

BUDDY UP FOR LIFE, INC.

FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT

MARCH 31, 2025 AND 2024

**TIDWELL**  
group



BUDDY UP FOR LIFE, INC.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Buddy Up for Life, Inc.  
New Albany, Ohio

### **Opinion**

We have audited the accompanying financial statements of Buddy Up for Life, Inc., which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities and changes in net assets 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 Buddy Up for Life, Inc. as of March 31, 2025 and 2024 and the statements of activities and changes in 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 Buddy Up for Life, Inc. 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 Buddy Up for Life, Inc.'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 due to fraud is higher than for one resulting from an 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 Buddy Up for Life, Inc.'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 Buddy Up for Life, Inc.'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.

*Tidwell Group, LLC*

Columbus, Ohio  
August 28, 2025

BUDDY UP FOR LIFE, INC.

STATEMENTS OF FINANCIAL POSITION

March 31, 2025 AND 2024

	<b>ASSETS</b>	
	<b>2025</b>	<b>2024</b>
<b>Current Assets</b>		
Cash	\$ 702,587	\$ 761,104
Accounts receivable	30,683	19,763
Prepaid expenses	<u>32,446</u>	<u>20,436</u>
<b>Total Assets</b>	<u><u>\$ 765,716</u></u>	<u><u>\$ 801,303</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	<u>\$ 75,898</u>	<u>\$ 128,774</u>
<b>Total Liabilities</b>	75,898	128,774
<b>Net Assets</b>		
Without donor restrictions	<u>689,818</u>	<u>672,529</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 765,716</u></u>	<u><u>\$ 801,303</u></u>

See notes to the financial statements.

BUDDY UP FOR LIFE, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended March 31, 2025 and 2024

	2025	2024
<b>Revenue</b>		
Fundraising revenue	\$ 451,725	\$ 415,461
Grant revenue	54,348	78,964
Program revenue	273,716	196,061
Donation revenue	80,643	91,989
Interest	3,362	3,936
<b>Total Revenue</b>	<b>863,794</b>	<b>786,411</b>
<b>Program Service Expenses</b>		
Coaches	116,527	84,571
Courts and club fees	60,460	34,614
Equipment	2,012	7,190
Payroll and related taxes	210,551	149,439
Travel	21,070	15,935
Other program expenses	130,470	112,900
	<b>541,090</b>	<b>404,649</b>
<b>General and Administrative Expenses</b>		
Payroll and related taxes	16,015	17,641
Office supplies	9,838	4,430
Professional services	30,736	22,441
Insurance	2,392	2,248
Miscellaneous	33,578	32,322
	<b>92,559</b>	<b>79,082</b>
<b>Fundraising Expenses</b>		
Fundraising events	172,654	189,255
Payroll and related taxes	39,880	30,180
Other fundraising expenses	322	4,421
	<b>212,856</b>	<b>223,856</b>
<b>Total Expenses</b>	<b>846,505</b>	<b>707,587</b>
<b>Change in Net Assets</b>	17,289	78,824
<b>Net Assets - Beginning of Period</b>	<b>672,529</b>	<b>593,705</b>
<b>Net Assets - End of Period</b>	<b>\$ 689,818</b>	<b>\$ 672,529</b>

See notes to the financial statements.

BUDDY UP FOR LIFE, INC.

STATEMENTS OF CASH FLOWS

Years ended March 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 17,289	\$ 78,824
<b>Adjustments to Reconcile Change in Net Assets to Net Cash From Operating Activities:</b>		
Decrease (Increase) in Assets:		
Accounts receivable	(10,920)	1,072
Prepaid expenses	(12,010)	(7,526)
Increase (Decrease) in Liabilities:		
Accounts payable and accrued liabilities	<u>(52,876)</u>	<u>56,339</u>
<b>Net Cash From Operating Activities</b>	<u>(58,517)</u>	<u>128,709</u>
<b>Net Change in Cash</b>	(58,517)	128,709
<b>Cash - Beginning of Period</b>	<u>761,104</u>	<u>632,395</u>
<b>Cash - End of Period</b>	<u>\$ 702,587</u>	<u>\$ 761,104</u>

See notes to the financial statements.

# BUDDY UP FOR LIFE, INC.

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2025 and 2024

### NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Effective March 19, 2021, the Organization changed its name from Buddy Up Tennis, Inc. to Buddy Up for Life, Inc. to align with its current mission. Buddy Up for Life, Inc. (the Organization) was organized as a non-profit corporation on August 21, 2009 under the laws of the State of Ohio. The Organization's mission is to improve the lives of individuals with Down Syndrome across the nation by providing a best-in-class, structured, and fun environment where they can grow physically, socially, emotionally, and intellectually. The Organization impacts lives of those with Down Syndrome by cultivating independence by promoting a healthy lifestyle and fostering meaningful relationships through uniquely designed programs including Tennis, Fitness, Summer Camp, Life Skills, Independent Living, Friendship Connections and Virtual Zumba. Within each program, participants are partnered with a volunteer buddy to maximize their experience. The Organization hosts tennis and fitness clinics and fitness camps in various locations across the United States of America.

The Organization's primary sources of revenue are fundraising activities, grants received from non-federal agencies, program service fees, and contributions from donors.

### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and change in net assets are classified and reported as follows:

Without Donor Restrictions - Net assets available for use in general operation and not subject to donor restrictions. All of the Organization's net assets are without donor restrictions.

With Donor Restrictions - Net assets subject to donor-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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

BUDDY UP FOR LIFE, INC.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

March 31, 2025 and 2024

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of restrictions on net assets are reported as reclassifications between applicable net asset classes.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions received are recorded as without donor restrictions or with donor restrictions support, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restrictions.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant awards that are contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses or asset acquisition costs are incurred. Amounts received in excess of expenses or asset acquisitions are reflected as refundable advances.

B. Grant awards that are exchange transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Leases

The Organization has leases for office space and an apartment, which were previously accounted for as operating leases. The Organization made the election to account for short-term leases on a straight-line basis over the term of the leases.

Cash and Cash Equivalents

For the purpose of reporting cash flows, cash and cash equivalents includes petty cash, demand deposits, and savings accounts. There were no cash equivalents as of March 31, 2025 or 2024.

BUDDY UP FOR LIFE, INC.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

March 31, 2025 and 2024

Accounts Receivable

Accounts receivable consists of amounts due for program services and amounts due from private corporations and grantors having stipulated such contributions to the Organization as of March 31, 2025 and 2024. The Organization does not accrue interest on accounts receivable balances.

Management estimates an allowance for credit losses based on management's review of delinquent accounts, the existence of credit insurance and assessment of the Organization's historical evidence of collections. Specific accounts are charged directly to the reserve when management obtains evidence of a customer's insolvency or otherwise determines that the account is uncollectible. Management has determined that no allowance for credit losses is required as of March 31, 2025 or 2024.

Contributed Services

Donated services are measured at fair values as determined by management in the statements of activities and changes in net assets as revenue and expenses in the period they are received. During the years ended March 31, 2025 and 2024, the Organization received contributed professional services with a fair value on the dates of donation of \$5,000. In addition, the Organization received contributions of nonprofessional volunteer services during the years ended March 31, 2025 and 2024 for approximately 1300 and 800 volunteers to assist with program and fundraising activities, respectively. The nonprofessional volunteer services are not reported in the statements of activities and changes in net assets.

Advertising Costs

The Organization's policy is to expense advertising costs when incurred.

Income Taxes

The Organization applied for and received a determination letter from the Internal Revenue Service ("IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code, except for income derived from unrelated business activities, as defined in the Code. There was no income tax expense for the years ended March 31, 2025 or 2024.

The Organization is required to and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Organization has no other tax positions which must be considered for disclosure. Generally, income tax returns filed by the Organization are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS, tax years since 2021 remain open.

## BUDDY UP FOR LIFE, INC.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

March 31, 2025 and 2024

#### Functional Expenses and Cost Allocation

The cost of providing the various programs and other activities has been summarized on a functional basis in the notes to the financial statements. Administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Joint costs are allocated to benefiting programs using various allocation methods, depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefit of all organization programs, which cannot be readily identified with a final cost objective.

#### Estimates

The preparation of 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 and disclosure 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.

### NOTE 3 - RELATED PARTY TRANSACTION

The Organization has executed a License Agreement with Adaptive Tennis Consulting, LLC for usage of the Buddy Up Tennis, Inc. trademark and certain logos. Adaptive Tennis Consulting, LLC is owned by the Executive Director of the Organization. The license agreement was executed during 2014 and runs for an initial term of 5 years, renewing automatically for successive five-year terms unless otherwise terminated. An amended agreement was executed, effective January 1, 2021. There were no fees charged to Buddy Up for Life, Inc. related to the license agreement during the years ended March 31, 2025 or 2024.

### NOTE 4 – LEASES

The Organization leases office space with a lease terms beginning October 1, 2019 and expired on March 31, 2024. A temporary lease was signed for office space until permanent space available starting March 11, 2024. The permanent lease was signed beginning December 16, 2024 on a month-to-month basis. Rent expense, related to this agreement, included in Miscellaneous General and Administrative expenses, for the years ended March 31, 2025 and 2024 totaled \$11,900 and \$11,505, respectively.

## BUDDY UP FOR LIFE, INC.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

March 31, 2025 and 2024

Commencing May 2022, the Organization entered into an apartment lease which expired September 30, 2024, as extended. Rent expense, related to this agreement, included in Other Program Expense for the years ended March 31, 2025 and 2024 totaled \$7,560 and \$15,120, respectively.

The Organization has subleased part of the apartment under a sublease agreement that expired September 30, 2024. Sublease income approximated \$7,400 and \$8,000 for the years ended March 31, 2025 and 2024, respectively.

#### NOTE 5 - CONCENTRATIONS

##### Credit Risk

The Organization maintains its cash with financial institutions. The bank balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that the financial institution has a strong credit rating and credit risk related to deposits is minimal. As of March 31, 2025 and 2024, the cash balances of the Organization exceeded the FDIC insured limit by \$341,570 and \$410,322, respectively.

##### Fundraising

The Organization receives a substantial portion of its revenues from fundraising efforts. During the years ended March 31, 2025 and 2024, the Organization received 52% and 47%, respectively, from its fundraising revenue.

#### NOTE 6 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization has financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures. This amount consists of cash and accounts receivable as presented on the accompanying statements of financial position. None of these amounts are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. The Organization maintains financial assets on hand to meet normal operating expenses.

BUDDY UP FOR LIFE, INC.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

March 31, 2025 and 2024

NOTE 7 - SUBSEQUENT EVENTS

Events that occur after the statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management has evaluated the activity of Buddy Up for Life, Inc. through August 28, 2025 (the date the financial statements were available to be issued) and concluded that no subsequent event has occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.