

**WAVERLY-SHELL ROCK AREA  
UNITED WAY, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2025 and 2024**

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Independent Accountant's Review Report

To the Board of Directors  
Waverly-Shell Rock Area United Way, Inc.  
Waverly, IA 50677

I have reviewed the accompanying financial statements of Waverly-Shell Rock Area United Way, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025 and 2024 and the related statements of activities, changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

**Management's Responsibility 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.

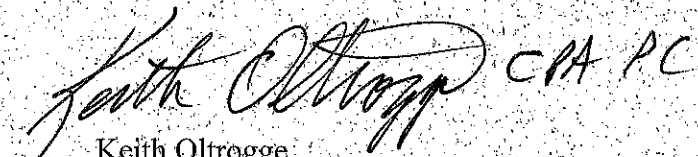
**Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Waverly-Shell Rock Area United Way, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

**Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

  
Keith Oltrogge  
Certified Public Accountant

Denver, Iowa  
April 28, 2026

## WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

## STATEMENTS OF FINANCIAL POSITION

December 31, 2025 and 2024

**-ASSETS-**

	2025		Total	
	Without Donor Restrictions	With Donor Restrictions	Memo Only 2025	Memo Only 2024
<b>CURRENT ASSETS:</b>				
Cash	\$ 229,021	\$ 12,150	\$ 241,171	\$ 269,426
Pledges Receivable, Net of Allowance for Uncollectible Pledges of \$500 and \$500 respectively at December 31, 2025 and 2024	179,380	-	179,380	179,500
Operating lease right-of-use asset	10,800	-	10,800	7,200
<b>Total Current Assets</b>	<b>\$ 419,201</b>	<b>\$ 12,150</b>	<b>\$ 431,351</b>	<b>\$ 456,126</b>
<b>FIXED ASSETS:</b>				
Equipment	\$ 10,243	\$ -	\$ 10,243	\$ 10,243
Accumulated Depreciation	-10,243	-	-10,243	-9,768
<b>Net Fixed Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 475</b>
<b>TOTAL ASSETS</b>	<b>\$ 419,201</b>	<b>\$ 12,150</b>	<b>\$ 431,351</b>	<b>\$ 456,601</b>

**-LIABILITIES AND NET ASSETS-**

<b>CURRENT LIABILITIES:</b>				
Payroll Liabilities	\$ 1,860	\$ -	\$ 1,860	\$ 2,157
Due to Agencies	\$ 150,350	\$ -	\$ 150,350	\$ 149,450
Operating lease liability - Current	\$ 10,800	\$ -	\$ 10,800	\$ 7,200
<b>Total Liabilities</b>	<b>\$ 163,010</b>	<b>\$ -</b>	<b>\$ 163,010</b>	<b>\$ 158,807</b>
<b>NET ASSETS</b>	<b>\$ 256,191</b>	<b>\$ 12,150</b>	<b>\$ 268,341</b>	<b>\$ 297,794</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 419,201</b>	<b>\$ 12,150</b>	<b>\$ 431,351</b>	<b>\$ 456,601</b>

The accompanying notes are an integral part of this statement.

## WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

## STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2025 and 2024

	2025		Total	
	Without Donor Restrictions	With Donor Restrictions	Memo Only 2025	Memo Only 2024
<b>PUBLIC SUPPORT AND REVENUES:</b>				
Pledges and Donations	\$ 233,649	\$ 2,697	\$ 236,346	\$ 241,595
COVID Vaccine Promotion	-	-	-	51,389
Grants	112,500	-	112,500	80,500
Interest Income	828	141	969	711
Total Public Support and Revenues	\$ 346,977	\$ 2,838	\$ 349,815	\$ 374,195
<b>EXPENSES:</b>				
<b>Program Services:</b>				
Agency Funding	\$ 135,000	\$ -	\$ 135,000	\$ 135,000
Marketing and Advertising	3,624	-	3,624	3,536
Salaries	48,741	-	48,741	46,333
Payroll Taxes	3,858	-	3,858	3,630
Telephone	1,103	-	1,103	1,189
Travel/Mileage	1,060	-	1,060	980
Other Costs	15,849	-	15,849	13,130
Program Sponsorship	89,281	2,569	91,850	75,277
Total Program Services	\$ 298,516	\$ 2,569	\$ 301,085	\$ 279,075
<b>Support Services:</b>				
<b>Management and General:</b>				
Salaries	\$ 16,247	\$ -	\$ 16,247	\$ 15,444
Payroll Taxes	1,286	-	1,286	1,210
Benefits	3,069	-	3,069	3,089
Contract Labor	10,000	-	10,000	10,000
Professional Fees	1,700	-	1,700	1,500
Postage	3,700	-	3,700	3,671
Telephone	367	-	367	396
Education	1,425	-	1,425	885
Dues and Assessments	4,916	-	4,916	4,568
Miscellaneous	3,178	-	3,178	6,227
Insurance	2,608	-	2,608	1,903
Rent	11,700	-	11,700	3,600
Repairs & Maintenance	10,731	-	10,731	-
Office Supplies	6,200	-	6,200	12,649
Travel/Mileage	353	-	353	327
Utilities	228	-	228	37
Depreciation	475	-	475	715
Total Management and General	\$ 78,183	\$ -	\$ 78,183	\$ 66,221
Total Expenses	\$ 376,699	\$ 2,569	\$ 379,268	\$ 345,296
CHANGE IN NET ASSETS	\$ -29,722	\$ 269	\$ -29,453	\$ 28,899

The accompanying notes are an integral part of this statement.

## WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

STATEMENTS OF CHANGES IN NET ASSETS  
For the Years Ended December 31, 2025 and 2024

	2025		Total	
	Without Donor Restrictions	With Donor Restrictions	Memo Only 2025	Memo Only 2024
NET ASSETS AT BEGINNING OF THE YEAR	\$ 285,913	\$ 11,881	\$ 297,794	\$ 268,895
Change in Net Assets	-29,722	269	-29,453	28,899
NET ASSETS AT END OF YEAR	\$ 256,191	\$ 12,150	\$ 268,341	\$ 297,794

The accompanying notes are an integral part of this statement.

## WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

## STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

	2025		Total	
	Without Donor Restrictions	With Donor Restrictions	Memo Only 2025	Memo Only 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in Net Assets	\$ -29,722	\$ 269	\$ -29,453	\$ 28,899
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:				
Depreciation	475	-	475	715
(Increase) Decrease in Pledges Receivable	120	-	120	33,215
(Increase) Decrease in Operating Lease Asset	-3,600	-	-3,600	-
Increase (Decrease) in payroll liabilities	-297	-	-297	-342
Increase (Decrease) in due to agency	900	-	900	-
Increase (Decrease) in Operating Lease Liability	3,600	-	3,600	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ -28,524</b>	<b>\$ 269</b>	<b>\$ -28,255</b>	<b>\$ 62,487</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment Income Reinvested	\$ -	\$ -	\$ -	\$ 684
Maturity of CD's	-	-	-	-
Purchase of Equipment	-	-	-	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 684</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$ -28,524</b>	<b>\$ 269</b>	<b>\$ -28,255</b>	<b>\$ 63,171</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>257,545</b>	<b>11,881</b>	<b>269,426</b>	<b>206,255</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 229,021</b>	<b>\$ 12,150</b>	<b>\$ 241,171</b>	<b>\$ 269,426</b>
<b>CASH IS COMPRISED OF:</b>				
Cash-checking (Operating Account)			\$ 108,135	\$ 133,186
First Bank Savings			-	29,912
Go-Hawk Family Assistance Account			7,918	7,724
Reserve Account			115,854	85,119
Riptide			4,232	4,157
Holiday Shoppe Checking			5,032	9,328
			<u>\$ 241,171</u>	<u>\$ 269,426</u>

## SUPPLEMENTAL DISCLOSURES:

Cash Paid for Interest

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The accompanying notes are an integral part of this statement.

WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization – The Waverly-Shell Rock Area United Way, Inc. (the Organization) is a non-profit Iowa corporation. The Organization strives to meet the human services needs of the community through the development and effective distribution of resources.

Method of Accounting – The financial statements of the Organization have been prepared utilizing the accrual basis of accounting.

Basis of Presentation – The Organization has adopted Accounting Standards for Accounting for Contributions Received and Made and Financial Statements of Not-for-Profit Organizations, and applied these standards on a retroactive basis. These accounting standards established standards for external reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to externally (donor) imposed restrictions. The accounting standards require that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with the donor imposed restrictions. A description of the two net asset categories is as follows:

Net Assets Without Donor Restrictions – This category of net assets includes unrestricted contributions and expenses associated with the principle activity of the Organization.

Net Assets With Donor Restrictions – This category of net assets includes gifts and income for which donor imposed restrictions have not been met or gifts, trusts and pledges which require, by donor restriction, that the corpus of the gift be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

There are net assets with donor restrictions totaling \$12,150 at December 31, 2025.

Pledges and Contributions – The Organization engages in periodic fundraising campaigns manifested by offering telephone, mail and other fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Organization for enhancement of the programs and operating expenses. Financial contributions are frequently evidenced by pledges received from responding supporters. Contributions including unconditional promises to give are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors. An allowance for uncollectible contributions receivable is provided based on the Organization's judgment including such factors as prior collection history and type of contribution. All pledges receivable are promises to give within one year of December 31, 2025. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Organization. This usage is consistent with appeals for contributions and pledges.

WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Investments – The Organization elected to adopt Accounting Standards for Accounting for Certain Investments Held by Not-for-Profit Organizations in 1996. Under these accounting standards, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Income Taxes – The Corporation is exempt from Federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. The tax exempt status is also recognized by the State of Iowa. Accordingly, no provision for income taxes has been made.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Cash Equivalents – Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

Total (Memo Only) – The total column on the comparative statements is captioned “Memo Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

Property and Equipment – Property and equipment are stated at cost or, if donated, at the approximate fair market value at the date of donation. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. Depreciation is provided on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Equipment	3-5
Furniture and fixtures	10

Contributed Services – A large number of members/directors have contributed significant amounts of time to program services of the Organization. The financial statements do not reflect the value of those contributed services because, although clearly substantial, no reliable basis exists for reasonably determining an appropriate amount.

WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 2– FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Organization’s financial instruments, none of which are held for trading purposes, include cash and investments. The Organization estimates that the fair value of all financial instruments at December 31, 2025 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The estimated fair value amounts have been determined by investment companies, using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Organization could realize in a current market exchange.

**NOTE 3 – PLEDGES RECEIVABLE**

Pledges receivable – net allowances for uncollectable pledges consists of the following at December 31:

Campaign 2026	\$ 179,430
	<u>\$ 179,430</u>

**NOTE 4 – CASH AND INVESTMENTS**

Interest Rate Risk – The Organization manages interest rate risk with segmented time distribution.

The Organization maintains its cash and investments at one financial institution, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in their accounts. The Organization believes it is not exposed to any significant credit risk. At December 31, 2025, the Organization’s cash did not exceeded the FDIC limit.

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2025 and 2024.

	2025	2024
Interest Income – without donor restriction	\$ 828	\$ 707
Interest Income – with donor restriction	141	4
Total	<u>\$ 969</u>	<u>\$ 711</u>

WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 5 – PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Equipment	\$	7,343
Furniture and fixtures		2,900
	\$	<u>10,243</u>
Accumulated depreciation		-10,243
Total	\$	<u>-</u>

Depreciation expense was \$475 in 2025.

**NOTE 6 – OPERATING LEASES**

At December 31, 2025, the Organization leases its offices under operating leases with a 1 year term. The lease is subject to revision or renewal at that time, starting September 1, 2024 for \$900 per month. The exercise of this renewal option is at the sole discretion of the Organization, and only lease options that the organization believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities.

The following summarizes the line items in the balance sheet which include amounts for the operating lease as of December 31, 2025:

Operating lease right-of-use asset:	\$	10,800
Operating lease liabilities – current:	\$	10,800

**NOTE 7 – RISK MANAGEMENT**

The Organization is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Organization assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 8 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through April 28, 2026, which is the date the financial statements were available to be issued.

WAVERLY-SHELL ROCK AREA UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS  
December 31, 2025

**NOTE 9 – DUE TO AGENCIES**

This liability represents the Organization’s funding of local agencies, with the funds raised in Campaign 2025 and 2024. The following is a list of the agencies and the amounts designated:

	2026	2025
AIM Mentoring	\$ 8,500	\$ 8,400
Fostering Families Together	3,500	4,000
Bremer County Health Department	3,500	3,500
Friends of the Family	6,000	5,000
Girl Scouts of Eastern Iowa	-	1,000
Habitat for Humanity	-	6,300
Helping Services for Northeast Iowa	3,000	2,800
Iowa Legal Aid	5,000	4,600
Larrabee Center	8,000	7,400
Lutheran Services in Iowa	2,500	2,200
NE Iowa Community Action	12,000	9,500
Northeast Iowa Food Bank	24,000	24,000
Northstar Community Services	10,500	10,400
Pathways Behavioral Service	25,000	25,000
Riverview Center	8,000	7,700
Together for Youth	8,000	7,000
Helping Hands Clothing Closet	1,000	700
Leader Valley	3,000	2,000
NEIA Area Agency on Aging	3,500	3,500
	<u>\$ 135,000</u>	<u>\$ 135,000</u>

These funds are paid to the Agencies in four equal, quarterly installments.

**NOTE 10 – DESIGNATED FUND BALANCES**

The following summary of the fund balance designations by the governing board:

	December 31,	
	2025	2024
Three months operating reserve	<u>\$ 115,854</u>	<u>\$ 85,119</u>