COYOTE HILL

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

WILLIAMS KEEPERS LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Coyote Hill

Opinion

We have audited the accompanying financial statements of Coyote Hill (the Organization), which comprise the statements of financial position – modified cash basis as of December 31, 2024 and 2023, the related statements of activities – modified cash basis and functional expenses – modified cash basis for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in its net assets for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization 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.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than auditing standards generally accepted in the United States of America (GAAS). Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting as described in Note 1, 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 these financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 the modified cash basis of accounting as described in Note 1 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 the Organization'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 the Organization'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.

Williams-Keepers LLC

Columbia, Missouri
September 19, 2025

COYOTE HILL

STATEMENTS OF FINANCIAL POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,974,040	$ 1,938,513
Investments at fair value	1,439,694	-
Total current assets	3,413,734	1,938,513
PROPERTY AND EQUIPMENT, NET	6,087,229	3,671,504
Total assets	$ 9,500,963	$ 5,610,017
LIABILITIES		
CURRENT LIABILITIES		
Credit card payable	$ 17,987	$ 15,178
Total liabilities	17,987	15,178
NET ASSETS		
NET ASSETS		
Without donor restrictions		
Undesignated	2,392,783	1,622,371
Designated	144,395	107,729
Invested in property and equipment	6,087,229	3,671,504
	8,624,407	5,401,604
With donor restrictions		
Purpose restrictions	858,569	193,235
Total net assets	9,482,976	5,594,839
Total liabilities and net assets	$ 9,500,963	$ 5,610,017

The notes to financial statements are an integral part of these statements.

COYOTE HILL

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024			
	Without Donor Restrictions	With Donor Restrictions	Total	2023 Total
REVENUES AND OTHER SUPPORT				
Contributions	$ 4,260,179	$ 1,385,264	$ 5,645,443	$ 2,298,305
Charges for services	13,267	-	13,267	7,528
Events	362,938	-	362,938	341,661
Investment income, net	817,972	-	817,972	-
Grants	158,361	164,535	322,896	275,314
Other income	20,956	-	20,956	61,677
Net assets released from restrictions	884,465	(884,465)	-	-
Total revenues and other support	6,518,138	665,334	7,183,472	2,984,485
EXPENSES				
Program	2,766,773	-	2,766,773	2,591,127
Management and general	121,998	-	121,998	106,394
Fundraising	406,564	-	406,564	347,298
Total expenses	3,295,335	-	3,295,335	3,044,819
Change in net assets	3,222,803	665,334	3,888,137	(60,334)
Net assets, beginning of year	5,401,604	193,235	5,594,839	5,655,173
Net assets, end of year	$ 8,624,407	$ 858,569	$ 9,482,976	$ 5,594,839

The notes to financial statements are an integral part of these statements.

COYOTE HILL

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Contributions	$ 1,423,303	$ 875,002	$ 2,298,305
Charges for services	7,528	-	7,528
Events	341,661	-	341,661
Grants	143,535	131,779	275,314
Other income	61,677	-	61,677
Net assets released from restrictions	1,001,693	(1,001,693)	-
Total revenues and other support	2,979,397	5,088	2,984,485
EXPENSES			
Program	2,591,127	-	2,591,127
Management and general	106,394	-	106,394
Fundraising	347,298	-	347,298
Total expenses	3,044,819	-	3,044,819
Change in net assets	(65,422)	5,088	(60,334)
Net assets, beginning of year	5,467,026	188,147	5,655,173
Net assets, end of year	$ 5,401,604	$ 193,235	$ 5,594,839

The notes to financial statements are an integral part of these statements.

COYOTE HILL

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program	Management and General	Fundraising	Total
Automobile expenses	$ 31,957	$ 6,959	$ 332	$ 39,248
Banking and service charges	18	1,275	8,864	10,157
Clothing and education allowance	8,351	-	-	8,351
Community education	34,392	-	72,016	106,408
Depreciation	211,818	4,006	-	215,824
Designated expenses	5,334	-	-	5,334
Dues and memberships	4,323	-	545	4,868
Equine	43,270	-	-	43,270
Foster care services and support	269,750	-	8,507	278,257
Household and food	30,847	-	-	30,847
Independent living	7,245	-	-	7,245
Insurance - health	125,901	3,731	33,393	163,025
Insurance - liability and property	103,813	-	-	103,813
Insurance - workmen's comp	31,381	-	-	31,381
Miscellaneous expense	867	-	8	875
Office supplies	26,653	3,266	3,601	33,520
Payroll expense - 403(b) matching	13,271	8,001	49,874	71,146
Payroll processing	-	3,889	-	3,889
Payroll taxes	109,584	4,966	14,792	129,342
Professional services	60,321	14,148	13,373	87,842
Property repairs and maintenance	56,085	-	-	56,085
Salary expense	1,440,111	71,757	195,146	1,707,014
Training	19,277	-	485	19,762
Travel and meals	18,239	-	3,928	22,167
Utilities and telephone	113,965	-	1,700	115,665
Total expenses	$ 2,766,773	$ 121,998	$ 406,564	$ 3,295,335

The notes to financial statements are an integral part of these statements.

COYOTE HILL

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program	Management and General	Fundraising	Total
Automobile expenses	$ 50,929	$ -	$ 531	$ 51,460
Banking and service charges	9	-	10,583	10,592
Clothing and education allowance	4,207	-	-	4,207
Community education	28,420	-	77,670	106,090
Depreciation	202,364	4,089	-	206,453
Designated expenses	47,362	-	209	47,571
Dues and memberships	3,366	-	800	4,166
Equine	85,778	-	-	85,778
Foster care services and support	249,418	31	6,568	256,017
Household and food	27,494	-	-	27,494
Independent living	7,550	-	-	7,550
Insurance - health	18,084	2,940	6,647	27,671
Insurance - liability and property	95,434	-	-	95,434
Insurance - workmen's comp	30,882	-	-	30,882
Miscellaneous expense	(1,846)	1,915	127	196
Office supplies	30,080	2,704	6,284	39,068
Payroll expense - 403(b) matching	29,004	6,497	15,039	50,540
Payroll processing	-	3,271	-	3,271
Payroll taxes	102,833	5,138	15,039	123,010
Professional services	68,285	13,597	8,628	90,510
Property repairs and maintenance	58,906	-	-	58,906
Salary expense	1,309,765	66,212	189,502	1,565,479
Training	11,754	-	3,351	15,105
Travel and meals	23,202	-	4,290	27,492
Utilities and telephone	107,847	-	2,030	109,877
Total expenses	$ 2,591,127	$ 106,394	$ 347,298	$ 3,044,819

The notes to financial statements are an integral part of these statements.

COYOTE HILL

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Coyote Hill (the Organization) exists to give children in foster care a safe place to be a child. The Organization is a licensed Child Placing Agency with the State of Missouri. The Organization does not discriminate based on race, color, religion, sex, national origin, disability, or age.

Basis of accounting: The financial statements have been prepared using the modified cash basis of accounting, under which revenues are recorded when received rather than when susceptible to accrual, and expenses are recorded when paid rather than when the liability is incurred. The modifications to the cash basis of accounting are that investments, property and equipment and credit card payable are recorded in the statements of financial position. This basis is a comprehensive basis of accounting other than auditing standards generally accepted in the United States of America (GAAS).

Estimates: The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (if any), and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The most sensitive estimate affecting the financial statements was the estimated depreciable lives of the Organization's property and equipment.

Cash and cash equivalents: The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization maintains cash balances at established financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation, subject to certain limitations.

Investments: Investments are stated at fair value based on quoted market prices within active markets. Purchases and sales of securities are recorded on a trade date basis. Realized investment gains and losses are determined on the specific identification basis. Dividends are recorded on the declaration date. Interest is recorded when earned. All gains and investment income are without donor restrictions.

Investments are exposed to various risks, such as interest rates, market, and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in their values, it is at least reasonably possible that changes in risks in the near term would materially affect amounts reported in the financial statements.

Property and equipment: Property and equipment are recorded at cost. Property and equipment are depreciated over their estimated useful lives using the straight-line method and are presented net of accumulated depreciation in the statements of financial position. Major renewals and improvements that significantly add to the productive capacity or extend the life of an asset are capitalized. Repairs and maintenance that do not improve or extend the life of the respective assets are expensed in the year incurred. The Organization maintains a capitalization policy whereby the purchase of property and equipment below $2,500 is expensed as incurred.

Net assets: The Organization reports information regarding its financial position and activities according to two classes of net assets:

> Without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

With donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Functional allocation of expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among program, management and general, and fundraising expenses.

Income taxes: The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3). However, any income from certain activities not directly related to the Organization's tax-exempt purpose would be subject to taxation as unrelated business income. The Organization's Form 990 and taxable status are subject to examination by the Internal Revenue Service. Interest and penalties incurred, if any, related to the annual Form 990 or unrelated business income tax filings are reported within management and general expenses in the statement of activities.

Subsequent events: Events that have occurred subsequent to December 31, 2024, have been evaluated through September 19, 2025, which represents the date the Company's financial statements were approved by management and, therefore, were available to be issued.

2. LIQUIDITY AND AVAILABILITY

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

	2024	2023
Cash and cash equivalents	$ 1,115,471	$ 1,745,278
Investments at fair value	1,439,694	-

As part of the Organization's liquidity management plan, cash in excess of daily requirements is invested in certificates of deposit and other short-term investments. Occasionally, the Board or management designates a portion of the Organization's cash to a variety of purposes, which totaled $144,395 and $107,729 as of December 31, 2024 and 2023, respectively.

The Organization has a $50,000 line of credit available to meet cash flow needs. The line of credit expires on May 21, 2026, and bears interest at 6.50%. The line of credit is unsecured. There were no draws on the line of credit during 2024 or 2023.

3. INVESTMENTS

During May 2024, the Coyote Hill Foundation dissolved and the investment portfolio was transferred over in total to Coyote Hill.

Investments consist of the following as of December 31:

	2024	
	Cost	Fair Value
Cash and cash equivalents	$ 126,848	$ 126,848
Equity - common stock and EFT	813,698	986,841
Fixed income - CD and EFT	212,330	216,640
Real asset funds	56,785	71,280
Alternative mutual funds	37,717	38,085
Total	$ 1,247,378	$ 1,439,694

Investment return, net consists of the following for the year ended December 31:

	2024
Dividends	$ 115,144
Realized gains	526,924
Unrealized gains	189,498
Investment fees	(13,594)
	$ 817,972

Fair Value Disclosures – Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, a fair value hierarchy is used that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

The fair value hierarchy is as follows:

Level 1 — Valuation is based upon quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 — Valuation is based upon quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.

Level 3 — Valuation is generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The following table presents the Organization's assets measured at fair value on a recurring basis as of December 31, aggregated by the level in the fair value hierarchy within which those measurements fall:

2024	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 126,848	$ -	$ -	$ 126,848
Equity - common stock and EFT	986,841	-	-	986,841
Fixed income - CD and EFT	216,640	-	-	216,640
Real asset funds	71,280	-	-	71,280
Alternative mutual funds	38,085	-	-	38,085
Total	$ 1,439,694	$ -	$ -	$ 1,439,694

4. PROPERTY AND EQUIPMENT

Property and equipment, at cost, consists of the following as of December 31:

	2024	2023
Buildings	$ 6,455,282	$ 3,821,359
Furniture, fixtures, and equipment	877,125	877,125
Land	296,704	296,704
Vehicles	224,133	224,133
Livestock	89,603	96,503
	7,942,847	5,315,824
Less accumulated depreciation	(1,855,618)	(1,644,320)
Property and equipment, net	$ 6,087,229	$ 3,671,504

Depreciation expense for the years ended December 31, 2024 and 2023 was $215,824 and $206,453, respectively.

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following purposes as of December 31:

	2024	2023
Property and equipment	$ 639,218	$ -
Neighborhood assistance program (NAP)	13,542	45,034
Youth opportunities program (YOP)	156,249	100,988
Programs	7,706	-
Family connections campaign	41,254	46,613
Other	600	600
Total	$ 858,569	$ 193,235

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors totaling $884,465 and $1,001,693 for the years ended December 31, 2024 and 2023, respectively.

6. RETIREMENT PLAN

The Organization has a 403(b) retirement plan covering all eligible employees. The Organization makes matching contributions up to 5% of each the employee's eligible compensation. Matching contributions under the plan were $71,146 and $50,540 for the years ended December 31, 2024 and 2023, respectively.

7. OPERATING LEASE COMMITMENTS

The Organization leases office space in various locations to administer foster care services. Future minimum lease commitments for the years ending December 31, are as follows:

2025	$ 36,000
	$ 36,000

Rent expense for the years ended December 31, 2024, and 2023, including the above mentioned leases, totaled $141,790 and $109,475, respectively.

8. SUBSEQUENT EVENT

Subsequent to yearend, the Organization purchased a building for $305,000, which was paid for with cash. Additionally, the Organization sold a building with a net book value of approximately $238,000.