



POINT OF PRIDE

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

As of and For the

YEARS ENDED DECEMBER 31, 2025 AND 2024

POINT OF PRIDE
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MILLER CPA GROUP, P.C.
— AN AUDITING AND CONSULTING FIRM —

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Point of Pride

Opinion

We have audited the accompanying financial statements of Point of Pride (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, 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 Point of Pride as of December 31, 2025 and 2024, 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. 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 Point of Pride and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Point of Pride'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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, including omissions, 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 Point of Pride'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 Point of Pride'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.

Miller CPA Group, P.C.

Carlsbad, California
September 8, 2026

POINT OF PRIDE
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash	\$ 701,955	\$ 1,660,776
Investments	4,074,922	2,068,711
Contributions receivable	41,019	16,338
Prepaid expenses	<u>930</u>	<u>-</u>
Total Assets	<u><u>\$ 4,818,826</u></u>	<u><u>\$ 3,745,825</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 149,515	\$ 33,723
Awards payable	<u>1,670,995</u>	<u>956,632</u>
Total Liabilities	1,820,510	990,355
Net Assets		
Without donor restrictions	2,873,316	2,602,691
With donor restrictions	<u>125,000</u>	<u>152,779</u>
Total Net Assets	<u><u>2,998,316</u></u>	<u><u>2,755,470</u></u>
Total Liabilities and Net Assets	<u><u>\$ 4,818,826</u></u>	<u><u>\$ 3,745,825</u></u>

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

POINT OF PRIDE
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Contributions	\$ 2,797,361	\$ 60,697	\$ 2,858,058	\$ 2,963,745	\$ 152,179	\$ 3,115,924
Investment income, net of fees	466,312	-	466,312	55,654	-	55,654
Contributed nonfinancial assets	115,195	-	115,195	-	-	-
Other income	37,531	-	37,531	82,784	-	82,784
Net assets released from restrictions	88,476	(88,476)	-	-	-	-
Total Support and Revenue	3,504,875	(27,779)	3,477,096	3,102,183	152,179	3,254,362
Expenses						
Program services	2,581,384	-	2,581,384	2,468,884	-	2,468,884
Supporting services						
Management and general	437,042	-	437,042	384,032	-	384,032
Fundraising	216,426	-	216,426	87,966	-	87,966
Total Expenses	3,234,852	-	3,234,852	2,940,882	-	2,940,882
Change in Net Assets	270,023	(27,779)	242,244	161,301	152,179	313,480
Net Assets, Beginning	2,602,691	152,779	2,755,470	2,213,888	600	2,214,488
Prior Period Adjustment	602	-	602	227,502	-	227,502
Net Assets, Beginning Restated	2,603,293	152,779	2,756,072	2,441,390	600	2,441,990
Net Assets, Ending	\$ 2,873,316	\$ 125,000	\$ 2,998,316	\$ 2,602,691	\$ 152,779	\$ 2,755,470

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

POINT OF PRIDE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Direct program expenses	\$ 2,163,734	\$ -	\$ -	\$ 2,163,734
Salaries and wages	235,982	183,541	104,881	524,404
Payroll taxes	18,712	14,554	8,316	41,582
Employee benefits	20,202	15,713	8,979	44,894
Professional fees	75,750	76,660	70,000	222,410
Advertising and marketing	33,919	-	-	33,919
Office expenses	33,086	92,984	-	126,070
Insurance	-	4,181	-	4,181
Travel		38,593	14,064	52,657
Conferences and meetings	-	10,816	10,186	21,002
	<u>-</u>	<u>10,816</u>	<u>10,186</u>	<u>21,002</u>
Total Expenses	<u><u>\$ 2,581,384</u></u>	<u><u>\$ 437,042</u></u>	<u><u>\$ 216,426</u></u>	<u><u>\$ 3,234,852</u></u>

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

POINT OF PRIDE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Direct program expenses	\$ 2,086,278	\$ -	\$ -	\$ 2,086,278
Salaries and wages	168,219	130,838	74,764	373,821
Payroll taxes	13,511	10,509	6,005	30,025
Employee benefits	10,056	7,822	4,469	22,347
Professional fees	133,665	96,483	-	230,148
Advertising and marketing	10,790	-	-	10,790
Office expenses	39,059	113,357	-	152,416
Insurance	-	3,143	-	3,143
Travel	7,306	4,773	2,728	14,807
Conferences and meetings	-	8,088	-	8,088
Miscellaneous	-	9,019	-	9,019
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u><u>\$ 2,468,884</u></u>	<u><u>\$ 384,032</u></u>	<u><u>\$ 87,966</u></u>	<u><u>\$ 2,940,882</u></u>

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

POINT OF PRIDE
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 242,244	\$ 313,480
Adjustments to reconcile change in net assets to net cash from operating activities:		
Unrealized loss on investment	80,473	12,946
Contributed securities	115,195	-
Proceeds from sale of contributed securities	(109,564)	-
Gain on sale of contributed securities	(5,631)	-
Increase (decrease) in operating liabilities		
Contributions receivable	(24,681)	(16,338)
Prepaid expenses	(930)	-
Accounts payable and accrued expenses	116,394	(10,627)
Awards payable	714,363	1,062,530
Net Cash Provided by Operating Activities	<u>1,127,863</u>	<u>1,361,991</u>
Cash Flows From Investing Activities		
Purchases of investments	(18,918,295)	(2,301,556)
Proceeds from sale of investments	16,831,611	219,899
Net Cash Used by Investing Activities	<u>(2,086,684)</u>	<u>(2,081,657)</u>
Net Change in Cash	(958,821)	(719,666)
Cash, Beginning	<u>1,660,776</u>	<u>2,380,442</u>
Cash, Ending	<u><u>701,955</u></u>	<u><u>1,660,776</u></u>

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

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 1. ORGANIZATION

Point of Pride (the Organization) is a nonprofit public benefit organization established in 2016. Point of Pride's mission is to help the most vulnerable members of the transgender community feel seen and supported through access to life-saving health and wellness services. The Organization's principal office is located in Eugene, Oregon.

The following is a brief description of the Organization's programs:

- Annual Trans Surgery Fund: provides direct financial assistance to trans people who cannot afford gender-affirming surgery.
- HRT Access Fund: provides direct financial assistance to trans people who cannot afford their gender-affirming hormone replacement therapy (also known as "HRT"), prioritizing those in areas where competent care is limited due to geographic distance, legislative barriers, or both.
- Electrolysis Support Fund: provides direct financial assistance to trans people who cannot afford permanent hair removal services (including electrolysis and laser hair removal), prioritizing femmes of color for whom access to hair removal is often a vital safety measure.
- Thrive Fund: provides direct financial assistance to trans people for a variety of necessary, affirming healthcare needs, prioritizing one-time purchases or services with clearly defined start and end dates, as well as those facing intersecting healthcare needs or gaps in existing systems.
- Emergency Support Programming: provides rapid-response financial assistance to trans people facing urgent, short-term crises, such as loss of essential benefits. In 2025, Point of Pride distributed over \$20,000 to individuals impacted by SNAP disruptions during the government shutdown, most of whom were disabled, chronically ill, or primary caregivers.
- The Organization also provides free chest binders and femme shapewear garments to trans people who cannot afford or safely access them. Applications are first-come, first-served and fulfilled on a rolling basis. The Organization ships garments to people in all 50 states and around the world.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, as amended by Accounting Standards Update (ASU) 2016-14 (issued August 2016), and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations (the Guide).

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation (continued)

- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest earned. Nonoperating activities are limited to other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Organization applies fair value measurement to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles.

FASB ASC 820 establishes a three-tier hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs and to establish the classification of fair value measurement for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurement (continued)

The standard describes a three-tier hierarchy of inputs that may be used to measure fair value:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Due to the short-term nature of cash, accounts receivable, other assets, accounts payable and accrued expenses, fair value approximates carrying value.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in bank accounts and short-term, highly liquid investments with an initial maturity of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Accounts Receivable

Accounts receivable arise in the normal course of business. It is the policy of management to review the outstanding accounts receivable at year end, as well as write-offs experienced in the past, and establish an allowance for expected credit losses.

Current expected credit losses are based on historical experience and management's evaluation of outstanding receivables. No allowance for expected credit losses was considered necessary for the years ended December 31, 2025 and 2024, as management determined all receivables were collectible.

Investments

Investments are carried at fair value on the statements of financial position. Investment return (including realized and unrealized gains and losses on investments, interest and dividends, and investment expenses) is included in the change in net assets without donor restrictions unless restricted by donor or law. Investment return on restricted assets is reported as an increase in net assets without donor restrictions if the asset restriction expires in the reporting period in which the income is recognized. All other restricted investment returns are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

Investment Policy

The Organization's investments are managed in accordance with its Accounts Management & Investment Policy, last updated in September 2025. The Board of Directors retains oversight of all investment decisions and has delegated day-to-day management of accounts and general investment strategy to key staff (the Operations & Finance Manager and Executive Director) and the Board Treasurer. Investment advisory services are provided by JP Morgan Chase. The policy targets a risk-averse portfolio allocation of approximately 30%–35% equities and 65%–70% fixed income.

Consistent with the Organization's commitment to responsible investing, the policy incorporates consideration of Environmental, Social, and Governance (ESG) principles and Diversity, Equity, Inclusion, and Belonging (DEIB) considerations. Investments are generally excluded from the tobacco, firearms/defense, alcohol, and gambling industries. The policy permits consideration of investment opportunities outside these ESG-aligned sectors where such opportunities demonstrate exceptional returns and do not fall within the excluded industries. The Operations & Finance Manager and investment advisor review the policy quarterly; the Board of Directors and Executive Director participate in a more comprehensive review and approval of any updates on an annual basis.

Contribution and Pledge Receivables

Contribution and pledge receivables represent unconditional promises to give and are reported at fair value by discounting the expected future pledge payments at the statement of financial position date. Pledges extending beyond one year are discounted to recognize the present value of the future cash flows. In subsequent years, this discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any. In addition, pledges are recorded net of an allowance.

An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior giving history, type of contribution, and collection risk. Based on its prior experience with donors and grantors, management expects the contributions and grants receivable to be fully collectible. Accordingly, no allowance was considered necessary as of December 31, 2025 and 2024, respectively.

Conditional promises to give are recognized when the conditions (e.g., barriers) on which they depend are substantially met.

Property and Equipment

The Organization capitalizes property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as without donor restrictions 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 with donor restrictions. 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 restrictions at that time.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment (continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Maintenance, repairs, and minor renewals are charged to operations as incurred. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the statement of activities for the period.

Leases

The Organization determines if an arrangement contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the organization obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization's right-of-use assets represent the right-of-use of the underlying assets for the lease term and the lease liabilities represent the Organization's obligation to make lease payments arising from the leases. The Organization recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date.

Key estimates and judgments include how the Organization determines the discount rate, the lease term, and the lease payments. When the discount rate implicit in a lease is not readily determinable, the Organization calculates the lease liability using the risk-free rate.

The Organization recognizes payments for certain leases as expense when incurred including short-term leases with a lease term of 12 months or less. Lease expense for operating lease payments is recognized on the statement of activities on a straight-line basis over the lease term. These leases are not included as lease liabilities or right-of-use assets on the statement of financial position.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of the index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Leases with an initial term of 12 months or less are not recorded on the statement of financial position as a right-of-use asset and lease obligation. For lease agreements entered into or modified after the adoption of ASC 842, lease and non-lease components are combined.

Finance lease assets (previously referred to as a capital lease before the adoption of ASU 2016-02) are depreciated on a straight-line basis over the lease term and are reported net on the statement of financial position. Interest expense associated with finance leases is recorded based on the incremental borrowing rate.

The Organization did not have any right-of-use leases for the years ended December 31, 2025 and 2024.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Awards Payables

Awards payable represent amounts designated for financial assistance to program beneficiaries that have been approved but not yet disbursed as of the reporting date. These payables are recognized when the award commitments are made and will be settled upon completion of the required disbursement conditions.

Revenue Recognition

Revenue from Contracts with Customers

The Organization recognizes revenue in accordance with ASU 2014-09, Revenue from Contracts with Customers (ASC Topic 606). Topic 606 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Organization generally measures revenue based on the amount of consideration the Organization expects to be entitled for the transfer of goods to a customer, then recognizes this revenue when the Organization satisfies its performance obligations.

Revenue from Contracts with Customers (continued)

The Organization evaluates its revenue contracts with customers based on the five-step model under Topic 606: (i) identify the contract with the customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to separate performance obligations; and (v) recognize revenue when (or as) each performance obligation is satisfied.

Special Events

Special event revenues received are not recognized until the revenue is earned, which is at the time of the event or when the services are provided, and the Organization does not believe it is required to provide additional goods or services to fulfill its related performance obligation. The recognition of revenue is conditional on the event taking place, as this is the point in time when the performance obligation of hosting the event occurs.

The Organization records special event revenue equal to contribution revenue less the cost of direct benefits to donors which is included in special event revenue on the statement of activities and changes in net assets.

Contributions and Support

The Organization recognizes revenue from contributions, including grants, in accordance with ASU 2018-08, Not-For-Profit Entities (ASC Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. In accordance with Topic 958, the Organization evaluates whether a transfer of assets is (i) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (ii) a contribution.

If the transfer of assets is determined to be an exchange transaction, the Organization applies guidance under Topic 606, discussed above. If the transfer of assets is determined to be a contribution, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (i) one or more barriers that must be overcome before the Organization is entitled to the assets transferred and promised and (ii) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Contributions and Support (continued)

Contributions, including unconditional promises to give, are recognized as revenues in the period in which they are received. Unconditional promises are recognized at the estimated present value of future cash flows, discounted at a risk adjusted rate. Conditional promises to give are recognized when the conditions are met. Amortization of the discount is recorded as additional contribution revenue. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior giving history, type of contribution, collection risk, and nature of fund-raising activity.

Contributed revenue may include gifts of cash or promises to give. Contributions and grants are recognized as revenues in the period received and are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed 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. Donor-restricted contributions whose restrictions are met in the same reporting period may be reported as support within net assets without donor restrictions.

Conditional contributions and grants are not recognized until they become unconditional, that is, at the time when the conditions are substantially met. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or other measurable barriers, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement.

Contributed Nonfinancial Assets

Contributed nonfinancial assets (in-kind) are recorded as support in the statement of activities. Such contributions are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. The Organization's policy is to use contributed nonfinancial assets for programmatic or other purposes unless the assets have no utility consistent with the Organization's mission. In those instances, the assets would be monetized.

The Organization did not have any contributed nonfinancial assets for the years ended December 31, 2025 and 2024.

Contributed Services

The Organization utilizes the services of volunteers throughout the year that perform a variety of tasks that assist the Organization with various programs. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (i) create or enhance nonfinancial assets or (ii) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The volunteer services received did not meet these criteria and, accordingly, are not reflected in the financial statements.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses

It is the policy of the Organization to ensure all expenses incurred are consistently and appropriately designated to their functional expense categories (program services, management, and fundraising) to allow for an accurate representation of the true program costs of the Organization.

Functional expenses are allocated as follows:

Direct Expense

Direct expenses relate to one classification and can be directly charged as incurred.

Shared Direct Expense

Shared direct expenses are those that are incurred in support of program work and can be allocated.

Indirect Expense

Indirect expenses are only those expenses that are administrative in function.

Allocation Basis – Payroll

The method of allocating costs for payroll is by the use of time studies. Employees document how time was being spent over a time period to determine, on average, where the employee is spending their time, whether it be program, management, or fundraising.

Expense Allocation Process

- Program: Costs that result in the Organization fulfilling its mission.
- Management: Costs necessary for the operations of the Organization that are not identifiable with a specific program or fundraising.
- Fundraising: Costs that involve seeking, soliciting, or securing contributions.

This allocation process achieves a complete distribution of expenses to program areas and provides the Organization with an accurate understanding of true program costs.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and the Oregon Revised Statute (ORS 317.080). The Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Income generated from activities unrelated to the Organization's exempt purpose is subject to tax under IRC Section 511. The Organization did not have any unrelated business income for the years ended December 31, 2025 and 2024, therefore, no provisions for income taxes have been made.

The Organization follows the provisions of uncertain tax positions as addressed in FASB Accounting Standards Codification. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. The Organization believes that it has taken no significant uncertain tax positions for the years ended December 31, 2025 and 2024. Management believes the Organization is no longer subject to income tax examinations by applicable taxing jurisdictions for the years prior to December 31, 2022.

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

The Organization expenses the cost of advertising as incurred. Advertising expense for the years ended December 31, 2025 and 2024 was \$33,919 and \$10,790, respectively.

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern for a period of one year from the date the financial statements are available to be issued.

Recent Accounting Pronouncements

The Organization has evaluated all recently issued accounting pronouncements through the date of the independent auditors' report. Other than those disclosed above, management has determined that none are applicable to the financial statements or would have a material impact on the financial reporting or disclosures.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents the Organization's financial assets, reduced by amounts not available for general use, as follows as of December 31:

	<u>2025</u>	<u>2024</u>
Cash	\$ 701,955	\$ 1,660,776
Investments	4,074,922	2,068,711
Contributions receivable	<u>41,019</u>	<u>16,338</u>
Total financial assets	4,817,896	3,745,825
Less: amounts not available to be used within one year:		
Restricted by donor with purpose restrictions	<u>125,000</u>	<u>152,179</u>
Financial assets available to meet general expenditures over the next twelve months	\$ <u>4,692,896</u>	\$ <u>3,593,646</u>

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. The Organization has various sources of liquidity at its disposal, including cash and investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. As a result, management is aware of the cyclical nature of the Organization's cash flow related to the Organization's various funding sources and is therefore able to manage the cash available to meet current liquidity needs.

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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 4. CONCENTRATION OF CREDIT RISK

Cash

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist principally of cash. The Organization maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. As of December 31, 2025 and 2024, the Organization exceeded federally insured limits by \$299,213 and \$1,113,649, respectively.

Risks and Uncertainties

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

NOTE 5. FAIR VALUE MEASUREMENTS

The Organization's investments consist of exchange traded funds, mutual funds and equities and are stated at fair value based on quoted prices in active markets (all Level 1 measurements).

As of December 31, 2025, the Organization's investments consisted of:

Asset	Cost Basis	Market Value	Unrealized Gain (Loss)
Fixed Income			
Ultrashort	\$ 202,799	\$ 202,579	\$ (220)
Corporate Bonds	856,566	858,119	1,553
Muni National Interim	21,175	20,622	(553)
Energy	18,901	18,763	(138)
Real Estate	6,923	6,838	(85)
Short Term Bond	103,413	103,536	123
Long Term Corporate Bond	5,105	5,340	235
High Yield Bond	222,522	222,109	(413)
Government			
United States Treasury Bill	919,267	909,936	(9,331)
Equity	1,732,314	1,727,080	(5,234)
	<u>\$ 4,088,985</u>	<u>\$ 4,074,922</u>	<u>\$ (14,063)</u>

POINT OF PRIDE
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

NOTE 5. FAIR VALUE MEASUREMENTS (continued)

As of December 31, 2024, the Organization's investments consisted of:

Asset	Cost Basis	Market Value	Unrealized Gain (Loss)
Exchange Traded Funds			
Ultrashort	\$ 414,108	\$ 411,490	\$ (2,618)
Short Term	133,526	131,796	(1,730)
Mid Growth	576	2,270	1,694
Large Growth	146	9,266	9,120
Short Term Infl. Protected	61,903	60,768	(1,135)
Mutual Funds			
Ultrashort Bond	1,116,105	1,112,780	(3,325)
Short – Term Bond	343,870	340,341	(3,529)
	<u>\$ 2,070,234</u>	<u>\$ 2,068,711</u>	<u>\$ (1,523)</u>

NOTE 6. TRANS HEALTH FUNDRAISERS

On March 30, 2025, content creator Mercury Stardust hosted the 4th Annual “Stream-a-Thon for Trans Health,” a 24-hour livestream fundraiser hosted on social media. More than 19,000 donors contributed to the Stream-a-Thon, which raised over \$1 million dollars. The cost of advertising and fundraising for the event was approximately \$100,000.

On March 31, 2024, content creator Mercury Stardust hosted the 3rd Annual “TikTok-a-Thon for Trans Health,” a 24-hour livestream fundraiser hosted on social media. More than 44,000 donors contributed to the TikTok-a-Thon, which raised over \$2 million dollars. The cost of advertising and fundraising for the event was approximately \$139,000.

NOTE 7. DIRECT PROGRAM EXPENSES

Direct program expenses on the statement of functional expenses consist of the following as of December 31:

	2025	2024
Medical supplies and procedures	\$ 2,042,511	\$ 2,060,662
Membership/Appointment fees	53,332	1,286
Postage and shipping	31,491	23,436
Pharmacy reimbursement	22,182	-
Transportation	12,173	-
Storage unit	2,045	894
	<u>\$ 2,163,734</u>	<u>\$ 2,086,278</u>

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 8. NET ASSETS

Net assets with donor restrictions consist of the following as of December 31:

	2025	2024
Purpose restricted:		
Surgery Fund	\$ 100,000	\$ 113,750
Program expenses	25,000	-
Operating expenses	-	22,407
Garment Fund	-	6,973
HRT Fund	-	5,299
Electrolysis	-	3,750
Total net assets with donor restrictions	\$ <u>125,000</u>	\$ <u>152,179</u>

Net assets released from net assets with donor restrictions are as follows:

	2025	2024
Satisfaction of purpose restrictions	\$ <u>88,476</u>	\$ <u>-</u>

NOTE 9. CONTINGENCY

From time to time, the Organization may be subject to various litigation as a result of its ongoing business activities. Management believes that the outcomes of such litigation will not have a material adverse effect on the Organization's financial position, results of operations or liquidity.

NOTE 10. RECLASSIFICATION

Certain amounts in the Organization's prior year statement of functional expenses have been reclassified to conform to the current year's presentation. This reclassification had no effect on total expenses, changes in net assets, or net assets as previously reported.

NOTE 11. PRIOR PERIOD ADJUSTMENT

During the current year, the Organization identified errors in the previously issued financial statements related to the recording of certain accrued expenses. Specifically, certain liabilities were either understated or overstated at the prior year-end, resulting in the misstatement of related expense accounts and beginning net assets.

The accompanying financial statements have been revised to correct these errors. The correction resulted in an adjustment to beginning net assets without donor restrictions.

NOTE 12. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 8, 2026, the date on which the financial statements were available to be issued.