



**TEAM IMPACT, INC.**

AUDITED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

TEAM IMPACT, INC.  
AUDITED FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-12



LMHS, P.C.  
*Certified Public Accountants and Advisors*

## INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
Team Impact, Inc.  
Quincy, Massachusetts

### ***Opinion***

We have audited the financial statements of Team Impact, Inc., 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 accompanying financial statements present fairly, in all material respects, the financial position of Team Impact, Inc. as of December 31, 2024 and 2023, and the changes in its 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 (GAAS). 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 Team Impact, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Team Impact, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 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 Team Impact, 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 Team Impact, 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.

*LMHS, P.C.*

LMHS, P.C.  
Norwell, Massachusetts

November 6, 2025

TEAM IMPACT, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023

	2024	2023
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 1,594,689	\$ 3,403,409
Investments	-	30,791
Pledges Receivable, Net	330,447	1,221,839
Prepaid Expenses and Other	63,454	166,950
	1,988,590	4,822,989
PROPERTY AND EQUIPMENT:		
Computer Software	54,530	54,530
Furniture	61,228	61,228
Website and Digital Technology	546,360	546,360
	662,118	662,118
Accumulated Depreciation	(550,830)	(464,596)
	111,288	197,522
OTHER ASSETS:		
Right of Use Asset - Finance Lease, Net	26,919	-
Right of Use Assets - Operating Leases, Net	-	251,853
	26,919	251,853
	\$ 2,126,797	\$ 5,272,364
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Current Portion of Lease Liability - Finance Lease	\$ 5,285	\$ -
Current Portion of Lease Liabilities - Operating Leases	-	277,628
Accounts Payable and Accrued Expenses	302,066	100,796
Accrued Payroll and Related	154,213	339,947
	461,564	718,371
LONG-TERM LEASE LIABILITY - FINANCE LEASE, NET OF CURRENT PORTION	21,761	-
TOTAL LIABILITIES	483,325	718,371
NET ASSETS:		
Without Donor Restrictions	1,538,472	3,863,269
With Donor Restrictions	105,000	690,724
	1,643,472	4,553,993
	\$ 2,126,797	\$ 5,272,364

See Notes to Financial Statements

TEAM IMPACT, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND OTHER SUPPORT:</b>						
Contributions of Cash and Other Financial Assets	\$ 3,336,873	\$ (20,000)	\$ 3,316,873	\$ 4,295,323	\$ 400,000	\$ 4,695,323
Contributions of Nonfinancial Assets	2,384,636	-	2,384,636	1,387,247	-	1,387,247
<b>Special Events:</b>						
Events Revenue - Cash and Other Financial Assets	4,862,496	100,000	4,962,496	4,456,203	120,000	4,576,203
Events Revenue - Nonfinancial Assets	139,675	-	139,675	122,535	-	122,535
Events Expense	(1,477,144)	-	(1,477,144)	(1,077,673)	-	(1,077,673)
	<u>3,525,027</u>	<u>100,000</u>	<u>3,625,027</u>	<u>3,501,065</u>	<u>120,000</u>	<u>3,621,065</u>
Dividend Income	83,476	-	83,476	94,056	-	94,056
Interest Income	-	-	-	9	-	9
Other Income	9,163	-	9,163	16,351	-	16,351
Net Assets Released From Restrictions	665,724	(665,724)	-	812,800	(812,800)	-
<b>TOTAL REVENUE AND OTHER SUPPORT</b>	<u>10,004,899</u>	<u>(585,724)</u>	<u>9,419,175</u>	<u>10,106,851</u>	<u>(292,800)</u>	<u>9,814,051</u>
<b>EXPENSES:</b>						
Program Expense	10,351,018	-	10,351,018	8,238,530	-	8,238,530
Fundraising Expense	1,319,434	-	1,319,434	1,167,354	-	1,167,354
Management and General	659,244	-	659,244	608,671	-	608,671
	<u>12,329,696</u>	<u>-</u>	<u>12,329,696</u>	<u>10,014,555</u>	<u>-</u>	<u>10,014,555</u>
<b>CHANGE IN NET ASSETS</b>	<u>(2,324,797)</u>	<u>(585,724)</u>	<u>(2,910,521)</u>	<u>92,296</u>	<u>(292,800)</u>	<u>(200,504)</u>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>3,863,269</u>	<u>690,724</u>	<u>4,553,993</u>	<u>3,770,973</u>	<u>983,524</u>	<u>4,754,497</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,538,472</u>	<u>\$ 105,000</u>	<u>\$ 1,643,472</u>	<u>\$ 3,863,269</u>	<u>\$ 690,724</u>	<u>\$ 4,553,993</u>

See Notes to Financial Statements

TEAM IMPACT, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	Program Expense	Fundraising Expense	Management and General	Total	Program Expense	Fundraising Expense	Management and General	Total
<b>PERSONNEL EXPENSES:</b>								
Salaries and Wages	\$ 4,721,287	\$ 841,040	\$ 293,362	\$ 5,855,689	\$ 4,136,369	\$ 762,141	\$ 225,420	\$ 5,123,930
Payroll Taxes	390,079	64,783	38,480	493,342	353,780	58,364	23,950	436,094
Employee Benefits	839,770	122,605	69,749	1,032,124	688,023	118,567	54,374	860,964
<b>TOTAL PERSONNEL EXPENSES</b>	<b>5,951,136</b>	<b>1,028,428</b>	<b>401,591</b>	<b>7,381,155</b>	<b>5,178,172</b>	<b>939,072</b>	<b>303,744</b>	<b>6,420,988</b>
Bad Debt Expense (Recovery)	-	-	(20,000)	(20,000)	-	-	49,272	49,272
Case Management	400,547	-	-	400,547	379,413	-	-	379,413
Dues and Subscriptions	21,469	9,802	13,785	45,056	32,844	13,390	6,696	52,930
Events	138,417	1,477,144	-	1,615,561	175,583	1,077,673	-	1,253,256
Grants	82,911	-	-	82,911	73,084	-	-	73,084
Information Technology	19,031	217	9,099	28,347	27,974	2,850	12,433	43,257
Insurance	22,238	2,157	2,701	27,096	18,235	1,674	1,985	21,894
Lease Cost	221,755	21,306	31,354	274,415	222,993	21,574	28,951	273,518
Marketing and Communications	2,666,789	22,946	7,586	2,697,321	1,490,104	44,073	7,447	1,541,624
Miscellaneous Expense	-	105	6,989	7,094	-	25	7,141	7,166
Office Equipment	4,724	624	1,346	6,694	5,030	381	1,113	6,524
Office Expense	80,392	66,473	21,604	168,469	69,039	41,374	55,222	165,635
Processing Fees	146,342	17,440	16,604	180,386	127,994	18,497	9,241	155,732
Professional Fees	325,295	85,390	142,742	553,427	183,492	11,851	101,882	297,225
Telephone	31,858	1,300	250	33,408	27,480	800	350	28,630
Travel	167,402	56,347	14,970	238,719	155,784	64,836	14,498	235,118
Depreciation	70,712	6,899	8,623	86,234	71,309	6,957	8,696	86,962
<b>TOTAL EXPENSES</b>	<b>10,351,018</b>	<b>2,796,578</b>	<b>659,244</b>	<b>13,806,840</b>	<b>8,238,530</b>	<b>2,245,027</b>	<b>608,671</b>	<b>11,092,228</b>
Less: Special Events Expense netted against Special Events Revenue	-	(1,477,144)	-	(1,477,144)	-	(1,077,673)	-	(1,077,673)
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 10,351,018</b>	<b>\$ 1,319,434</b>	<b>\$ 659,244</b>	<b>\$ 12,329,696</b>	<b>\$ 8,238,530</b>	<b>\$ 1,167,354</b>	<b>\$ 608,671</b>	<b>\$ 10,014,555</b>

See Notes to Financial Statements

TEAM IMPACT, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ (2,910,521)	\$ (200,504)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	86,234	86,962
Amortization Expense - Right of Use Asset - Finance Lease	1,416	-
Noncash Increase (Decrease) in Allowance for Uncollectible Gifts	(21,000)	31,000
Change in Measurement of Operating Lease	(25,775)	(13,096)
Noncash Stock Donations	(26,956)	(114,313)
Realized Loss on Equity Securities	311	
Change in Operating Assets and Liabilities:		
(Increase) Decrease In:		
Pledges Receivable, Net	912,392	(427,520)
Prepaid Expenses and Other	103,496	(101,221)
Increase (Decrease) In:		
Accounts Payable and Accrued Expenses	201,270	(9,966)
Accrued Payroll and Related	(185,734)	55,306
	(1,864,867)	(693,352)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds From Sale of Stock	57,436	83,522
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Debt Reduction:		
Lease Liability - Finance Lease	(1,289)	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,808,720)	(609,830)
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	3,403,409	4,013,239
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	\$ 1,594,689	\$ 3,403,409

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

<b>Cash Paid During the Year For:</b>		
Interest Paid - Finance Lease	\$ 268	\$ -
<b>Schedule of Noncash Investing and Financing Transactions:</b>		
Right of Use Asset - Finance Lease	\$ 28,335	\$ -
Assumed Lease Liability - Finance Lease	(28,335)	-
	\$ -	\$ -

See Notes to Financial Statements

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

1. Organization - Team Impact, Inc. (the Organization) is a non-profit corporation that was incorporated under the laws of the Commonwealth of Massachusetts and commenced operations on May 10, 2011.
2. Operations - The Organization is a national non-profit that promotes healthy social and emotional development for children living with serious and chronic illnesses and medical conditions by matching them with a local college athletic team. The team provides an extended support network for the children and their families using a strengths-based, future-focused perspective. This two-year therapeutic program provides children with a true sense of belonging and focuses on building confidence and resilience and encouraging healthy behaviors. Parents and siblings gain a community of support and a distraction from medical realities, while student-athletes gain invaluable inspiration and perspective that will be carried with them long after graduation.
3. Method of Accounting - The Organization's policy is to prepare its financial statements on the accrual method of accounting whereby revenues are recognized when earned and expenses are recognized when incurred. This method of accounting conforms to generally accepted accounting principles.
4. Financial Statement Presentation - The Organization's financial statements are presented in accordance with FASB ASC Update 2016-14. As such, net assets are classified based upon the existence or absence of donor imposed restrictions, as follows: without donor restrictions, with donor restrictions. A description of the two net asset categories is as follows:

Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. Assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

With Donor Restrictions - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time, or that must remain intact, in perpetuity.

Under FASB ASC 958-210-45, expenses are generally reported as decreases in net assets without donor restrictions.

5. Concentration of Credit Risk - The Organization occasionally maintains deposits in excess of federally insured limits. The risk is managed by maintaining all deposits in high quality financial institutions. The Organization has not experienced any losses in such accounts and management believes the Organization is not exposed to any significant credit risk related accounts.
6. Cash and Cash Equivalents - For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.
7. Investments - The Organization accounts for investments in accordance with generally accepted accounting principles for not-for-profit organizations, which establish accounting standards for investments in certain equity securities and for all debt securities. The guidance prescribes that covered investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statement of activities.
8. Allowance for Uncollectible Pledges Receivable - Management allows for estimated losses on pledges receivable based on prior bad debt experience and a review of existing receivables. Write-offs are recorded as expenses in the year they are deemed to be uncollectible.

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

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**A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

9. Property and Equipment - Property and equipment are recorded at cost. Maintenance and repairs are charged to expense as incurred whereas major betterments are capitalized. Depreciation is provided for using the straight-line method over the estimated useful lives of these assets in periods ranging from three to ten years.
10. Fair Value of Financial Instruments - The Organization's financial instruments include cash and cash equivalents, investments, pledges receivable, prepaid expenses, accounts payable and accrued expenses. The recorded values of cash and cash equivalents, investments, pledges receivable, prepaid expenses, accounts payable and accrued expenses approximate their fair values based on their short-term nature.
11. Revenue Recognition - The Organization follows the guidance of ASC Topic 958, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The accounting standard clarifies and improves the guidance for (1) evaluating whether transactions should be accounted for as contributions within the scope of ASC Topic 958-605 or as exchange transactions subject to ASC Topic 606 and (2) determining whether a contribution is conditional.

Additionally, the Organization follows ASC Topic 606, Revenue from Contracts with Customers, with respect to its revenue recognition policy. The core principle of the accounting guidance is that an entity should recognize revenue when it satisfies a performance obligation by transferring promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Contributions are recognized in full when received or unconditionally promised, in accordance with professional standards. Conditional promises to give - 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 met.

Special events revenue is recognized when the event takes place. The value of an event ticket is an exchange transaction, in accordance with ASC Topic 606. The excess of the ticket price over the value of the benefit received is recognized as a contribution.

Donated materials and services are recorded as in-kind donations and recognized at their estimated fair value as of the date of donation or service.

Contributions of marketable securities are recorded in the financial statements at their quoted market price at the date of donation.

12. Contributions - Contributions are recorded in net assets without donor restrictions or net assets with donor restrictions class of net assets depending on the existence and/or nature of any donor-imposed restriction. 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 are reported as net assets released from restriction in the statement of activities.
13. Income Taxes - The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

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**A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

14. **Uncertainty In Income Taxes** - The Organization adopted the standards for *Accounting for Uncertainty in Income Taxes* (income, sales, use and payroll), which required the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2024 and 2023, the Organization determined that it had no tax positions that did not meet the “more likely than not” threshold of being sustained by the applicable tax authority. The Organization files tax and information returns in the United States Federal and applicable state jurisdictions. These returns are generally subject to examination by tax authorities for the last three years.
15. **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.
16. **Expense Allocation** - The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The following expenses were allocated using time and effort basis:

- Salaries and Wages, Payroll Taxes, and Employee Benefits
- Payroll Processing Fees

The following expenses were allocated using the square footage of the building as the basis:

- Rent and Occupancy
- Office Equipment
- Information Technology
- Depreciation

17. **Lease Policies** - The Organization follows the guidance of Accounting Standards Update (ASU) 2016-02, *Leases* (ASC Topic 842) and subsequent amendments. This standard increases transparency and comparability among companies by requiring the recognition of right-of-use (ROU) assets and liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

ASC Topic 842 requires that leases with a lease term of more than 12 months be classified as either finance or operating leases. Leases are classified as finance leases when the Organization expects to consume a major part of the economic benefits of the leased assets over the remaining lease term. Conversely, the Organization is not expected to consume a major part of the economic benefits of assets classified as operating leases. The Organization has made a policy election not to capitalize certain short-term leases with a lease term of 12 months or less.

The lease classification affects both the pattern and presentation of expense recognized in the statements of activities, the categorization of assets and liabilities in the statements of financial position, and classification of cash flows in the statements of cash flows.

For finance leases, total lease cost is recorded on an accelerated basis and consists of two components; amortization expense related to the write-off of right-of-use assets, and interest expense from lease obligations. Interest expense is recorded using the effective interest method and right-of-use assets are amortized on a straight-line basis over the remaining lease term. For operating leases, total lease cost is measured and recorded on a straight-line basis over the lease term.

Non-lease components, such as common area maintenance (CAM) charges, are separated from lease components based on the terms of the related lease. Variable lease components consist of real estate taxes and insurance charges related to the real estate lease, and are recorded as lease expense as incurred.

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

Lease obligations are measured and recorded at the present value of future lease payments using a discount rate. The Organization has made an accounting policy election to use a risk-free rate as the discount rate in measuring its lease obligations. Under this election, the risk-free rate used is the rate for a United States Treasury instrument with a term consistent with the remaining lease term of a applicable lease. This election is made for all real estate leases.

**B. PLEDGES RECEIVABLE, NET:**

Unconditional promises to give in future periods are recorded in the financial statements as Pledges Receivable, net of an allowance for uncollectible gifts. As of December 31, 2024, unconditional promises to give amounted to \$330,447, of which \$330,447 is unrestricted for general support and zero represents gifts with donor restrictions. The Organization expects to collect all pledges receivable in 2025. As of December 31, 2023, unconditional promises to give amounted to \$1,221,839, of which \$1,205,839 is unrestricted for general support and \$16,000 represents gifts with donor restrictions.

The Organization allows for estimated losses on pledges receivable based on prior bad debt experience and a review of existing pledges. Based on these factors, there was an allowance for uncollectible gifts of \$10,000 and \$31,000, respectively for the years ended December 31, 2024 and 2023.

**C. INVESTMENTS:**

From time to time, the Organization receives donations of stock. Per Organization policy, any donated securities are liquidated shortly after receipt. At December 31, 2024 and December 31, 2023, the Organization held zero and \$30,791 in equity securities, respectively. These securities represent level 1 inputs. Level 1 inputs are defined by unadjusted quoted prices for identical assets and liabilities in active markets to which the reporting entity would have access.

**D. LIQUIDITY AND AVAILABILITY:**

The following reflects the Organization's financial assets at December 31, 2024 and 2023, reduced by amounts that are not available for general use because of donor-imposed restrictions, within one year of the statement of financial position date. As part of its liquidity management plan, the Organization operates its programs within a balanced budget and relies on grants and contributions to fund its operations and program activities:

	2024	2023
Cash and Cash Equivalents	\$ 1,594,689	\$ 3,403,409
Investments	-	30,791
Pledges Receivable, Net	330,447	1,221,839
Total Financial Assets	1,925,136	4,656,039
Contributions Restricted For Purpose	(5,000)	(20,724)
Contributions Restricted For Time	-	-
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 1,920,136	\$ 4,635,315

The Organization has certain donor-restricted assets limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the qualitative information above.

**E. NET ASSETS WITH DONOR RESTRICTIONS:**

	2024	2023
Time Restricted	\$ 100,000	\$ 670,000
Purpose Restricted	5,000	20,724
Total Net Assets with Donor Restrictions	\$ 105,000	\$ 690,724

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**F. CONTRIBUTED NONFINANCIAL ASSETS:**

For the years ending December 31, 2024 and 2023, contributed nonfinancial assets recognized within the statements of activities include:

	2024	2023
Goods:		
Auction Items for Events	\$ 104,675	\$ 122,535
Assorted Hats/Clothing/Swag, etc.	245,995	245,995
Media and Advertising	1,989,674	887,200
Lighting and Audio/Video	35,000	-
Services:		
Marketing Consulting Services	118,967	218,024
Legal Services	30,000	36,028
	\$ 2,524,311	\$ 1,509,782

The Organization recognized contributed nonfinancial assets within revenue. Contributed nonfinancial assets did not have donor-imposed restrictions. All contributed nonfinancial assets were valued using estimated fair values provided by the donors.

Auction Items for Events include both Gala and YoPro events, and are included as part of events expense - nonfinancial assets on the statements of activities. These items were sold as part of the event.

Assorted Hats/Clothing/Swag, etc. were used by the Organization as promotional items, case management, and outreach.

Media and advertising were used by the Organization to promote its programs across the country.

Lighting and Audio/Video were used by the Organization at its annual Gala event.

**G. EMPLOYEE RETENTION CREDIT:**

The CARES Act provides an employee retention credit (ERC), which is a refundable tax credit against certain employment taxes. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employee through December 31, 2020, and 70% of up to \$10,000 of qualified wages paid to employees per quarter through September 30, 2021. During the years ended December 31, 2024 and 2023, the Organization recorded zero and \$246,817, respectively, related to the ERC in contributions on the statements of activities. The Organization qualified for additional ERC funds totaling approximately \$185,000, of which, \$139,025 was collected in 2025. In accordance with ASC 958-605, the amounts received in 2025 and the remaining outstanding amounts will be recognized and recorded as contributions in the year of receipt and are not recorded as a contribution as of December 31, 2024 and 2023.

**H. LEASE OBLIGATIONS:**

On September 25, 2024, the Organization entered into a five-year lease arrangement for office equipment, one copier/printer machine. According to the terms of the lease, monthly rent payments are \$519 plus insurance. The finance lease cost for the years ended December 31, 2024 and 2023 included lease amortization expense of \$1,417 and zero, respectively, and interest expense on the lease liability of \$268 and zero, respectively.

On December 1, 2019, the Organization entered into a five-year lease, which expired in December 2024, for office space in North Quincy, Massachusetts. According to the terms of the lease, monthly rent payments range from \$17,963 to \$22,190. Rent expense charged to operations under this lease for the years ended December 31, 2024 and 2023 amounted to \$240,672 and \$240,504, respectively.

This lease was extended month-to-month for the months of January and February 2025 at the current rate. On March 1, 2025, the Organization entered into a new month-to-month lease agreement with the existing landlord for a smaller space on a different floor. Monthly rent payments began in March 2025 in the amount of \$2,800 per month.

**TEAM IMPACT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

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**H. LEASE OBLIGATIONS: (Continued)**

On December 17, 2019, the Organization entered into a five-year lease arrangement for office equipment, two copier/printer machines. This lease was terminated in September 2024. According to the terms of the lease, monthly rent payments were \$1,049 plus insurance. Lease Cost charged to operations under this lease for the years ended December 31, 2024 and 2023 amounted to \$8,742 and \$12,858, respectively.

The following is a schedule by years of the future minimum rental payments as of December 31,:

2025		\$	6,228
2026			6,228
2027			6,228
2028			6,228
2029			4,671
			29,583
Less effects of present value			(2,537)
Lease obligations recorded at December 31, 2024			27,046
Less current portion			(5,285)
Long-term lease obligations			\$ 21,761
Weighted-Average Remaining Lease Term			4.75 years
Weighted-Average Discount Rate			3.91 %

**I. RETIREMENT PLAN:**

The Organization has a voluntary 401(k) plan covering all of its eligible employees. Employees can contribute up to the maximum amount applicable by law on a yearly basis. The Organization matches up to 3% of employee eligible earnings. Employer contributions for the years ended December 31, 2024 and 2023, amounted to \$138,782 and \$122,661, respectively.

**J. ADVERTISING AND MARKETING:**

The Organization follows the policy of charging the costs of advertising and marketing to expense as incurred. For the years ended December 31, 2024 and 2023, advertising costs amounted to \$2,697,321 and \$1,541,624, respectively. Included in advertising costs for the years ended December 31, 2024 and 2023 were in-kind donations amounting to \$2,133,241 and \$1,129,822, respectively.

**K. SUBSEQUENT EVENTS:**

Management has evaluated events occurring after the statement of financial position date through November 6, 2025, the date in which the financial statements were available to be issued. No material events have been identified which would require disclosure.