

# **Work Options for Women dba Work Options**

## **Financial Statements**

For the Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)



Certified Public Accountants

# Work Options for Women dba Work Options

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Certified Public Accountants

## **Independent Auditor's Report**

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To the Board of Directors  
Work Options for Women dba Work Options

### **Opinion**

We have audited the accompanying financial statements of Work Options for Women dba Work Options (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Work Options for Women dba Work Options as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Work Options for Women dba Work Options 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 Work Options for Women dba Work Options's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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.



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## **Independent Auditor's Report**

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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 Work Options for Women dba Work Options'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 Work Options for Women dba Work Options's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Report on Summarized Comparative Information**

The financial statements of Work Options for Women dba Work Options as of and for the year ended December 31, 2023, were audited by us and in our report dated November 15, 2024, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Olson, Reyes &amp; Sauerwein, LLC". The signature is fluid and cursive, with a stylized ampersand.

Olson, Reyes and Sauerwein, LLC

Centennial, Colorado  
February 14, 2025

# Work Options for Women dba Work Options

## Statements of Financial Position

December 31, 2024

(With Comparative Totals as of December 31, 2023)

	2024	2023
<b>ASSETS</b>		
Cash	\$ 157,594	\$ 220,314
Contributions and grants receivable, net of unamortized discount of \$ 0 and \$2,234, respectively	83,962	133,866
Government grants receivable	132,673	210,099
Inventory	13,272	10,372
Prepaid expenses and deposits	5,963	14,655
Property and equipment, net	83,249	118,517
Right-of-use asset	72,078	164,368
<b>TOTAL ASSETS</b>	<b>\$ 548,791</b>	<b>\$ 872,191</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable	\$ 51,543	\$ 61,543
Accrued liabilities	77,166	88,863
Operating lease liability	77,578	164,868
Notes payable	50,000	-
<b>Total Liabilities</b>	<b>256,287</b>	<b>315,274</b>
<b>Net Assets</b>		
Without donor restrictions		
Undesignated	(103,458)	111,051
Board designated	312,000	312,000
<b>Total Net Assets Without Donor Restrictions</b>	<b>208,542</b>	<b>423,051</b>
With donor restrictions	83,962	133,866
<b>Total Net Assets</b>	<b>292,504</b>	<b>556,917</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 548,791</b>	<b>\$ 872,191</b>

See Notes to Financial Statements

# Work Options for Women dba Work Options

## Statements of Activities

For the Year Ended December 31, 2024

(With Comparative Totals as of December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024	2023
<b>Support and Revenue</b>				
Government grants	\$ 773,142	\$ -	\$ 773,142	\$ 736,775
Contributions and grants	636,346	83,962	720,308	693,051
Food service	420,884	-	420,884	630,929
Special events, net of direct expenses	20	-	20	68,611
Interest and other income	8,865	-	8,865	6,138
In-kind contributions	12,000	-	12,000	17,820
Net assets released from restrictions	133,866	(133,866)	-	-
<b>Total Support and Revenue</b>	<b>1,985,123</b>	<b>(49,904)</b>	<b>1,935,219</b>	<b>2,153,324</b>
<b>Expenses</b>				
<b>Program Services:</b>				
Adams County Training Center	-	-	-	534,639
Helping Hen	1,877,139	-	1,877,139	701,816
Mobile Culinary Classroom	-	-	-	358,753
WOW Training Center	-	-	-	587,242
<b>Total Program Services</b>	<b>1,877,139</b>	<b>-</b>	<b>1,877,139</b>	<b>2,182,450</b>
<b>Support Services:</b>				
Management and general	206,396	-	206,396	171,637
Fundraising	116,097	-	116,097	171,976
<b>Total Support Services</b>	<b>322,493</b>	<b>-</b>	<b>322,493</b>	<b>343,613</b>
<b>Total Expenses</b>	<b>2,199,632</b>	<b>-</b>	<b>2,199,632</b>	<b>2,526,063</b>
<b>Change in Net Assets</b>	<b>(214,509)</b>	<b>(49,904)</b>	<b>(264,413)</b>	<b>(372,739)</b>
<b>Net Assets - Beginning of Year</b>	<b>423,051</b>	<b>133,866</b>	<b>556,917</b>	<b>929,656</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 208,542</b>	<b>\$ 83,962</b>	<b>\$ 292,504</b>	<b>\$ 556,917</b>

See Notes to Financial Statements

# Work Options for Women dba Work Options

## Statements of Functional Expenses

For the Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	Program Services		Supporting Services		Total 2024	Total 2023
	Helping Hen	and General	Fund-Raising			
Salaries and wages	\$ 877,503	\$ 73,278	\$ 69,748	\$ 1,020,529	\$ 1,257,785	
Payroll taxes and benefits	196,522	16,411	15,620	228,553	282,945	
<b>Total Personnel Expenses</b>	<b>1,074,025</b>	<b>89,689</b>	<b>85,368</b>	<b>1,249,082</b>	<b>1,540,730</b>	
Food and beverage	281,458	-	11,200	292,658	326,362	
Student training and incentives	236,059	-	-	236,059	154,942	
Professional fees	23,723	98,173	1,886	123,782	125,144	
Rent	77,235	6,450	6,139	89,824	91,320	
Café supplies	39,906	-	-	39,906	47,717	
Depreciation and amortization	30,326	2,532	2,410	35,268	36,100	
Office supplies and expenses	27,096	2,263	2,154	31,513	14,758	
Insurance	21,701	1,812	1,725	25,238	16,058	
Advertising and marketing	16,457	1,374	1,308	19,139	75,090	
Vehicles and maintenance	14,011	1,170	1,114	16,295	17,743	
Dues and subscriptions	9,881	825	785	11,491	10,722	
Computer and software	6,819	569	542	7,930	17,445	
Bank and merchant fees	5,678	473	451	6,602	18,282	
Utilities	5,556	464	442	6,462	7,113	
Travel, meals and entertainment	4,367	365	347	5,079	12,579	
Professional development	2,841	237	226	3,304	13,958	
Culinary Classic	-	-	-	-	19,451	
<b>Total Expenses by Function</b>	<b>1,877,139</b>	<b>206,396</b>	<b>116,097</b>	<b>2,199,632</b>	<b>2,545,514</b>	
Less: expenses included with revenues on the Statements of Activities						
Special event expenses	-	-	-	-	-	19,451
<b>TOTAL EXPENSES AS REPORTED ON THE STATEMENTS OF ACTIVITIES</b>	<b>\$ 1,877,139</b>	<b>\$ 206,396</b>	<b>\$ 116,097</b>	<b>\$ 2,199,632</b>	<b>\$ 2,526,063</b>	

# Work Options for Women dba Work Options

## Statements of Cash Flows

For the Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (264,413)	\$ (372,739)
<b>Adjustment to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities</b>		
Depreciation and amortization	35,268	36,100
Noncash lease expense	92,290	7,500
<b>Change in Operating Assets and Liabilities</b>		
<b>(Increase) Decrease in:</b>		
Government grants receivable	77,427	(80,702)
Contributions and grants receivable	49,904	64,744
Inventory	(2,900)	9,614
Prepaid expenses	8,692	32,515
<b>Increase (Decrease) in:</b>		
Accounts payable	(10,000)	23,794
Accrued liabilities	(11,697)	5,715
Operating lease liability	(87,291)	(7,000)
<b>Net Cash Flows from Operating Activities</b>	<b>(112,720)</b>	<b>(280,459)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Purchase) of property and equipment	-	(4,428)
Proceeds from maturity of certificates of deposit	-	182,629
<b>Net Cash Flows from Investing Activities</b>	<b>-</b>	<b>178,201</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable	50,000	-
<b>Net (Decrease) in Cash</b>	<b>(62,720)</b>	<b>(102,258)</b>
<b>Cash - Beginning of Year</b>	<b>220,314</b>	<b>322,572</b>
<b>CASH - END OF YEAR</b>	<b>\$ 157,594</b>	<b>\$ 220,314</b>

See Notes to Financial Statements

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 1 - Significant Accounting Policies

#### Nature of Organization

Work Options for Women dba Work Options (the "Organization" or "WO") was incorporated on July 25, 1996 under the State of Colorado nonprofit statutes. The mission of WO is to help people overcome barriers to sustainable employment by building confidence while providing resources and culinary job training. Since its inception, WO has helped individuals with multiple barriers gain employment by providing culinary training, job readiness classes, employment support and support services. Participants gain technical culinary skills in commercial training kitchens taught by professional chefs. Students also learn about employment and the responsibilities of both employers and workers through our cognitive behavioral classes and the financial literacy classes taught by volunteers from a local bank. In 2024, WO flourished in its location on the Mosaic Campus. WO enrolled 247 students with the following outcomes: record high of 91% completion rate; of the completers, 84% are employed, 85% of pre-apprentices are employed. 75% of our students self identify is non-white and 73% are justice impacted. WO also provided over 35,000 hot meals to the SOS Communities, operated its Food Truck the Helping Hen and Opened the Helping Hen Cafe on the Mosaic Campus. WO's programs are thriving in its new location, and the average staff retention is 6.2 years.

The Organization receives contributions and/or grants from foundations and holds contracts with various governmental agencies providing both meal and training services.

#### Basis of Presentation

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

#### Classification of Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the Organization, 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 restrictions. The governing Board has designated from net assets without donor restrictions, funds to be held in operating, fixed asset replacement and fixed asset acquisition reserves.

*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 explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been fulfilled.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 1 - Significant Accounting Policies (continued)

#### Fair Value of Financial Instruments

The Organization's financial instruments include cash, receivables, accounts payable, and long-term borrowings. The fair values of these financial instruments approximate their carrying amounts based on current market indicators, such as prevailing interest rates and their nearness to maturity.

#### Income Taxes

The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(ii) and has been classified as an organization other than a private foundation under Section 509(a)(1).

The Organization applies a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in a tax return. After evaluating the tax positions taken, none are considered to be uncertain, therefore, no amounts have been recognized as of December 31, 2024 and 2023.

#### Prior-Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. The prior-year presentation does not include sufficient detail to constitute presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

#### Use of Estimates

The preparation of the financial statements in conformity with accounting principles GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from the estimates.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 1 - Significant Accounting Policies (continued)

#### Contributions and Grants Receivable

Contributions and grants receivable are recognized as revenue in the period awarded and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Contributions and grants receivable are recognized at the net realizable value if expected to be collected within one year, and at fair value if expected to be collected in greater than one year. At December 31, 2024 and 2023, contributions and grants receivable have been determined to be fully collectible. Accordingly, no allowance for doubtful accounts has been recorded.

Conditional contributions receivable are recognized when the conditions on which they depend are substantially met.

#### Government Grants Receivable

Government grants receivable consist of amounts due under agreements with federal and state agencies reduced by the estimated portion that is expected to be uncollectible. The Organization uses the allowance method to record uncollectible government grants receivable. The allowance is based on prior years' experience and management's analysis of specific amounts. Management has determined that all government grants receivable are collectible as of December 31, 2024 and 2023.

#### Inventory

Inventories are valued at the lower of cost or net realizable value on a first-in, first-out basis.

#### Property and Equipment

Property and equipment is stated at cost or fair market value at the date of contribution, if donated. Maintenance items of a routine nature are expensed as incurred, whereas those which improve or extend the lives of existing assets are capitalized. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Depreciation is provided on the straight line method over the estimated useful lives of the assets which range from 3 to 10 years.

GAAP requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment, which is determined based upon the estimated fair value of the asset, is recorded when estimated undiscounted cash flows expected to be generated by the asset are insufficient to recover its net carrying value. Management has determined that no impairment of its long-lived assets is deemed necessary at December 31, 2024 and 2023.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 1 - Significant Accounting Policies (continued)

#### Lease Accounting

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the Statement of Financial Position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization has elected to use a risk-free rate in determining the present value of the lease. Lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

#### Revenue Recognition

##### Food Service Revenue

Food service revenue consists of food and beverage sales and catering revenue. Food and beverage sales are recognized at the point of sale. Catering revenue is recognized at time of the event.

##### Contribution Revenue

Contributions are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when awarded.

Unconditional or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 1 - Significant Accounting Policies (continued)

#### Revenue Recognition (continued)

##### Grant Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

*Grant Awards that are Contributions* - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

*Grant Awards that are Exchange Transactions* - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control over the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

##### In-Kind Contributions

Donated goods are reflected as contributions in the financial statements at their estimated fair values at the date of donation. Donated services are recognized as contributions in accordance with GAAP for Not-for-Profit Organizations if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

#### Functional Expense Allocation

The statement of functional expenses report certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and wages, payroll taxes and benefits, depreciation, insurance, utilities, office supplies and expenses, and rent which are allocated on the basis of estimated time and effort.

#### Subsequent Events

In preparing its financial statements, the Organization has evaluated subsequent events through February 14, 2025, which is the date the financial statements were available to be issued. Management of the Organization has not identified any material subsequent events that require reporting or disclosure, except as discussed in Note 10.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 2 - Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31, 2024 and 2023:

	2024	2023
Cash	\$ 157,594	\$ 220,314
Contributions receivable due within one year	83,962	121,366
Government grants receivable due within one year	132,673	210,099
<b>Total Financial Assets</b>	<b>374,229</b>	<b>551,779</b>
Less:		
Board designations - reserve funds	312,000	312,000
<b>Total Financial Assets Available for General Expenditure</b>	<b>\$ 62,229</b>	<b>\$ 239,779</b>

The Organization does not have a formal liquidity policy. The Organization invests its financial assets in a manner consistent with the concept of prudent money management seeking maximum returns with reasonable levels of risk.

The Organization has board-designated assets of \$312,000 designated for various reserves as of December 31, 2024 and 2023. Although the Organization does not intend to spend from these board-designated funds other than for the designated purpose, these amounts could be made available if necessary.

### Note 3 - Concentration of Credit Risk

Since the Organization periodically places cash in individual financial institutions in excess of FDIC insured limits, the Organization periodically reviews the financial condition of the financial institutions to reduce the Organization's credit risk associated with cash. Additionally, the Organization places its cash with high credit quality financial institutions.

Credit risk associated with contributions and grants receivable is limited due to the number and creditworthiness of the entities from which the amounts are due. The Organization receives virtually all its revenue from public support and government grants. A significant reduction in the level of support, if this were to occur, may have an adverse effect on the Organization's programs and activities.

For the year ended December 31, 2024, 61% of contributions and grants receivable were due from two grantors. For the year ended December 31, 2023, 74% of contributions and grants receivable were due from three grantors.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 4 - Contributions and Grants Receivable

#### Contributions and Grants Receivable

Contributions and grants receivable consisted of the following at December 31, 2024 and 2023:

	2024	2023
Receivables due in less than one year	\$ 83,962	\$ 136,100
Less: unamortized discount	-	(2,234)
<b>Net Contributions and Grants Receivable</b>	<b>\$ 83,962</b>	<b>\$ 133,866</b>

#### Government Grants Receivable

The Organization's government grant revenues are derived from federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant or contract provisions. The Organization received grants totaling \$266,374 and \$733,009 that have not been recognized at December 31, 2024 and 2023, respectively, because the qualifying expenditures have not been incurred.

### Note 5 - Property and Equipment

Property and equipment consist of the following at December 31, 2024 and 2023:

	2024	2023
Furniture, fixtures and equipment	\$ 276,565	\$ 276,565
Vehicles	231,516	231,516
	508,081	508,081
Less: accumulated depreciation	424,832	389,564
<b>Property and Equipment, Net</b>	<b>\$ 83,249</b>	<b>\$ 118,517</b>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$35,268 and \$36,100, respectively.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 6 - Note Payable

On March 29, 2024, the Organization entered in an agreement for an unsecured note payable with a private foundation in the amount of \$50,000. The note bears interest at 2.5% and matures on March 30, 2029. No principal payments are required in the first year of the note, but an interest payment of \$1,250 is due on March 30, 2025. Subsequent to that date, quarterly payments of \$3,294 are required throughout the term of the note.

Future minimum annual payments are as follow:

	December 31st
2025	\$ 8,999
2026	12,264
2027	12,573
2028	12,891
2029	3,273
<b>Total Future Payments</b>	<b>\$ 50,000</b>

### Note 7 - Operating Lease Commitments

WOW Cafe' - The Organization had a Cafeteria and Concession and Catering Services Agreement with the City and County of Denver for kitchen and office space which was discontinued in 2023. The agreement required the Organization to pay fees equal to a percentage of gross annual revenues. however, no rents were paid in 2023. The agreement was discontinued in 2023. The Organization recorded donated rent of \$9,000 for the year ended December 31, 2023

The Organization also had a lease for a cafe' facilities in Adams County, CO. The Organization paid rent of \$10 per year and 5% of gross sales in excess of \$350,000. The Organization discontinued the lease with this facility in 2023. No rents were paid in 2023. The Organization recorded donated rent of \$8,820 for the year ended December 31, 2023

For the year ended December 31, 2022 and through November of 2023, the Organization was leasing office and kitchen space under an informal month to month lease requiring monthly rents of \$6,000. In December 2023, the Organization entered into an agreement to lease office and kitchen space from an unrelated party under an operating lease that matures on November 30, 2025. The agreement requires monthly payments which escalate from \$7,000 to \$8,000 over the term of the lease.

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 7 - Operating Lease Commitments (continued)

The ROU asset reflected on the Statement of Financial Position represents the Organization's right to use underlying assets for the lease term, and the lease liability reflected on the balance sheet represents the Organization's obligation to make lease payments arising from these leases. The ROU asset and lease liability, which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization has elected to use a risk free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liability was 5.33% each year. The weighted-average lease term remaining at December 31, 2024 and 2023 was 11 and 23 months, respectively. Future minimum rent payments due under all operating leases are as follows:

	2024
Total remaining lease payments due in 2025	\$ 82,500
Less: present value discount	(4,922)
Operating Lease Liability	\$ 77,578

Lease costs consisted of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Operating lease costs	\$ 89,824	\$ 7,500
Donated rent	-	17,820
Short-term lease costs	-	66,000
	\$ 89,824	\$ 91,320

### Note 8 - Net Assets

#### Board Designated Net Assets

The Board of Directors have designated the following funds:

	2024	2023
Operating reserve	\$ 227,000	\$ 227,000
Fixed asset replacement reserve	75,000	75,000
Fixed asset acquisition reserve	10,000	10,000
Total	\$ 312,000	\$ 312,000

# Work Options for Women dba Work Options

## Notes to the Financial Statements

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### Note 8 - Net Assets (continued)

Operating reserve – Approximately three months of operating expenditures, to be held in the event of a revenue shortfall or other unforeseen extraordinary occurrences.

Fixed asset replacement reserve - Funds designated for the replacement of equipment, software, or leasehold improvements, as deemed necessary.

Fixed asset acquisition reserve - Funds designated to acquire equipment, software, and leasehold improvements which are not replacements of existing equipment, software, or leasehold improvements.

#### Net Assets with Donor Restrictions

As of December 31, 2024 and 2023, net assets with donor restrictions were \$83,962 and \$133,866, respectively, and were time restricted.

### Note 9 - In-Kind Contributions

In-kind contributions included in the financial statements are as follows for the years ended December 31, 2024 and 2023:

	Valuation Methodology	2024	2023
Rent and facilities	Estimated market value of comparable rentals	\$ -	\$ 17,820
Vendor rebates	Estimated market value	12,000	-
		\$ 12,000	\$ 17,820

### Note 10 - Subsequent Event - Government Grant

Effective January 1, 2025, the Organization was awarded a grant from the State of Colorado in the amount of \$1,089,142 to provide meals to micro-communities in the Denver area. The grant period is one year and is set to expire on December 31, 2025.