FINANCIAL STATEMENTS

BRIDGES TO PROSPERITY, INC.

FOR THE YEARS ENDED
AUGUST 31, 2024 AND 2023

BRIDGES TO PROSPERITY, INC.

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bridges to Prosperity, Inc.
Denver, Colorado

Opinion

We have audited the accompanying financial statements of Bridges to Prosperity, Inc. (Bridges to Prosperity), which comprise the statements of financial position as of August 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bridges to Prosperity as of August 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Bridges to Prosperity and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bridges to Prosperity'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.

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 Bridges to Prosperity'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 Bridges to Prosperity'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.

April 2, 2025

BRIDGES TO PROSPERITY, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF AUGUST 31, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	$ 8,422,638	$ 5,819,589
Contributions and grants receivable	2,214,201	1,125,050
Foreign Government grants receivable, net of allowance of $0 in 2024 and $11,559 in 2023	757,587	882,699
Prepaid expenses	204,615	180,122
Other receivables	12,061	8,916
Total current assets	11,611,102	8,016,376
PROPERTY AND EQUIPMENT		
Equipment	30,255	30,255
Furniture	120,030	116,970
Vehicles	348,542	348,542
	498,827	495,767
Less: Accumulated depreciation and amortization	(327,058)	(234,504)
Net property and equipment	171,769	261,263
TOTAL ASSETS	**$ 11,782,871**	**$ 8,277,639**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 431,113	$ 448,817
Loans payable	1,000,000	1,100,000
Subgrants payable	90,000	260,000
Total current liabilities	1,521,113	1,808,817
NONCURRENT LIABILITIES		
Subgrants payable, net	-	90,000
Total liabilities	1,521,113	1,898,817
NET ASSETS		
Without donor restrictions	4,548,509	1,808,699
With donor restrictions	5,713,249	4,570,123
Total net assets	10,261,758	6,378,822
TOTAL LIABILITIES AND NET ASSETS	**$ 11,782,871**	**$ 8,277,639**

See accompanying notes to financial statements.

BRIDGES TO PROSPERITY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants:			
Corporate, foundations and individuals	$ 6,948,784	$ 7,604,117	$ 14,552,901
Government	1,260,008	-	1,260,008
Contributed nonfinancial assets	630,558	-	630,558
Other	158,881	-	158,881
Net assets released from donor restrictions	6,460,991	(6,460,991)	-
Total support and revenue	15,459,222	1,143,126	16,602,348
EXPENSES			
Program Service:			
Bridge Building	11,349,749	-	11,349,749
Supporting Services:			
Management and General	659,576	-	659,576
Fundraising	710,087	-	710,087
Total supporting services	1,369,663	-	1,369,663
Total expenses	12,719,412	-	12,719,412
Changes in net assets	2,739,810	1,143,126	3,882,936
Net assets at beginning of year	1,808,699	4,570,123	6,378,822
NET ASSETS AT END OF YEAR	**$ 4,548,509**	**$ 5,713,249**	**$ 10,261,758**

See accompanying notes to financial statements.

BRIDGES TO PROSPERITY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants:			
Corporate, foundations and individuals	$ 4,132,489	$ 3,459,727	$ 7,592,216
Government	1,596,516	-	1,596,516
Contributed nonfinancial assets	1,100,962	-	1,100,962
Other	89,757	-	89,757
Net assets released from donor restrictions	4,336,498	(4,336,498)	-
Total support and revenue	11,256,222	(876,771)	10,379,451
EXPENSES			
Program Service:			
Bridge Building	10,113,965	-	10,113,965
Supporting Services:			
Management and General	335,671	-	335,671
Fundraising	622,448	-	622,448
Total supporting services	958,119	-	958,119
Total expenses	11,072,084	-	11,072,084
Changes in net assets	184,138	(876,771)	(692,633)
Net assets at beginning of year	1,624,561	5,446,894	7,071,455
NET ASSETS AT END OF YEAR	**$ 1,808,699**	**$ 4,570,123**	**$ 6,378,822**

See accompanying notes to financial statements.

BRIDGES TO PROSPERITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2024

	Program Service	Supporting Services			
	Bridge Building	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries and related expenses	$ 3,138,106	$ 267,451	$ 500,038	$ 767,489	$ 3,905,595
Travel and meetings	627,638	55,621	88,478	144,099	771,737
Professional services	370,159	95,961	40,689	136,650	506,809
Volunteer travel	136,507	-	-	-	136,507
Subgrants	4,133,725	100,000	-	100,000	4,233,725
Bridge building materials and labor	1,634,459	40	1,759	1,799	1,636,258
Other expenses	31,215	85,694	2,178	87,872	119,087
Office costs	277,612	17,797	17,777	35,574	313,186
Occupancy	71,809	4,554	1,225	5,779	77,588
Depreciation and amortization	92,554	-	-	-	92,554
Equipment and maintenance	56,874	-	2,129	2,129	59,003
Insurance	40,283	28,616	3,264	31,880	72,163
Other employee costs	87,889	3,789	6,225	10,014	97,903
Promotion	20,361	53	46,325	46,378	66,739
Subtotal expenses	10,719,191	659,576	710,087	1,369,663	12,088,854
Contributed nonfinancial assets:					
Bridge building supplies	630,558	-	-	-	630,558
TOTAL	**$ 11,349,749**	**$ 659,576**	**$ 710,087**	**$ 1,369,663**	**$ 12,719,412**

See accompanying notes to financial statements.

BRIDGES TO PROSPERITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2023

	Program Service	Supporting Services			
	Bridge Building	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries and related expenses	$ 3,186,307	$ 228,123	$ 506,880	$ 735,003	$ 3,921,310
Travel and meetings	708,302	36,352	47,187	83,539	791,841
Professional services	825,152	71,879	17,917	89,796	914,948
Volunteer travel	167,773	-	-	-	167,773
Subgrants	450,000	-	-	-	450,000
Bridge building materials and labor	2,947,152	20	155	175	2,947,327
Other expenses	38,039	58,072	1,911	59,983	98,022
Recovery of uncollectable balances	-	(101,552)	-	(101,552)	(101,552)
Office costs	298,030	14,166	12,134	26,300	324,330
Occupancy	63,180	5,132	-	5,132	68,312
Depreciation and amortization	103,278	846	-	846	104,124
Equipment and maintenance	69,546	-	-	-	69,546
Insurance	37,614	13,712	-	13,712	51,326
Other employee costs	103,445	8,688	4,870	13,558	117,003
Promotion	15,185	233	31,394	31,627	46,812
Subtotal expenses	9,013,003	335,671	622,448	958,119	9,971,122
Contributed nonfinancial assets:					
Bridge building supplies	1,100,962	-	-	-	1,100,962
TOTAL	**$ 10,113,965**	**$ 335,671**	**$ 622,448**	**$ 958,119**	**$ 11,072,084**

See accompanying notes to financial statements.

BRIDGES TO PROSPERITY, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 3,882,936	$ (692,633)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	92,554	104,124
Change in allowance for bad debt	(11,559)	(101,552)
Gain on sales and disposals of property and equipment	-	(37,205)
(Increase) decrease in:		
Contributions and grants receivable	(1,089,151)	147,821
Foreign Government grants receivable	136,671	(19,377)
Prepaid expenses	(24,493)	(23,953)
Other receivables	(3,145)	(7,807)
(Decrease) increase in:		
Accounts payable and accrued liabilities	(17,704)	(109,225)
Subgrants payable	(260,000)	350,000
Net cash provided (used) by operating activities	2,706,109	(389,807)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(3,060)	(149,301)
Proceeds from sales of property and equipment	-	45,598
Net cash used by investing activities	(3,060)	(103,703)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds received	300,000	1,300,000
Loan repayments made	(400,000)	(200,000)
Net cash (used) provided by financing activities	(100,000)	1,100,000
Net increase in cash and cash equivalents	2,603,049	606,490
Cash and cash equivalents at beginning of year	5,819,589	5,213,099
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 8,422,638**	**$ 5,819,589**
SUPPLEMENTAL INFORMATION:		
Interest Paid	**$ 72,272**	**$ 53,264**

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Bridges to Prosperity, Inc. envisions a world where poverty caused by rural isolation no longer exists. Rural isolation is a root cause of poverty, and Bridges to Prosperity, Inc. believes that connection is the foundation to opportunity. Bridges to Prosperity, Inc. works with local communities, partners and foundations to build trail bridges that connect residents to education, health care and economic opportunity. With a sophisticated data collection and evaluation program, the organization is able to prove that the value and impact of its work is sustained long after the opening celebration.

Bridges to Prosperity, Inc. is a non-profit organization, incorporated in the State of Virginia. Bridges to Prosperity, Inc. maintains activities in Uganda, Rwanda and Ethiopia. Bridges to Prosperity, Inc.'s principal headquarters is located in Denver, Colorado. Bridges to Prosperity, Inc.'s employees connect virtually with other employees and with the work going on in local communities.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.

- **Net Assets with Donor Restrictions -** Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

Cash and cash equivalents -

Bridges to Prosperity considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a limit of $250,000. At times during the year, Bridges to Prosperity maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Bridges to Prosperity maintained $189,840 and $143,674, respectively, of cash and cash equivalents on hand and at financial institutions in foreign countries as of August 31, 2024 and 2023; all such funds maintained in foreign countries are uninsured.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Receivables -

Contributions and grants receivable include unconditional promises to give that are expected to be collected in future years. Contributions and grants receivable are recorded at their fair value, which is measured as the present value of the future cash flows. Bridges to Prosperity did not have any non-current grants receivable as of August 31, 2024; accordingly, a discount has not been established. Additionally, Bridges to Prosperity has determined that all contributions and grants receivable are fully collectible; accordingly, an allowance for doubtful accounts has not been established.

Foreign Government grants receivable consist of amounts due (billed and unbilled) from local Government districts that Bridges to Prosperity partners with in connection with its bridge building projects, and are recorded at their net realizable value, which approximates fair value. All receivables are expected to be collected in one year or less. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the governments.

Property and equipment -

Property and equipment in excess of $2,500 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended August 31, 2024 and 2023 totaled $92,554 and $104,124, respectively.

Costs incurred to construct bridges are expensed as incurred. Bridges to Prosperity does not capitalize or track the completion of bridges since the organization does not take possession of the bridges upon completion.

Income taxes -

Bridges to Prosperity is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. Bridges to Prosperity is not a private foundation.

Revenue recognition -

The majority of Bridges to Prosperity's revenue is received through support from individuals, foundations, corporations and foreign Government entities. Contributions and grants are recognized in the appropriate category of net assets in the period received. Bridges to Prosperity performs an analysis of the individual award to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions and grants are recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions and grants that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor imposed restrictions and satisfaction of time restrictions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Revenue recognition (continued) -

Contributions and grants with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions and grants contain a right of return and a measurable barrier. Contributions and grants are recognized when conditions have been satisfied. Conditional contributions and grants received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, Bridges to Prosperity had no refundable advances as of August 31, 2024 and 2023, respectively.

In addition, Bridges to Prosperity may obtain funding source agreements related to conditional contributions, which will be received in future years. Bridges to Prosperity's unrecognized conditional contributions to be received in future years totaled $ $4,666,000 and $2,648,000 as of August 31, 2024 and 2023, respectively.

Contributed nonfinancial assets -

Contributed nonfinancial assets consist of donated services and materials for bridge construction projects. Donated services are recognized at their fair value at the time the service is performed. Donated bridge materials are recorded at fair value on the date received. None of the contributed nonfinancial assets were restricted by donors and none of the donated goods were monetized through sale.

Foreign currency translation -

The US Dollar is the functional currency for Bridges to Prosperity's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in currencies other than U.S. Dollars are translated into Dollars at the exchange rate in effect at the date of the Statements of Financial Position. During the years ended August 31, 2024 and 2023, the total foreign currency loss recognized in the accompanying Statements of Activities and Changes in Net Assets (in "Other" income) totaled $(61,795) and $(36,622), respectively.

Use of estimates -

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

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of Bridges to Prosperity are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Subgrants expense -

Subgrants are recognized as expense in the year of award.

2. LINE OF CREDIT

Bridges to Prosperity maintains a $500,000 revolving line of credit with a local financial institution. The line of credit bears a variable interest of rate calculated based on the Wall Street Journal US Prime Rate less 1% on outstanding borrowings. The line of credit matures on February 29, 2026, and is secured by Bridges to Prosperity's inventory, chattel paper, accounts receivable, bridge materials and general intangibles. During the years ended (and as of) August 31, 2024 and 2023, there were no outstanding borrowings on the line of credit.

3. LOANS PAYABLE

On October 1, 2022, Bridges to Prosperity entered into a loan facility totaling $300,000 (with a private charitable foundation). The loan facility is unsecured, and bears interest at 6.95% per annum on all outstanding borrowings (which will float down to 6.50% when certain bridge projects are completed). As of August 31, 2023, Bridges to Prosperity had drawn $100,000 under this loan facility; as of August 31, 2024, Bridges to Prosperity repaid the loan in full.

On January 1, 2023, Bridges to Prosperity entered into a loan facility totaling $1,000,000 (with another private charitable foundation). The loan facility is unsecured, and bears interest at 6.50% per annum on all outstanding borrowings. As of August 31, 2023, Bridges to Prosperity had drawn the full amount under this loan facility; as of August 31, 2024, Bridges to Prosperity has repaid $300,000 of the total, therefore the balance remaining aggregated $700,000.

On December 20, 2023, Bridges to Prosperity entered into another loan facility totaling $1,000,000 (with another private charitable foundation). The loan facility is unsecured and bears interest at 6.95% per annum on all outstanding borrowings. As of August 31, 2024, Bridges to Prosperity had drawn $300,000 (and accrued $11,805 of interest) under this loan facility, therefore the balance remaining aggregated $300,000.

As of August 31, 2024, loans payable aggregated $1,000,000. During the year ended August 31, 2024, interest expense incurred on all aforementioned loans payable totaled $67,320. As of August 31, 2023, loans payable aggregated $1,100,000. During the year ended August 31, 2023, interest expense incurred on all aforementioned loans payable totaled $53,264.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at August 31, 2024 and 2023:

	2024	2023
Bridge Building	**$ 5,713,249**	**$ 4,570,123**

4. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the years ended August 31, 2024 and 2023, respectively:

	2024	2023
Bridge Building	**$ 6,460,991**	**$ 4,336,498**

5. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statements of Financial Position dates comprise the following:

	2024	2023
Cash and cash equivalents	$ 8,422,638	$ 5,819,589
Contributions and grants receivable	2,214,201	1,125,050
Foreign Government grants receivable, net	757,587	882,699
Other receivables	12,061	8,916
Subtotal financial assets available within one year	11,406,487	7,836,254
Less: donor restricted funds	(5,713,249)	(4,570,123)
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	**$ 5,693,238**	**$ 3,266,131**

Bridges to Prosperity has a policy to structure its financial assets to be available and liquid as its obligations become due. In addition, Bridges to Prosperity maintains a lines of credit (as further discussed in Note 2) which allows for additional available borrowings of up to $500,000.

6. CONTRIBUTED NONFINANCIAL ASSETS

During the years ended August 31, 2024 and 2023, Bridges to Prosperity was the beneficiary of donated goods and services which allowed Bridges to Prosperity to provide greater resources toward various programs.

Contributed nonfinancial assets include services, new and used materials used in the construction of trail bridges as well as software used in operations. Material values are determined annually based on the quantities used in construction at fair market value. Fair market pricing is determined by obtaining third party quotes for similar or same materials and published pricing. Additionally, there are no restrictions related to these contributed nonfinancial assets.

The following donations have been included in revenue and program services (bridge building) expenses during the years ended August 31, 2024 and 2023:

	2024	2023
Materials and Software	**$ 630,558**	**$ 1,100,962**

7. RETIREMENT PLAN

Bridges to Prosperity provides retirement benefits to its employees through a 403(b) plan which covers all full-time employees on their date of hire. Bridges to Prosperity determines the amount of any nonelective or matching contributions to the 403(b) plan on an annual basis. Contributions to the Plan during the years ended August 31, 2024 and 2023 totaled $17,653 and $19,116, respectively.

8. LEASE COMMITMENTS

Bridges to Prosperity maintains office space in Rwanda and Uganda under short-term agreements. During the years ended August 31, 2024 and 2023, occupancy expense totaled $77,588 and $68,312, respectively.

9. RELATED PARTY TRANSACTIONS

During the years ended August 31, 2024 and 2023, Bridges to Prosperity received $- and $151,500, respectively in contributions which were paid through Bridges to Prosperity Charitable Trust, a trust formed in the United Kingdom. The Trust was formed for the charitable purpose of raising funds to prevent or relieve poverty in rural communities anywhere in the world and to provide grant or other financial support for infrastructure and transportation projects. The chair of the Board of Directors for both organizations also serves on the Board of the other organization. However, the Trust is functionally independent of Bridges to Prosperity, and therefore the financial statements of the two organizations are not consolidated.

During the year ended August 31, 2023, Bridges to Prosperity entered into a Founder’s Prize agreement with a Board Member. Under this 10 year agreement, the Board Member agrees to make an annual donation of $75,000 and in turn, Bridges to Prosperity agrees to award $100,000 to a committee selected grantee with a substantially aligned mission. This award is considered to be conditional by Bridges to Prosperity. Accordingly, the related contribution income and grant expenses are recorded as the conditions are met each year. As of August 31, 2024, the Board Member donation was received and the grantee was selected. The grant was recorded as a liability at August 31, 2024 and subsequently paid.

10. CHANGE IN FISCAL YEAR-END

During the year end ended August 31, 2024, Bridges to Prosperity's management team, along with Board recommendations, voted in favor of changing Bridges to Prosperity's fiscal year end to a calendar year. This new fiscal period will be in effect beginning January 1, 2025.

11. SUBSEQUENT EVENTS

In preparing these financial statements, Bridges to Prosperity has evaluated events and transactions for potential recognition or disclosure through April 2, 2025, the date the financial statements were issued.