

PROJECT ACCESS NORTHWEST

FINANCIAL STATEMENTS
With Independent Auditor's Report

YEARS ENDED DECEMBER 31, 2024 AND 2023



PROJECT ACCESS NORTHWEST
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	2 - 3
STATEMENTS OF FINANCIAL POSITION December 31, 2024 and 2023	4
STATEMENTS OF ACTIVITY Years ended December 31, 2024 and 2023	5
STATEMENTS OF FUNCTIONAL EXPENSES Years ended December 31, 2024 and 2023	6
STATEMENTS OF CASH FLOWS Years ended December 31, 2024 and 2023	7
NOTES TO FINANCIAL STATEMENTS	8 - 14

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Project Access Northwest
Seattle, Washington

Opinion

We have audited the accompanying financial statements of Project Access Northwest (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activity, 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 Project Access Northwest as of December 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 Project Access Northwest 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Project Access Northwest's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Project Access Northwest'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 Project Access Northwest'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.

Jacobson Jarvis & Co, PLLC

Jacobson Jarvis & Co, PLLC
Seattle, Washington
July 28, 2025

PROJECT ACCESS NORTHWEST
STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	As Restated <u>2023</u>
<u>ASSETS</u>		
Current Assets		
Cash	\$ 1,840,060	\$ 1,712,965
Promises to give	658,562	278,818
Grants and contracts receivable	106,238	170,166
Prepaid expense	7,854	-
Total Current Assets	<u>2,612,714</u>	<u>2,161,949</u>
Promises to give, net of current	210,000	55,000
Right of Use Asset	91,852	91,852
Less: Accumulated Amortization	<u>(69,974)</u>	<u>(45,856)</u>
Net Right of Use Asset	<u>21,878</u>	<u>45,996</u>
Property and Equipment	293,359	267,918
Less: Accumulated Depreciation	<u>(248,522)</u>	<u>(233,478)</u>
Net Property and Equipment	<u>44,837</u>	<u>34,440</u>
	<u>\$ 2,889,429</u>	<u>\$ 2,297,385</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 137,012	\$ 79,068
Deferred revenue	-	65,000
Operating lease liabilities	23,616	24,241
Total Current Liabilities	<u>160,628</u>	<u>168,309</u>
Operating lease liabilities	<u>-</u>	<u>23,494</u>
Net Assets		
Without donor restrictions	957,734	852,488
With donor restrictions	1,771,067	1,253,094
Total Net Assets	<u>2,728,801</u>	<u>2,105,582</u>
	<u>\$ 2,889,429</u>	<u>\$ 2,297,385</u>

See notes to financial statements.

PROJECT ACCESS NORTHWEST

STATEMENTS OF ACTIVITY

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			As Restated 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
	Public Support and Revenue					
Contributions	\$ 1,245,463	\$ 305,257	\$ 1,550,720	\$ 886,263	\$ 334,000	\$ 1,220,263
Corporate and foundation grants	215,000	-	215,000	160,000	100,000	260,000
Premium assistance support	-	515,000	515,000	-	170,000	170,000
Government grants	-	608,297	608,297	-	944,958	944,958
Other income	428		428	53,180		53,180
Net assets released from purpose restrictions	910,581	(910,581)	-	557,231	(557,231)	-
Total Public Support and Revenue	2,371,472	517,973	2,889,445	1,656,674	991,727	2,648,401
Expenses						
Program services	1,879,999		1,879,999	1,492,357		1,492,357
Management and general	216,719		216,719	190,397		190,397
Fundraising	169,508		169,508	189,845		189,845
Total Expenses	2,266,226		2,266,226	1,872,599		1,872,599
Change in Net Assets	105,246	517,973	623,219	(215,925)	991,727	775,802
Net Assets - beginning of year	852,488	1,253,094	2,105,582	1,068,413	261,367	1,329,780
Net Assets - end of year	<u>\$ 957,734</u>	<u>\$ 1,771,067</u>	<u>\$ 2,728,801</u>	<u>\$ 852,488</u>	<u>\$ 1,253,094</u>	<u>\$ 2,105,582</u>

PROJECT ACCESS NORTHWEST

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 1,166,966	\$ 122,975	\$ 90,250	\$1,380,191	\$ 937,075	\$ 69,946	\$ 98,792	\$1,105,813
Payroll taxes and employee benefits	264,334	19,958	15,502	299,794	197,203	20,473	13,252	230,928
	<u>1,431,300</u>	<u>142,933</u>	<u>105,752</u>	<u>1,679,985</u>	<u>1,134,278</u>	<u>90,419</u>	<u>112,044</u>	<u>1,336,741</u>
Professional services	235,211	38,750	14,371	288,332	141,794	56,154	8,174	206,122
Premium assistance	71,567	-	-	71,567	96,682	-	-	96,682
Travel and meetings	35,994	17,848	1,578	55,420	29,564	15,417	658	45,639
Facilities and equipment	38,512	1,866	2,740	43,118	36,808	1,636	2,860	41,304
Operations	29,959	4,689	4,240	38,888	19,596	7,704	3,106	30,406
Special events	-	-	37,567	37,567	-	-	31,671	31,671
Insurance	11,574	5,754	752	18,080	10,624	6,883	332	17,839
Depreciation	13,615	506	923	15,044	13,098	1,994	934	16,026
Telephone and telecommunications	8,027	326	616	8,969	6,137	302	498	6,937
Business expense	4,240	1,312	969	6,521	3,910	1,863	2,068	7,841
Advertising and promotion	-	1,451	-	1,451	-	7,649	-	7,649
Miscellaneous	-	705	-	705	(134)	-	27,500	27,366
Professional development	-	579	-	579	-	376	-	376
Total Expenses	<u>\$ 1,879,999</u>	<u>\$ 216,719</u>	<u>\$ 169,508</u>	<u>\$2,266,226</u>	<u>\$ 1,492,357</u>	<u>\$ 190,397</u>	<u>\$ 189,845</u>	<u>\$1,872,599</u>

PROJECT ACCESS NORTHWEST

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Cash received from:		
Donors	\$ 1,015,976	\$ 950,202
Corporate and foundation grants	143,928	198,602
Premium assistance support	515,000	170,000
Government grants	678,297	912,399
Other	428	53,180
Cash paid to:		
Employees	(1,644,157)	(1,331,425)
Vendors	(485,369)	(422,182)
Premiums	(71,567)	(96,682)
Net Cash Provided by Operating Activities	<u>152,536</u>	<u>434,094</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	<u>(25,441)</u>	<u>(11,457)</u>
Change in Cash	127,095	422,637
Cash - beginning of year	<u>1,712,965</u>	<u>1,290,328</u>
Cash - end of year	<u>\$ 1,840,060</u>	<u>\$ 1,712,965</u>
Reconciliation of Change in Net Assets to Cash Flows from Operating Activities		
Change in net assets	\$ 623,219	\$ 775,802
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	15,044	16,026
Change in:		
Promises to give	(534,744)	(270,061)
Grants and contracts receivable	63,928	(128,440)
Prepaid expense	(7,854)	5,320
Right of use asset	24,118	22,748
Accounts payable and accrued expenses	57,944	964
Operating lease liability	(24,119)	(22,748)
Deferred revenue	(65,000)	34,483
Net Cash Provided by Operating Activities	<u>\$ 152,536</u>	<u>\$ 434,094</u>

See notes to financial statements.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Founded in 2006, Project Access Northwest provides exemplary care coordination and case management through the generosity of donors, and more than 2,000 volunteer medical, dental and behavioral health care providers at no cost to our clients throughout Washington state. Individuals served are uninsured or underinsured and living at or below 300% of the Federal Poverty Level.

In 2024, Project Access Northwest served 4,125 clients through the following programs:

Care Coordination: Our care coordinators help committed patients navigate a complex health care system and connect with compassionate doctors and providers willing to provide the services they need.

Community Resource Connection: Community Resource Connection coordinates the work of health care and social service organizations to address health-related social needs in King County.

DentistLink: A free referral service and private-public partnership to help people throughout Washington state find a dentist regardless of insurance status.

Premium Assistance: Designed for Washington State residents who are not eligible for Apple Health (Medicaid) or Medicare. While these individuals are eligible to purchase private health insurance on the Washington Health Benefits Exchange, paying the premiums is a financial hardship.

Pro Bono Counseling: Designed to help uninsured and underinsured individuals gain access to the right mental health professional — or emerging health professional — to meet their needs.

Project Access Northwest clients show up to their appointments on average 97% of the time, with everything needed for a successful and efficient visit. This success rate provides a minimum, 4X return on investment for hospitals alone and millions of dollars in savings for the Washington health care system, all while advancing health equity.

Federal income taxes

The Internal Revenue Service has recognized Project Access Northwest as exempt from federal income taxes under provision of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and not as a private foundation.

Use of estimates

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

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Net assets with donor restrictions are purpose restricted as follows at December 31:

	<u>2024</u>	<u>2023</u>
Premium assistance	\$ 472,018	\$ 195,078
Overlake DME Program	60,000	-
Dental link	140,049	-
Behavioral health	<u>1,099,000</u>	<u>1,058,016</u>
Total Net Assets with Donor Restrictions	<u>\$ 1,771,067</u>	<u>\$ 1,253,094</u>

Contributions restricted by donors are reported as increases in net assets with donor restrictions when received. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released from restriction when the assets are placed in service.

Cash

Cash represents checking and savings accounts. Project Access Northwest maintains its cash in bank accounts that may exceed federally insured limits at times during the year. Project Access Northwest has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

Fair value measurements

In accordance with financial accounting standards, a three-tiered hierarchy of input levels is used for measuring fair value. Financial accounting standards defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques utilized to determine fair value are consistently applied.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The three tiers of inputs used for fair value measurements are as follows:

Level 1: Fair values are based on quoted prices in active markets for identical assets and liabilities.

Level 2: Fair values are based on observable inputs that include: quoted market prices for similar assets or liabilities; quoted market prices that are not in an active market; or other inputs that are observable in the market and can be corroborated by observable market data for substantially the full term of the assets.

Level 3: Fair values are calculated by the use of pricing models and/or discounted cash flow methodologies, and may require significant management judgment or estimation. These methodologies may result in a significant portion of the fair value being derived from unobservable data.

At December 31, 2024 and 2023, Project Access Northwest had no items carried at fair value on a recurring basis. Assets and liabilities recorded at fair value on a nonrecurring basis using level 2 inputs generally include donated goods, facilities, and services. Long-term promises to give are valued on a nonrecurring basis using the net present value of future cash flows discounted at a risk-free rate of return which is a level 3 input.

Promises to give

Unconditional promises to give are recognized as support in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Unconditional promises to give are due as follows:

	<u>2024</u>	<u>2023</u>
Receivable in less than one year	\$ 658,562	\$ 278,818
Receivable in one to five years	<u>210,000</u>	<u>55,000</u>
	<u>\$ 868,562</u>	<u>\$ 333,818</u>

Unconditional promises to give are considered to be fully collectible and no allowance is deemed necessary. Any net present value discount would be insignificant.

Receivables

Receivables are stated at net realizable value.

Property and equipment

Property and equipment are recorded at estimated fair value at donation date for donated assets and cost for purchased assets. Assets with a cost of \$1,000 or greater are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, principally 3 to 10 years. Leasehold improvements are amortized over the remaining life of the lease.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Support and revenue recognition

Project Access Northwest recognizes revenue from services provided under contract when the services are preformed. Project Access Northwest records special events revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference.

Project Access Northwest recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized until the conditions on which they depend have been met. Project Access Northwest's government contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Accordingly, conditional contributions and grants for which no amounts had been received in advance totaling \$290,000 and \$908,333 as of December 31, 2024 and 2023, respectively, have not been recognized in the accompanying financial statements.

Donated goods and services

Contributed materials have been recorded on the basis of rates that otherwise would have been paid for similar goods. Donated services are recorded as in-kind contributions and are recognized as revenue at estimated values at the date of receipt if they (a) create or enhance non-financial assets, or (b) require specialized skills and would need to be purchased if not provided by donation. Corresponding expenses are recognized as the assets and services are utilized. For the years ended December 31, 2024 and 2023, there were no in-kind contributions.

Advertising

Advertising costs are expensed as incurred.

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 activity and of functional expenses. Where possible, specific expenses have been charged directly to the appropriate category. When functions are shared or costs are intermingled, expenses are allocated based on estimated percentage of effort (such as research and evaluation services and IT services).

Reclassifications

Certain amounts in the 2023 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the net assets or change in net assets as of or for the year ended December 31, 2023.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE B – LIQUIDITY

Project Access Northwest manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

In order to assure that Project Access Northwest has the financial resources to continue to operate in order to fulfill its mission, it has a goal of having a reserve fund equal to 25% of its annual approved expenses. It is expected that it may take time to build to that level. Until that level is reached, the organization intends that 5% of all total support and revenue without donor restrictions will be put into a reserve account on a quarterly basis.

Once that level is obtained, further undesignated revenue will go into general operations. With the approval of each year’s budget, it is expected that the amount desired in the reserve fund may change. To achieve these targets, Project Access Northwest forecasts future cash flows and monitors its liquidity, and monitors reserves at least annually.

Project Access Northwest considers contributions with donor restrictions for use in current programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include programmatic, administrative and general expenses.

The table below presents financial assets available for general expenditures within one year at December 31:

	<u>2024</u>	<u>2023</u>
Total financial assets	\$ 2,814,860	\$ 2,216,949
Less amounts not available to be used within one year:		
Long-term promises to give	<u>(210,000)</u>	<u>(55,000)</u>
	<u>\$ 2,604,860</u>	<u>\$ 2,161,949</u>

NOTE C – RETIREMENT PLAN

Project Access Northwest offers a retirement savings IRA plan (the plan). After one year of service, the employer will contribute up to 3% of the eligible compensation annually to the plan in a dollar-for-dollar match to the employee contribution. The employee may contribute to a higher level as defined by the Internal Revenue Service. Employer contributions to the plan totaled \$20,928 and \$20,997, respectively, for the years ended December 31, 2024 and 2023.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE D - LINE OF CREDIT

Project Access Northwest has a \$100,000 revolving line of credit with no expiration date. Bank advances on the line of credit are payable on demand and carry interest at 11%. The line of credit was not utilized during the years ending December 31, 2024 or 2023 and there was no outstanding balance at December 31, 2024 or 2023.

NOTE E - LEASE COMMITMENTS

Project Access Northwest has an operating lease for office space. Operating leases are included in Right of Use (ROU) assets and lease liabilities in the statement of financial position. ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent Project Access Northwest's obligation to make lease payments arising from the lease. The discount rate represents Project Access Northwest's election of the risk-free rate. Nonlease components, such as payments required for common area maintenance, are not included in the lease liability and are expensed as incurred.

The components of the lease costs for the years ended December 31 are as follows:

	<u>2024</u>	<u>2023</u>
Operating lease costs	\$ 24,700	\$ 23,500
Supplemental cash flow information:		
Weighted-average remaining lease term	0.91 Years	
Weighted-average discount rate	1.37%	

Maturities of lease liabilities are as follows for the years ending December 31:

2025	\$ 23,650
Less present value discount	<u>(34)</u>
	<u>\$ 23,616</u>

NOTE F - LEGAL SETTLEMENT

In April 2023, Project Access Northwest agreed to a settlement of a claim brought by a former employee. The settlement amount of \$52,500 was fully paid for by Project Access Northwest's insurance provider.

NOTE G - PRIOR PERIOD ADJUSTMENT

Project Access Northwest identified an error in the timing of recognizing a donation as well as an excess in the release of a donor restriction for the year ended December 31, 2023.

PROJECT ACCESS NORTHWEST

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE G - PRIOR PERIOD ADJUSTMENT (Continued)

The following represents amounts that were restated for the year ended December 31, 2023:

	Previously <u>Reported</u>	<u>Adjustments</u>	<u>As Restated</u>
Promises to give - current	\$ 178,818	\$ 100,000	\$ 278,818
Contributions	\$ 1,120,263	\$ 100,000	\$ 1,220,263
Net Assets - with donor restrictions	\$ 1,014,927	\$ 238,167	\$ 1,253,094
Net Assets - without donor restrictions	\$ 990,655	\$ (138,167)	\$ 852,488

NOTE H - SUBSEQUENT EVENTS

Management has evaluated events occurring subsequent to December 31, 2024 through July 28, 2025, which is the date the financial statements were available to be issued and has recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at December 31, 2024, including the estimates inherent in the processing of financial statements.