



CONSOLIDATED
FINANCIAL STATEMENTS

September 30, 2024 and 2023 (As Restated)
(With Independent Auditor's Report Thereon)



INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Mountaineers and Affiliate

Opinion

We have audited the consolidated financial statements of The Mountaineers and Affiliate (collectively, the Organization), which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of September 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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.

Other Matter 2023 Consolidated Financial Statements Audited by Another Auditor

The consolidated financial statements of the Organization for the year ended September 30, 2023, before the restatement described in Note 17, were audited by another auditor whose report dated February 7, 2024, expressed an unmodified opinion on those statements. As part of our audit of the September 30, 2024 consolidated financial statements, we also audited the adjustments described in Note 17 that were applied to restate the 2023 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2023 consolidated financial statements of the entity other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2023 consolidated financial statements as a whole.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 consolidated 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 24 through 27 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Vine Dahlen PLLC

February 6, 2025

THE MOUNTAINEERS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
September 30, 2024 and 2023

ASSETS

	2024	2023 (As Restated)
CURRENT ASSETS:		
Cash and cash equivalents	\$ 990,937	\$ 815,703
Investments	204,154	1,128,574
Accounts receivable, net	719,050	750,547
Pledges receivable	22,500	33,575
Current portion of author advances, net	71,301	74,983
Book inventories	4,996,779	4,640,352
Prepaid expenses and other current assets	449,182	362,863
TOTAL CURRENT ASSETS	7,453,903	7,806,597
NONCURRENT ASSETS:		
Author advances, net	385,827	239,206
Long-term investments	4,919,558	3,855,726
Property and equipment, net	5,415,058	4,982,260
Operating lease assets	560,004	757,105
TOTAL NONCURRENT ASSETS	11,280,447	9,834,297
TOTAL ASSETS	\$ 18,734,350	\$ 17,640,894

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 777,003	\$ 586,848
Royalties payable	108,739	107,103
Deferred revenue	209,072	205,555
Current portion of long-term debt	13,592	13,181
Current portion of operating lease liabilities	183,940	183,713
TOTAL CURRENT LIABILITIES	1,292,346	1,096,400
LONG-TERM LIABILITIES:		
Long-term debt, net of current portion	445,255	458,846
Operating lease liabilities, net of current portion	422,087	606,027
TOTAL LONG-TERM LIABILITIES	867,342	1,064,873
TOTAL LIABILITIES	2,159,688	2,161,273
NET ASSETS:		
Without donor restrictions	15,727,174	14,810,233
With donor restrictions	847,488	669,388
TOTAL NET ASSETS	16,574,662	15,479,621
TOTAL LIABILITIES AND NET ASSETS	\$ 18,734,350	\$ 17,640,894

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT:			
Book sales, net	\$ 4,569,770	\$ 0	\$ 4,569,770
Grants and contributions	1,594,001	678,381	2,272,382
Course and activity fees, net	2,344,248	0	2,344,248
Membership dues	903,646	0	903,646
Special events	679,438	0	679,438
Ticket sales	248,047	0	248,047
Lodge use fees	224,610	0	224,610
Rental income	205,924	0	205,924
Other revenue	276,714	0	276,714
Net assets released from restriction	500,281	(500,281)	0
	<u>11,546,679</u>	<u>178,100</u>	<u>11,724,779</u>
TOTAL OPERATING REVENUES, GAINS, AND OTHER SUPPORT			
OPERATING EXPENSES:			
Program services	9,999,110	0	9,999,110
Management and general	733,927	0	733,927
Fundraising	1,039,633	0	1,039,633
	<u>11,772,670</u>	<u>0</u>	<u>11,772,670</u>
TOTAL OPERATING EXPENSES			
CHANGE IN NET ASSETS FROM OPERATIONS	(225,991)	178,100	(47,891)
OTHER CHANGES:			
Net investment return	1,142,932	0	1,142,932
	<u>916,941</u>	<u>178,100</u>	<u>1,095,041</u>
CHANGE IN NET ASSETS			
BEGINNING NET ASSETS	14,810,233	669,388	15,479,621
ENDING NET ASSETS	<u>\$ 15,727,174</u>	<u>\$ 847,488</u>	<u>\$ 16,574,662</u>

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023 (As Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT:			
Book sales, net	\$ 5,122,591	\$ 0	\$ 5,122,591
Grants and contributions	2,095,987	1,008,616	3,104,603
Course and activity fees, net	2,242,476	0	2,242,476
Membership dues	817,865	0	817,865
Special events	318,824	0	318,824
Ticket sales	282,128	0	282,128
Lodge use fees	225,493	0	225,493
Rental income	205,307	0	205,307
Other revenue	231,286	0	231,286
Net assets released from restriction	1,077,331	(1,077,331)	0
	<u>12,619,288</u>	<u>(68,715)</u>	<u>12,550,573</u>
TOTAL OPERATING REVENUES, GAINS, AND OTHER SUPPORT			
OPERATING EXPENSES:			
Program services	10,554,194	0	10,554,194
Management and general	654,471	0	654,471
Fundraising	1,015,310	0	1,015,310
	<u>12,223,975</u>	<u>0</u>	<u>12,223,975</u>
TOTAL OPERATING EXPENSES			
CHANGE IN NET ASSETS FROM OPERATIONS	395,313	(68,715)	326,598
OTHER CHANGES:			
Net investment return	565,953	0	565,953
	<u>961,266</u>	<u>(68,715)</u>	<u>892,551</u>
CHANGE IN NET ASSETS			
BEGINNING NET ASSETS	13,848,967	738,103	14,587,070
	<u>\$ 14,810,233</u>	<u>\$ 669,388</u>	<u>\$ 15,479,621</u>
ENDING NET ASSETS			

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2024

	Program Services						
	Mountaineers Programs	Mountaineers Books	Braided River	Total Program Services	Management and General	Fundraising	Total
Salaries and related expenses	\$ 2,236,744	\$ 962,348	\$ 198,596	\$ 3,397,688	\$ 389,404	\$ 586,854	\$ 4,373,946
Advertising and promotion	16,296	165,846	350	182,492	1,756	4,737	188,985
Cost of books sold	8,835	3,039,844	0	3,048,679	0	0	3,048,679
Depreciation	226,707	8,094	0	234,801	85	161	235,047
Direct program expenses	181,154	0	92,145	273,299	64,165	115,950	453,414
Fundraising events and activities	0	0	53	53	6,362	83,107	89,522
Information technology	22,123	43,042	656	65,821	16,262	11,473	93,556
Insurance	222,085	0	0	222,085	48,135	0	270,220
Interest	0	0	0	0	12,863	0	12,863
Miscellaneous	251,476	3,976	6,889	262,341	11,045	21,991	295,377
Occupancy	290,203	149,660	0	439,863	16,161	60,329	516,353
Office, printing, and postage	287,565	378,790	2,373	668,728	6,210	31,590	706,528
Professional fees	589,949	126,637	0	716,586	153,289	115,148	985,023
Travel	453,474	18,106	15,094	486,674	8,190	8,293	503,157
TOTAL EXPENSES	\$ 4,786,611	\$ 4,896,343	\$ 316,156	\$ 9,999,110	\$ 733,927	\$ 1,039,633	\$ 11,772,670

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2023 (As Restated)

	Program Services						
	Mountaineers Programs	Mountaineers Books	Braided River	Total Program Services	Management and General	Fundraising	Total
Salaries and related expenses	\$ 2,097,474	\$ 961,629	\$ 215,418	\$ 3,274,521	\$ 381,612	\$ 547,566	\$ 4,203,699
Advertising and promotion	17,460	207,478	1,850	226,788	1,088	2,864	230,740
Cost of books sold	87,356	3,280,912	0	3,368,268	0	0	3,368,268
Depreciation	192,448	6,975	0	199,423	73	139	199,635
Direct program expenses	276,587	0	671,939	948,526	67,741	85,651	1,101,918
Fundraising events and activities	0	0	0	0	0	99,474	99,474
Information technology	130,157	37,551	1,084	168,792	19,234	30,112	218,138
Insurance	171,830	0	0	171,830	46,409	0	218,239
Interest	0	0	0	0	13,204	0	13,204
Miscellaneous	85,063	30,934	72,576	188,573	20,166	31,715	240,454
Occupancy	209,651	172,013	0	381,664	3,230	53,849	438,743
Office, printing, and postage	82,011	319,431	517	401,959	5,709	39,196	446,864
Professional fees	755,996	84,863	0	840,859	94,917	120,884	1,056,660
Travel	366,998	12,285	3,708	382,991	1,088	3,860	387,939
TOTAL EXPENSES	\$ 4,473,031	\$ 5,114,071	\$ 967,092	\$ 10,554,194	\$ 654,471	\$ 1,015,310	\$ 12,223,975

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2024 and 2023

	2024	2023 (As Restated)
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
Change in net assets	\$ 1,095,041	\$ 892,551
Adjustments to reconcile change in net assets to net cash:		
Depreciation and amortization	235,047	199,635
Net realized and unrealized gain on investments	(970,886)	(440,850)
Non-cash lease adjustment	13,388	32,635
Forgiveness of conditional contribution, net	0	(146,395)
Change in allowance for accounts receivable	(6,603)	(3,790)
Change in allowance for author advances	(9,758)	8,874
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	38,100	96,918
Pledges receivable	11,075	(6,700)
Author advances	(133,181)	(33,455)
Book inventories	(356,427)	(578,108)
Prepaid expenses and other current assets	(86,319)	(44,170)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	190,155	(206,308)
Royalties payable	1,636	8,451
Deferred revenue	3,517	(67,569)
Total adjustments and changes	(1,070,256)	(1,180,832)
	24,785	(288,281)
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES:		
Purchases of investments	(4,899,904)	(1,061,142)
Proceeds from sale of investments	5,731,378	1,538,995
Purchase of property and equipment	(667,845)	(283,669)
	163,629	194,184
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES:		
Payments on long-term debt	(13,180)	(12,824)
NET CHANGE IN CASH AND CASH EQUIVALENTS	175,234	(106,921)
BEGINNING CASH AND CASH EQUIVALENTS	815,703	922,624
ENDING CASH AND CASH EQUIVALENTS	\$ 990,937	\$ 815,703
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Operating right-of-use assets obtained in exchange for operating lease liabilities	\$ 0	\$ 954,204
Cash paid during the year for interest	\$ 12,863	\$ 13,204

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

1. NATURE OF ORGANIZATION

The Mountaineers is a Washington State nonprofit corporation formed to enrich the community by helping people explore, conserve, learn about, and enjoy the lands and waters of the Pacific Northwest and beyond. The Mountaineers offers program activities and publishes books consistent with its philosophies and mission.

The programs division of The Mountaineers focuses on providing outdoor education and recreation for youth and adults. Programs are designed to connect individuals with the outdoors while developing safe and responsible recreation skills and outdoor ethics, which promote conservation and low impact techniques. The programs division also includes conservation and advocacy efforts, memberships, events and room rentals, leadership development, and global adventures.

The publishing division of The Mountaineers is a leading publisher of recreation and conservation titles and general outdoor literature. Books support environmental and educational goals by providing expert information on human-powered activity, preservation of wild places, and sustainable practices at home and on the trail.

Braided River (Affiliate) is a Washington State nonprofit corporation formed to inspire support for critical conservation efforts through books, media campaigns, multimedia presentations, and museum exhibits. The Mountaineers has consolidated the activity of Braided River due to its related mission, economic interest in and control of Braided River. Effective October 1, 2024, The Mountaineers no longer have control over Braided River.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the consolidated financial statements. These accounting policies conform to U.S. generally accepted accounting principles (U.S. GAAP) and have been consistently applied in the preparation of the consolidated financial statements.

Principles of consolidation

The consolidated financial statement totals presented include the accounts of The Mountaineers and Braided River (collectively, the Organization). All significant inter-entity accounts and transactions have been eliminated in consolidation.

Use of estimates in the preparation of consolidated financial statements

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and equivalents

The Organization considers time deposits, certificates of deposit, and all highly liquid instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents held in investment accounts are considered investments.

Investments

Investments are reported at their fair values in the consolidated statements of financial position. Net investment return is reported in the consolidated statements of activities and consists of interest and dividend income, and realized and unrealized gains and losses, less external and direct internal investment expenses. The Organization adheres to all donor-imposed restrictions in the allocation and expenditure of investment earnings.

Investments acquired by gift are recorded at their fair values at the date of the gift. The Organization's policy is to liquidate all gifts of investments as timely as possible, taking into consideration the impact on the market price.

Accounts receivable

Accounts receivable consist primarily of amounts due from customers, are recorded at the invoice amount. The Organization carries its accounts receivable at cost, net of an allowance for credit losses. The Organization recognizes an allowance for credit losses on all accounts receivable, which considers risk of future credit losses based on factors such as historical experience and contract terms, as well as general and market business conditions. The Organization's policy does not provide for accrual of interest or other service charges on accounts receivable. Accounts receivable are written off as uncollectible only after all efforts to collect have been exhausted. The allowance for credit losses was \$37,477 and \$44,080 for the years ended September 30, 2024 and 2023, respectively.

Pledges and grants receivable

Pledges and grants receivable represent unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. There were no long-term pledges at September 30, 2024 and 2023, nor was there an allowance for uncollectible receivables since management expects the balance of pledges and grants receivable to be fully collectible.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return, are not included as support until the conditions on which they depend are substantially met. At September 30, 2024, there was a conditional grant of \$125,000 where the conditions had not yet been met and accordingly is not recognized in these consolidated financial statements.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Author advances

Author advances are amounts that have been prepaid to authors against future earnings for book sales. Author advances are deducted from royalty payments over several years as related books are sold.

The Organization recognizes an allowance for credit losses on all author advances, which considers risk of future credit losses based on factors such as the lack of proceeds from the sale of author's publications and contract terms, as well as general and market business conditions. The allowance for credit losses for author advances was \$130,653 and \$140,411 as of September 30, 2024 and 2023, respectively.

Book inventories

Inventories consist primarily of finished books (including allocated overhead) and prepaid book production expenses and are stated at the lower of cost or fair value. Cost is determined using an average cost basis. The inventory management system includes consigned inventory, but because consigned inventory remains property of the consignee, such inventory is recorded with a fraction of a penny value, strictly because the system requires all physical inventory to carry some value.

Property and equipment

Property and equipment are stated at cost if purchased, or in the case of donated assets at estimated fair value at the date of contribution. The Organization capitalizes depreciable assets with an estimated useful life of more than one year and a cost greater than \$5,000. Depreciation of property and equipment is provided on the straight-line basis over the asset's estimated useful life as follows:

Buildings and improvements	20-40 years
Leasehold improvements	5-30 years
Equipment, furniture, and vehicles	3-5 years

Leasehold improvements are depreciated over the shorter of the useful life or lease term.

Operating lease assets and liabilities

The Organization determines if an arrangement is or contains a lease at inception. Operating lease assets represent the Organization's right to use an underlying asset for the lease term. Operating lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at the present value of the future lease payments at the lease commencement date.

The Organization leases facilities for its headquarters and warehousing space under non-cancelable operating lease agreements, which contain lease and non-lease components. Minimum payments under the leases are fixed. Non-lease components include real estate taxes, utilities, and general repairs and maintenance. The Organization expenses non-lease components as they are incurred.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating lease assets and liabilities (continued)

The Organization has elected to use the risk-free interest rate option to determine the present value of the future lease payments related to its operating leases. The risk-free rate is estimated as the daily U.S. Treasury Bill Rate as of the lease inception date over the period that most closely aligns with the term of the lease. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Operating lease expense (excluding non-lease components) is recognized on a straight-line basis over the lease term.

Net assets

The Organization classifies net assets, revenues, gains, and losses on the existence or absence of donor-imposed restrictions. Net assets are classified and reported as follows:

Net assets without donor restrictions

Net assets without donor restrictions are available for use in general operations and the Board of Directors' designations and are not subject to donor restrictions.

See Note 8 for more information on the composition of net assets without donor restrictions.

Net assets with donor restrictions

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that funds be maintained in perpetuity. The Organization does not have any net assets that need to be maintained in perpetuity.

See Note 9 for more information on the composition of net assets with donor restrictions and the release of restrictions.

Program service revenue recognition

The Organization has the following revenue streams from contracts with customers:

Book sales

Revenue from sales of books and goods sold at the bookstores is recognized at the point of sale when control of the goods is transferred to the customer. Revenue is measured based on the transaction price agreed upon with the customer at the time of sale. The Organization's performance obligations are satisfied at a point in time at the point of sale.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Program service revenue recognition (continued)

Course and activity fees, ticket sales, and lodge use fees

Revenue from course and activity fees, ticket sales, and lodge use fees is recognized when control of these services is transferred to its customers, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for the services provided. The Organization maintains a fee schedule for courses and activities and user fees, which are based on the estimated cost to provide instructions and to provide the lodge space. Revenue is measured using the output method based upon the delivery of instruction throughout the period of the course or when the space is being used.

The Organization does not have any significant financing components and consideration amount is not variable. Payment is typically due in full when the customer completes registration and revenue is recognized in the period in which the service is rendered.

The Organization believes there is one performance obligation arising from their contracts with customers for course and activity fees, ticket sales, and lodge use fees, which is satisfied over the time as instruction is provided for the related course or activity and when the lodge space is provided to the user. Fees received for future instruction and events are deferred until the instruction commences or the space is used.

Contributions and grant revenue recognition

Contributions and grants, including unconditional promises to give, are recognized as revenues in the period the pledge is received. Contributions of assets other than cash are recorded at their estimated fair value. Contributions received are recorded as increases in net assets without and with donor restrictions, depending on the existence of any donor restrictions.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When restrictions are met, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restriction. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as without donor restrictions.

Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets with explicit donor stipulations that specify how the assets are to be used are reported as contributions with donor restrictions. Absent of explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated goods and services

Donated services are recognized if the services create or enhance a nonfinancial asset, or the services require specialized skills that are provided by individuals possessing those skills. Donated materials and services are recorded at fair value on the date of donation and have been included in revenues and expenses. Many volunteers have donated time to the Organization's programs and supporting services during the years ended September 30, 2024 and 2023. No amounts for the value of donated services have been reflected in the consolidated financial statements because they did not meet the criteria for recognition under U.S. GAAP.

Rental income revenue recognition

Rental income is received from the general public renting space at the various properties owned or operated by the Organization on a short-term basis.

Functional allocation of expenses

The costs of providing various programs and supporting activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Costs that are common to several functions are allocated among the various functional areas based on square footage, and time and effort.

Advertising

The Organization follows a policy of charging costs of advertising to expense as incurred.

Income taxes

The Mountaineers and Braided River qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code, and therefore, have no provision for federal income taxes unless The Mountaineers and Braided River engage in unrelated business activities. In addition, The Mountaineers and Braided River qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations under Section 509(a)(1).

The Mountaineers and Braided River file their federal information returns annually, which are subject to examination by taxing authorities, generally for three years after the returns are filed. The Mountaineers and Braided River would recognize accrued interest and penalties associated with uncertain tax provisions, if any, as part of management and general expenses in the consolidated statements of activities.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly adopted accounting standard

Effective October 1, 2023, the Organization adopted Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Topic 326 requires timelier recording of credit losses on loans and other financial instruments held including accounts receivable. Instead of reserves based on a current probability analysis, Topic 326 requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The adoption of Topic 326 did not have a material impact on these consolidated financial statements.

3. LIQUIDITY AND AVAILABILITY

The Organization maintains a policy to structure its financial assets to be available as its general expenditures and liabilities come due and operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted revenue. In addition, as part of its liquidity management, the Organization regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investments of its available funds.

Board-designated net assets consist of funds that are designated for use as a building fund and to use on branches and lodges.

Financial assets available for general expenditures within one year:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 990,937	\$ 815,703
Investments	5,123,712	4,984,300
Accounts receivable, net	719,050	750,547
Pledges receivable	<u>22,500</u>	<u>33,575</u>
Total financial assets	<u>6,856,199</u>	<u>6,584,125</u>
Less amounts not expected to be used within one year:		
Net assets with donor restrictions	(847,488)	(669,388)
Long-term investments	<u>(4,919,558)</u>	<u>(3,855,726)</u>
Total amounts not expected to be used within one year	<u>(5,767,046)</u>	<u>(4,525,114)</u>
Total financial assets available within one year	<u>\$ 1,089,153</u>	<u>\$ 2,059,011</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

4. FAIR VALUE MEASUREMENTS

The fair values of financial assets are classified based on the following hierarchy reflecting the significance of inputs used in determining fair value measurements:

Level 1 – Observable inputs that reflect unadjusted quoted prices or published net asset value for identical assets in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These included quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs, which are supported by little or no market activity.

Fair values of the Organization's financial assets measured on a recurring basis were as follows:

	Fair Value Hierarchy Level	2024	2023
Money market mutual fund	1	\$ 104,083	\$ 1,022,844
Mutual funds	1	<u>4,919,558</u>	<u>3,855,726</u>
Total investments in the fair value hierarchy		5,023,641	4,878,570
Cash included in investments		<u>100,071</u>	<u>105,730</u>
		<u>\$ 5,123,712</u>	<u>\$ 4,984,300</u>

As presented in the consolidated statements of financial position:

Investments	\$ 204,154	\$ 1,128,574
Long-term investments	<u>4,919,558</u>	<u>3,855,726</u>
	<u>\$ 5,123,712</u>	<u>\$ 4,984,300</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	<u>2024</u>	<u>2023</u>
Buildings and improvements	\$ 3,295,428	\$ 2,464,396
Leasehold improvements	4,203,938	4,203,325
Equipment, furniture, and vehicles	<u>2,129,349</u>	<u>2,076,896</u>
	9,628,715	8,744,617
Less accumulated depreciation and amortization	<u>4,638,049</u>	<u>4,410,188</u>
	4,990,666	4,334,429
Construction in progress	256,042	642,817
Land	<u>168,350</u>	<u>5,014</u>
	<u>\$ 5,415,058</u>	<u>\$ 4,982,260</u>

Depreciation and amortization expense was \$235,047 and \$199,635 for the years ended September 30, 2024 and 2023, respectively.

6. LOAN PAYABLE

Economic Injury Disaster Loan to the Small Business
Administration in monthly installments of \$2,169 with
2.75% interest, due July 2051.

Less current portion	\$ 458,847	\$ 472,027
	<u>13,592</u>	<u>13,181</u>
Long-term portion	<u>\$ 445,255</u>	<u>\$ 458,846</u>

Future maturities on loan payable are summarized as follows:

<u>Year Ending September 30,</u>	
2025	\$ 13,592
2026	13,971
2027	14,360
2028	14,760
2029	15,171
Thereafter	<u>386,993</u>
	<u>\$ 458,847</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

7. LEASE COMMITMENTS

The Organization leases a building for its headquarters under an agreement with the City of Seattle under a non-cancelable operating lease, which expires in February 2038. The lease has two additional ten-year terms. In February 2008, the Organization made renovations to the building for which they received rent credits, the terms of which are identified in the lease. Additional rent credits are factored into the lease for the public benefit provided by outdoor climbing structures that are open to the public. The lease also provides the potential for additional tenant improvement or public benefit credits in the future. Offsets provided from the City of Seattle totaled \$86,802 in each of the years ended September 30, 2024 and 2023.

The Organization also leases a facility for its books division under an agreement with the Port of Seattle under a non-cancelable operating lease, which expires in December 2026.

Cash payments related to the operating leases were \$214,134 and \$203,132 for the years ended September 30, 2024 and 2023, respectively. Operating lease expense for the years ended September 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Operating lease expense	\$ 221,137	\$ 221,137
Non-lease components	<u>133,425</u>	<u>124,627</u>
	<u>\$ 354,562</u>	<u>\$ 345,764</u>

As of September 30, 2024, the Organization's operating leases had weighted average remaining lease terms of 8.78 years and a weighted average yearly discount rate of 4.47%. As of September 30, 2023, the Organization's operating leases had weighted average remaining lease terms of 8.27 years and a weighted average yearly discount rate of 4.60%. As of September 30, 2024, future minimum lease payments under the operating leases were as follows:

<u>Year Ending December 31,</u>	
2025	\$ 222,798
2026	231,525
2027	61,235
2028	3,739
2029	4,087
Thereafter	181,854
Less imputed lease discount	<u>(99,211)</u>
Total lease liability	<u>\$ 606,027</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

8. NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions available for the following purposes are summarized as follows:

	<u>2024</u>	<u>2023</u>
Board-designated net assets:		
Long-term building fund	\$ 4,919,558	\$ 3,855,726
Snoqualmie property proceeds	996,568	1,320,438
Branches and lodges	<u>436,634</u>	<u>665,519</u>
	6,352,760	5,841,683
Net assets invested in property and equipment	5,415,058	4,982,260
Undesignated net assets	<u>3,959,356</u>	<u>3,986,290</u>
	<u>\$ 15,727,174</u>	<u>\$ 14,810,233</u>

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions available for the following purposes are summarized as follows:

Subject to expenditure for specified purpose or the passage of time:		
Capital projects	\$ 39,399	\$ 197,054
Climbing scholarship	22,515	21,336
Lodge improvements	319,236	0
Net zero fund	40,010	50,010
Publications and films	359,751	341,613
Time restricted	<u>66,577</u>	<u>59,375</u>
	<u>\$ 847,488</u>	<u>\$ 669,388</u>

Net assets released from donor restrictions, by incurring expenses satisfying the restricted purposes specified by donors are summarized as follows:

Capital projects	\$ 157,655	\$ 6,000
Conservation and advocacy	0	20,000
Lodge improvements	180,764	0
Net zero fund	10,000	0
Publications and films	151,862	1,040,331
Time restricted	<u>0</u>	<u>11,000</u>
	<u>\$ 500,281</u>	<u>\$ 1,077,331</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

10. IN-KIND CONTRIBUTIONS

In-kind contributions consisted of the following:

	<u>2024</u>	<u>2023</u>
Climbing goods and supplies	\$ 58,454	\$ 49,743
Special event expenses	27,861	16,484
Equipment rental	<u>0</u>	<u>3,749</u>
	<u>\$ 86,315</u>	<u>\$ 69,976</u>

11. REVENUE AND CONTRACT BALANCES

Contract revenue from program service fees are recognized at a point in time and over time using the output method. Program service fees disaggregated by services performed were as follows for the years ended September 30:

Revenues recognized at a point in time:		
Book sales, net	<u>\$ 4,569,770</u>	<u>\$ 5,122,591</u>
Revenues recognized over time:		
Course and activity fees, net	2,344,248	2,242,476
Ticket sales	248,047	282,128
Lodge use fees	<u>224,610</u>	<u>225,493</u>
	<u>2,816,905</u>	<u>2,750,097</u>
Total program service fees	<u>\$ 4,569,770</u>	<u>\$ 5,122,591</u>

Contract assets and contract liabilities consisted of the following at September 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable, net	\$ 719,050	\$ 750,547	\$ 697,728
Author advances, net	<u>314,526</u>	<u>314,189</u>	<u>289,608</u>
Total contract assets	<u>\$ 1,033,576</u>	<u>\$ 1,064,736</u>	<u>\$ 987,336</u>
Deferred revenue	\$ 209,072	\$ 205,555	\$ 273,124
Royalties payable	<u>108,739</u>	<u>107,103</u>	<u>98,652</u>
Total contract liabilities	<u>\$ 317,811</u>	<u>\$ 312,658</u>	<u>\$ 371,776</u>

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

12. RETIREMENT PLAN

The Organization sponsors a 401(k) defined contribution plan covering substantially all eligible employees. In order to be eligible for the employer contribution, employees must complete three months of services and work at least 250 hours during the period. The Organization matches 50% of the employees' contributions not to exceed 3% of the employees' gross wages. The Organization contributed \$81,326 and \$75,337 for the years ended September 30, 2024 and 2023, respectively.

13. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances at financial institutions, which are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times during the year, the Organization had balances in excess of the insured amount.

The Organization maintains its investment account with a financial institution. The account contains cash and securities. Within the limits of protection offered by the Securities Investor Protection Corporation (SIPC), claims against a broker-dealer are satisfied on cash up to a maximum of \$250,000 and securities up to a maximum of \$500,000. Coverage provided by the SIPC and the investment firms' insurance companies does not protect against the loss of market value of securities.

14. CONCENTRATIONS

The Organization received 28% and 24% of its book sales from one customer for the years ended September 30, 2024 and 2023, respectively. At September 30, 2024 and 2023, 33% and 22%, respectively, of the accounts receivable balance was due from one customer.

15. RECLASSIFICATIONS

Certain amounts from the prior year consolidated financial statements have been reclassified to conform with the presentation in the current year consolidated financial statements. The reclassification had no impact on previously reported total net assets.

16. SUBSEQUENT EVENTS

In November 2024, the Organization obtained a \$1 million line of credit from one of their financial institutions. The line of credit has a maturity date of December 1, 2025.

The Organization has evaluated subsequent events through the date these statements were available to be issued on February 6, 2025.

THE MOUNTAINEERS AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023 (as Restated)

17. RESTATEMENT OF CONSOLIDATED FINANCIAL STATEMENTS

The Organization has restated its previously issued September 30, 2023, consolidated financial statements related to its operating lease assets and related operating lease liabilities. The accompanying consolidated financial statements for fiscal year 2023 have been restated to reflect the corrections relating to the adoption of ASU 2016-02, *Leases* (Topic 842). There was no change to net assets as of September 30, 2022. The effect on the Organization's previously issued consolidated financial statement is summarized, as follows:

	As Previously Reported	Increase (Decrease)	As Restated
Operating lease assets	\$ 1,767,845	\$ (1,010,740)	\$ 757,105
Current portion of operating lease liabilities	\$ 228,828	\$ (45,115)	\$ 183,713
Operating lease liabilities, net of current portion	\$ 1,549,975	\$ (943,948)	\$ 606,027
Net assets, without donor restrictions	\$ 14,831,910	\$ (21,677)	\$ 14,810,233
Occupancy expense	\$ 417,066	\$ 21,677	\$ 438,743

SUPPLEMENTARY INFORMATION

THE MOUNTAINEERS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
September 30, 2024

ASSETS

	Mountaineers Programs	Mountaineers Books	Braided River	Eliminations	Total
CURRENT ASSETS:					
Cash and cash equivalents	\$ 300,767	\$ 168,642	\$ 521,528	\$ 0	\$ 990,937
Investments	204,154	0	0	0	204,154
Accounts receivable, net	56,829	682,065	625	(20,469)	719,050
Pledges receivable	22,500	0	0	0	22,500
Current portion of author advances, net	0	71,301	0	0	71,301
Book inventories	61,161	4,935,618	0	0	4,996,779
Prepaid expenses and other current assets	321,885	127,297	0	0	449,182
Due from (to) related parties	3,990,000	(3,990,000)	0	0	0
TOTAL CURRENT ASSETS	4,957,296	1,994,923	522,153	(20,469)	7,453,903
NONCURRENT ASSETS:					
Author advances, net	0	385,827	0	0	385,827
Long-term investments	4,919,558	0	0	0	4,919,558
Property and equipment, net	5,373,554	41,504	0	0	5,415,058
Operating lease assets	122,573	437,431	0	0	560,004
TOTAL NONCURRENT ASSETS	10,415,685	864,762	0	0	11,280,447
TOTAL ASSETS	\$ 15,372,981	\$ 2,859,685	\$ 522,153	\$ (20,469)	\$ 18,734,350

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:					
Accounts payable and accrued liabilities	\$ 255,285	\$ 526,447	\$ 15,740	\$ (20,469)	\$ 777,003
Royalties payable	0	108,739	0	0	108,739
Deferred revenue	209,072	0	0	0	209,072
Current portion of long-term debt	13,592	0	0	0	13,592
Current portion of operating lease liabilities	563	183,377	0	0	183,940
TOTAL CURRENT LIABILITIES	478,512	818,563	15,740	(20,469)	1,292,346
LONG-TERM LIABILITIES:					
Long-term debt, net of current portion	445,255	0	0	0	445,255
Operating lease liabilities, net of current portion	126,748	295,339	0	0	422,087
TOTAL LONG-TERM LIABILITIES	572,003	295,339	0	0	867,342
TOTAL LIABILITIES	1,050,515	1,113,902	15,740	(20,469)	2,159,688
NET ASSETS:					
Without donor restrictions	13,834,729	1,745,783	146,662	0	15,727,174
With donor restrictions	487,737	0	359,751	0	847,488
TOTAL NET ASSETS	14,322,466	1,745,783	506,413	0	16,574,662
TOTAL LIABILITIES AND NET ASSETS	\$ 15,372,981	\$ 2,859,685	\$ 522,153	\$ (20,469)	\$ 18,734,350

THE MOUNTAINEERS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
September 30, 2023 (As Restated)

ASSETS

	Mountaineers Programs	Mountaineers Books	Braided River	Total
CURRENT ASSETS:				
Cash and cash equivalents	\$ 140,529	\$ 127,372	\$ 547,802	\$ 815,703
Investments	1,128,574	0	0	1,128,574
Accounts receivable, net	245	749,677	625	750,547
Pledges receivable	33,575	0	0	33,575
Current portion of author advances, net	0	74,983	0	74,983
Book inventories	61,161	4,579,191	0	4,640,352
Prepaid expenses and other current assets	252,643	110,220	0	362,863
Due from (to) related parties	4,847,641	(4,847,641)	0	0
TOTAL CURRENT ASSETS	6,464,368	793,802	548,427	7,806,597
NONCURRENT ASSETS:				
Author advances, net	0	239,206	0	239,206
Long-term investments	3,855,726	0	0	3,855,726
Property and equipment, net	3,331,732	1,650,528	0	4,982,260
Operating lease assets	125,261	631,844	0	757,105
TOTAL NONCURRENT ASSETS	7,312,719	2,521,578	0	9,834,297
TOTAL ASSETS	\$ 13,777,087	\$ 3,315,380	\$ 548,427	\$ 17,640,894

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:				
Accounts payable and accrued liabilities	\$ 226,253	\$ 345,069	\$ 15,526	\$ 586,848
Royalties payable	0	107,103	0	107,103
Deferred revenue	205,555	0	0	205,555
Current portion of long-term debt	13,181	0	0	13,181
Current portion of operating lease liabilities	336	183,377	0	183,713
TOTAL CURRENT LIABILITIES	445,325	635,549	15,526	1,096,400
LONG-TERM LIABILITIES:				
Long-term debt, net of current portion	458,846	0	0	458,846
Operating lease liabilities, net of current portion	127,311	478,716	0	606,027
TOTAL LONG-TERM LIABILITIES	586,157	478,716	0	1,064,873
TOTAL LIABILITIES	1,031,482	1,114,265	15,526	2,161,273
NET ASSETS:				
Without donor restrictions	12,417,830	2,201,115	191,288	14,810,233
With donor restrictions	327,775	0	341,613	669,388
TOTAL NET ASSETS	12,745,605	2,201,115	532,901	15,479,621
TOTAL LIABILITIES AND NET ASSETS	\$ 13,777,087	\$ 3,315,380	\$ 548,427	\$ 17,640,894

THE MOUNTAINEERS
CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended September 30, 2024

	Mountaineers Programs	Mountaineers Books	Braided River	Eliminations	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT:					
Book sales, net	\$ 36,902	\$ 4,557,740	\$ 0	\$ (24,872)	\$ 4,569,770
Grants and contributions	1,980,297	60,000	292,085	(60,000)	2,272,382
Course and activity fees, net	2,344,248	0	0	0	2,344,248
Membership dues	903,646	0	0	0	903,646
Special events	679,438	0	0	0	679,438
Ticket sales	248,047	0	0	0	248,047
Lodge use fees	224,610	0	0	0	224,610
Rental income	205,924	0	0	0	205,924
Other revenue	78,131	43,197	161,656	(6,270)	276,714
	<u>6,701,243</u>	<u>4,660,937</u>	<u>453,741</u>	<u>(91,142)</u>	<u>11,724,779</u>
TOTAL OPERATING REVENUES, GAINS, AND OTHER SUPPORT					
OPERATING EXPENSES:					
Program services	4,811,483	4,896,343	382,426	(91,142)	9,999,110
Management and general	481,776	158,608	93,543	0	733,927
Fundraising	970,536	61,318	7,779	0	1,039,633
	<u>6,263,795</u>	<u>5,116,269</u>	<u>483,748</u>	<u>(91,142)</u>	<u>11,772,670</u>
TOTAL OPERATING EXPENSES					
CHANGE IN NET ASSETS FROM OPERATIONS	437,448	(455,332)	(30,007)	0	(47,891)
OTHER CHANGES:					
Net investment return	1,139,413	0	3,519	0	1,142,932
CHANGE IN NET ASSETS	1,576,861	(455,332)	(26,488)	0	1,095,041
BEGINNING NET ASSETS	12,745,605	2,201,115	532,901	0	15,479,621
ENDING NET ASSETS	<u>\$ 14,322,466</u>	<u>\$ 1,745,783</u>	<u>\$ 506,413</u>	<u>\$ 0</u>	<u>\$ 16,574,662</u>

See accompanying notes to consolidated financial statements.

THE MOUNTAINEERS
CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended September 30, 2023 (As Restated)

	Mountaineers Programs	Mountaineers Books	Braided River	Eliminations	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT:					
Book sales, net	\$ 73,528	\$ 5,049,063	\$ 0	\$ 0	\$ 5,122,591
Grants and contributions	2,054,150	0	1,050,453	0	3,104,603
Course and activity fees, net	2,242,476	0	0	0	2,242,476
Membership dues	817,865	0	0	0	817,865
Special events	318,824	0	0	0	318,824
Ticket sales	282,128	0	0	0	282,128
Lodge use fees	225,493	0	0	0	225,493
Rental income	205,307	0	0	0	205,307
Other revenue	196,690	12,234	96,122	(73,760)	231,286
TOTAL OPERATING REVENUES, GAINS, AND OTHER SUPPORT	6,416,461	5,061,297	1,146,575	(73,760)	12,550,573
OPERATING EXPENSES:					
Program services	4,473,031	5,114,071	1,040,852	(73,760)	10,554,194
Management and general	473,502	132,800	48,169	0	654,471
Fundraising	905,727	104,595	4,988	0	1,015,310
TOTAL OPERATING EXPENSES	5,852,260	5,351,466	1,094,009	(73,760)	12,223,975
CHANGE IN NET ASSETS FROM OPERATIONS	564,201	(290,169)	52,566	0	326,598
OTHER CHANGES:					
Net investment return	563,005	0	2,948	0	565,953
CHANGE IN NET ASSETS	1,127,206	(290,169)	55,514	0	892,551
BEGINNING NET ASSETS	11,618,399	2,491,284	477,387	0	14,587,070
ENDING NET ASSETS	\$ 12,745,605	\$ 2,201,115	\$ 532,901	\$ 0	\$ 15,479,621

See accompanying notes to consolidated financial statements.