346</b>	<b>\$ 11,145,448</b>
<b>December 31, 2023</b>			
Board-designated endowment funds	\$ 570,673	\$ -	\$ 570,673
Donor-restricted endowment funds			
Original donor-restricted gifts required to be maintained in perpetuity by donor	-	7,761,157	7,761,157
Accumulated investment gains	-	2,309,700	2,309,700
	<b>\$ 570,673</b>	<b>\$ 10,070,857</b>	<b>\$ 10,641,530</b>

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**9. ENDOWMENTS (Continued)**

Changes in net asset composition by type of funds for the years ended December 31, 2024 and 2023 are as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
Endowment assets, December 31, 2022	\$ 1,933,171	\$ 9,099,311	\$ 11,032,482
Investment return, net	113,492	1,233,961	1,347,453
Distributions per spending policy	(1,825,990)	(463,302)	(2,289,292)
Bad debt write off	-	(2,770)	(2,770)
Additional Board designations	350,000	-	350,000
Contributions	<u>-</u>	<u>203,657</u>	<u>203,657</u>
Endowment net assets, December 31, 2023	570,673	10,070,857	10,641,530
Investment return, net	46,997	1,178,260	1,225,257
Distributions per spending policy	(596,544)	(484,773)	(1,081,317)
Additional Board designations	185,976	-	185,976
Contributions	<u>-</u>	<u>174,002</u>	<u>174,002</u>
Endowment net assets, December 31, 2024	<u>\$ 207,102</u>	<u>\$ 10,938,346</u>	<u>\$ 11,145,448</u>

**10. DEFERRED CHARITABLE GIFT ANNUITY SPLIT-INTEREST AGREEMENTS**

The Organization has received several charitable gift annuities that are restricted to the Organization's endowment funds and are deposited to a designated account for these contributions as required by Board policy. Under the annuity agreements, the Organization agrees to pay the donor an annual sum, commencing on an agreed-upon date, for the remainder of the donor's life. The value is calculated based upon the discount rate at the time of the gift and the estimated amount of payments expected based upon actuarial tables.

Changes in gift annuity obligations for the years ended December 31, 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
	<u>          </u>	<u>          </u>
Gift annuity obligations, beginning of year	\$ 99,967	\$ 116,739
Increase in liabilities for gift annuities issued	10,898	8,980
Relinquishment of previously issued gift annuities	-	(37,623)
Actuarial changes in liabilities	<u>7,969</u>	<u>11,871</u>
Gift annuity obligations, end of year	<u>\$ 118,834</u>	<u>\$ 99,967</u>

**11. LINE OF CREDIT**

The Organization has a revolving line of credit from American Bank with borrowings limited to \$1,000,000. The line bears interest at 8.5%, and is secured by the Organization's ranch property. The line was extended through March 2026 with an interest rate of 7.5%.

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**12. SHORT-TERM NOTE PAYABLE**

In May 2023, the Organization purchased property near Three Forks, Montana. The property was purchased through cash and a seller-financed short-term note payable, interest at 0%, and payable one year after the purchase date. The short-term note payable balance at December 31, 2023 was \$750,000. The balance of the short-term note payable was paid during May 2024.

**13. NOTE PAYABLE**

	<b>2024</b>	<b>2023</b>
Note payable to First Montana Bank; dated July 2021; due July 2046; requires monthly payments of \$5,276, including interest of 3.75%, interest rate adjusting after 7 years to 0.50% above Prime rate; all remaining principal and interest due at maturity; secured by property.	\$ 842,443	\$ 896,866
Less: current portion	(28,407)	(27,249)
Less: unamortized debt issuance costs	(4,323)	(4,691)
Long-term portion, net of unamortized debt issuance costs	\$ 809,713	\$ 864,926

Note payable matures as follows:

2025	\$	28,407
2026		29,506
2027		30,647
2028		31,743
2029		33,061
Thereafter		689,079
		\$ 842,443

**14. SEMPER FLY, LLC**

Semper Fly, LLC was formed in 2018, with Warriors & Quiet Waters Foundation, Inc. as the sole member. The LLC owns land and a building and leases the building to the Organization and other tenants. Semper Fly, LLC's activity and balances are included in the Organization's consolidated financial statements, in accordance with generally accepted accounting principles. Significant balances and transactions between the two entities have been eliminated.

**15. CONCENTRATIONS**

Contributors

The Organization is supported by contributors from the public and granting agencies. For the years ended December 31, 2024 and 2023, three contributors provided 46% and one contributor provided 16% of the Organization's total support, respectively.

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**16. IN-KIND SUPPORT**

The following in-kind support was recognized in the Statement of Functional Expenses for the year ended December 31, 2024:

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Advertising	\$ 160	\$ -	\$ -	\$ 160
Contracted services	93,578	845	1,620	96,043
Gear for warriors	107,880	-	-	107,880
Occupancy	5,174	-	-	5,174
Outreach	5,131	-	715	5,846
Special events and development	-	-	32,081	32,081
Training	650	-	260	910
	<u>\$ 212,573</u>	<u>\$ 845</u>	<u>\$ 34,676</u>	<u>\$ 248,094</u>

The following in-kind support was recognized in the Statement of Functional Expenses for the year ended December 31, 2023:

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Accommodations	\$ 1,017	\$ -	\$ -	\$ 1,017
Advertising	-	-	13,490	13,490
Contracted services	75,166	349	5,228	80,743
Gear for warriors	27,832	-	-	27,832
Occupancy	2,300	-	-	2,300
Office	74	-	-	74
Outreach	-	-	1,230	1,230
Professional fees	600	-	-	600
Special events and development	-	-	12,794	12,794
Technology	5,600	-	200	5,800
Training	-	-	290	290
	<u>\$ 112,589</u>	<u>\$ 349</u>	<u>\$ 33,232</u>	<u>\$ 146,170</u>

For the years ended December 31, 2024 and 2023, the Organization recognized in-kind contributions for donated inventory, prepaids, land, building, equipment and improvements of \$37,807 and \$37,975, respectively.

In general, in-kind contributions are reported at estimated fair value based on the retail prices to purchase similar items or comparable rates to obtain similar services.

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**17. LEASING ACTIVITIES**

The Organization leases office space to two tenants under non-cancelable leases. The non-cancelable leases were for a five year term from July 1, 2018 through June 30, 2023. In June 2023, one of the leases was extended through June 30, 2024, requiring base payments of \$3,133, plus lessee's pro rated portion of utilities and taxes. On June 14, 2024 this lease was amended to extend from July 1, 2024 to October 31, 2024. The other lease was extended for three years through June 30, 2026, requiring base payments of \$3,133, plus lessee's pro rated portion of utilities and taxes. As of November 1, 2024 the existing lease was terminated in its entirety with the desire to replace the existing lease with a new lease to expand the leased area under the existing lease. The new lease is for a three year term from November 1, 2024 through October 31, 2027, requiring monthly base payments of \$6,266 for the first and second lease year. On the third lease year, base rent shall be increased by 3% from the immediately preceding lease year. Rental revenues under these agreements for the years ended December 31, 2024 and 2023 amounted to \$75,192 and \$67,613, respectively. Rental revenues are recognized as they become due each month. Accounts receivable on the statements of financial position include the amount of rental revenues due at each year end. Future remaining rental payments for the years ending December 31 are:

2025	\$	75,192
2026		75,568
2027		<u>64,540</u>
		<u>\$ 215,300</u>

**18. RETIREMENT PLAN**

The Organization started a 401(k) retirement plan for eligible employees during 2020. Employees are eligible the first of the month following ninety days after their start date. The Organization matches employee contributions to the plan dollar-for-dollar up to 5% of each employee's annual compensation for the years ended December 31, 2024 and 2023, respectively. The Organization's contributions under the plans for the years ended December 31, 2024 and 2023 were \$70,740 and \$64,407, respectively.

**19. RELATED PARTY TRANSACTIONS**

During the years ended December 31, 2024 and 2023, the Organization contracted with companies that are owned by board members for contracted services in the amount of \$160,643 and \$92,300, respectively.

During the years ended December 31, 2024 and 2023, the Organization received contributions from board members in the amount of \$3,203,641 and \$490,866, respectively. In addition for the year ended December 31, 2024, the Organization received contributions from a board member's family members in the amount of \$1,958,527.

**20. SUBSEQUENT EVENTS**

Date of Management Evaluation

Management has evaluated subsequent events through July 23, 2025, the date on which the financial statements were available to be issued.