UNITED WAY OF THE VIRGINIA PENINSULA

FINANCIAL REPORT

JUNE 30, 2025

PBMares

ASSURANCE, TAX & ADVISORY SERVICES

UNITED WAY OF THE VIRGINIA PENINSULA

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INDEPENDENT AUDITOR'S REPORT

To the Officers and Directors of
United Way of the Virginia Peninsula

Opinion

We have audited the financial statements of United Way of the Virginia Peninsula (UWVP), which comprise the statement of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UWVP as of June 30, 2025 and 2024, 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 (GAAS). 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 UWVP 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 UWVP's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 UWVP'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 UWVP's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying supplementary Schedule of Volunteer Hours (Unaudited) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The schedule is not presented in accordance with accounting principles generally accepted in the United States of America. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

PBMares, LLP

Newport News, Virginia
September 23, 2025

FINANCIAL STATEMENTS

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 478,125**	$ 451,617
Pledges receivable, net of allowance for uncollectible pledges of $473,608 and $314,554 at June 30, 2025 and 2024, respectively	**1,029,879**	415,513
Grants receivable	**121,537**	41,900
Operating receivables	**-**	208
Operating lease right-of-use assets	**223**	745
Financing lease right-of-use assets	**15,122**	19,921
Other current assets	**16,195**	11,496
Total current assets	**1,661,081**	941,400
Other Assets		
Investments	**4,911,200**	4,807,196
Property and equipment, net of accumulated depreciation	**1,398,370**	1,480,318
Total other assets	**6,309,570**	6,287,514
Total assets	**$ 7,970,651**	$ 7,228,914
LIABILITIES AND NET ASSETS		
Current Liabilities		
Designations payable	**$ 442,671**	$ 306,469
Operating payables	**36,647**	26,128
Refundable advances	**-**	200,000
Line of credit	**-**	503,216
Notes payable, current portion	**20,798**	19,578
Current portion of right-of-use leases payable	**5,214**	5,320
Other liabilities	**39,158**	38,531
Total current liabilities	**544,488**	1,099,242
Long-term Liabilities		
Notes payable, long-term	**614,709**	635,507
Right-of-use leases payable, less current portion	**10,131**	15,346
Total long-term liabilities	**624,840**	650,853
Net Assets		
Without donor restrictions	**6,726,823**	5,364,319
With donor restrictions	**74,500**	114,500
Total net assets	**6,801,323**	5,478,819
Total liabilities and net assets	**$ 7,970,651**	$ 7,228,914

See Notes to Financial Statements.

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Campaign Results			
Campaign contributions	$ 4,765,060	$ -	$ 4,765,060
Less amounts due to others:			
Donor designations	(812,164)	-	(812,164)
Gross campaign results	3,952,896	-	3,952,896
Less net adjustment to provision for uncollectible receivables	(176,379)	-	(176,379)
Net campaign results	$ 3,776,517	$ -	$ 3,776,517
Public Support and Revenue			
Net campaign results	$ 3,776,517	$ -	$ 3,776,517
Government grants	888,518	-	888,518
Special event income	101,100	-	101,100
Investment income	127,196	-	127,196
Net realized and unrealized gains on investments	389,430	-	389,430
Miscellaneous income	148,502	-	148,502
Net assets released from restrictions	40,000	(40,000)	-
Total public support and revenue	5,471,263	(40,000)	5,431,263
Expenses			
Program services:			
Gross funds awarded/distributed	2,405,919	-	2,405,919
Less donor designations	(812,164)	-	(812,164)
Net funds awarded/distributed	1,593,755	-	1,593,755
United Way of America dues	7,272	-	7,272
Other program services	1,958,539	-	1,958,539
Total program services	3,559,566	-	3,559,566
Supporting services:			
Organizational administration	242,134	-	242,134
Fundraising	258,395	-	258,395
United Way of America dues	48,664	-	48,664
Total supporting services	549,193	-	549,193
Total expenses	4,108,759	-	4,108,759
Change in net assets	1,362,504	(40,000)	1,322,504
Net Assets			
Beginning of year	5,364,319	114,500	5,478,819
End of year	$ 6,726,823	$ 74,500	$ 6,801,323

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Campaign Results			
Campaign contributions	$ 3,263,161	$ 97,500	$ 3,360,661
Less amounts due to others:			
Donor designations	(764,396)	-	(764,396)
Gross campaign results	2,498,765	97,500	2,596,265
Less net adjustment to provision for uncollectible receivables	(202,267)	-	(202,267)
Net campaign results	$ 2,296,498	$ 97,500	$ 2,393,998
Public Support and Revenue			
Net campaign results	$ 2,296,498	$ 97,500	$ 2,393,998
Government grants	1,393,446	-	1,393,446
Other contributions	26,813	-	26,813
Special event income	271,342	-	271,342
Investment income	143,705	-	143,705
Net realized and unrealized gains on investments	389,447	-	389,447
Miscellaneous income	50,553	-	50,553
Total public support and revenue	4,571,804	97,500	4,669,304
Expenses			
Program services:			
Gross funds awarded/distributed	2,560,658	-	2,560,658
Less donor designations	(764,396)	-	(764,396)
Net funds awarded/distributed	1,796,262	-	1,796,262
United Way of America dues	5,184	-	5,184
Other program services	2,390,929	-	2,390,929
Total program services	4,192,375	-	4,192,375
Supporting services:			
Organizational administration	289,341	-	289,341
Fundraising	277,393	-	277,393
United Way of America dues	33,789	-	33,789
Total supporting services	600,523	-	600,523
Total expenses	4,792,898	-	4,792,898
Change in net assets	(221,094)	97,500	(123,594)
Net Assets			
Beginning of year	5,585,413	17,000	5,602,413
End of year	$ 5,364,319	$ 114,500	$ 5,478,819

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2025

	Program Services	SUPPORTING SERVICES: Organizational Administration	SUPPORTING SERVICES: Fundraising	SUPPORTING SERVICES: Total Supporting Expenses	Total
Expenses					
Salaries	$ 445,696	$ 66,019	$ 149,538	$ 215,557	$ 661,253
Payroll taxes	44,668	6,617	14,987	21,604	66,272
Employee benefits	92,376	13,683	30,994	44,677	137,053
	582,740	86,319	195,519	281,838	864,578
Advertising	30,942	-	15,587	15,587	46,529
Bad debts	122,501	-	-	-	122,501
Community relations and events	28,419	-	14,316	14,316	42,735
Equipment rental	4,507	3,877	1,309	5,186	9,693
Grants expenses	1,026,739	-	-	-	1,026,739
Insurance	5,712	5,025	-	5,025	10,737
Interest	47,397	3,910	-	3,910	51,307
Miscellaneous	-	11,255	-	11,255	11,255
Occupancy	11,160	1,456	1,969	3,425	14,585
Professional fees	-	62,587	-	62,587	62,587
Self-insured unemployment	-	1,701	-	1,701	1,701
Software licenses and maintenance	29,269	4,335	9,820	14,155	43,424
Supplies	18,033	16,055	5,419	21,474	39,507
Telephone and networks	3,573	3,073	1,037	4,110	7,683
Training and travel	1,326	2,782	-	2,782	4,108
Utilities	8,115	6,980	2,356	9,336	17,451
	1,920,433	209,355	247,332	456,687	2,377,120
Depreciation	38,106	32,779	11,063	43,842	81,948
	1,958,539	242,134	258,395	500,529	2,459,068
United Way of America dues	7,272	7,272	41,392	48,664	55,936
Allocations/Awards	2,405,919	-	-	-	2,405,919
Less donor designations	(812,164)	-	-	-	(812,164)
Total expenses	$ 3,559,566	$ 249,406	$ 299,787	$ 549,193	$ 4,108,759

See Notes to Financial Statements.

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

		SUPPORTING SERVICES			
	Program Services	Organizational Administration	Fundraising	Total Supporting Expenses	Total
Expenses					
Salaries	$ 534,019	$ 81,221	$ 188,385	$ 269,606	$ 803,625
Payroll taxes	49,984	7,602	17,633	25,235	75,219
Employee benefits	75,448	11,475	26,616	38,091	113,539
	659,451	100,298	232,634	332,932	992,383
Advertising	4,397	-	2,215	2,215	6,612
Bad debts	12,083	-	-	-	12,083
Community relations and events	18,703	-	9,421	9,421	28,124
Equipment rental	5,831	5,017	1,693	6,710	12,541
Grants expenses	1,517,732	-	-	-	1,517,732
Insurance	7,898	6,948	-	6,948	14,846
Interest	61,942	3,619	-	3,619	65,561
Miscellaneous	-	11,840	-	11,840	11,840
Occupancy	5,503	639	959	1,598	7,101
Professional fees	-	103,133	-	103,133	103,133
Software licenses and maintenance	36,954	5,620	13,036	18,656	55,610
Supplies	7,232	6,001	2,100	8,101	15,333
Telephone and networks	5,842	5,025	1,696	6,721	12,563
Training and travel	381	788	-	788	1,169
Utilities	9,018	7,757	2,618	10,375	19,393
	2,352,967	256,685	266,372	523,057	2,876,024
Depreciation	37,962	32,656	11,021	43,677	81,639
	2,390,929	289,341	277,393	566,734	2,957,663
United Way of America dues	5,184	5,184	28,605	33,789	38,973
Allocations/Awards	2,560,658	-	-	-	2,560,658
Less donor designations	(764,396)	-	-	-	(764,396)
Total expenses	$ 4,192,375	$ 294,525	$ 305,998	$ 600,523	$ 4,792,898

See Notes to Financial Statements.

UNITED WAY OF THE VIRGINIA PENINSULA

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ 1,322,504	$ (123,594)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	81,948	81,639
Amortization of right-of-use lease assets	5,321	5,115
Net realized and unrealized gains on investments	(389,430)	(389,447)
Provision for uncollectible receivables	176,379	202,267
Changes in assets and liabilities:		
Pledges receivable	(790,745)	(128,067)
Employee retention credits receivable	-	320,042
Grants receivable	(79,637)	122,211
Operating receivables	208	11,875
Other current assets	(4,699)	(4,836)
Right-of-use leases payable	(538)	(516)
Operating payables	10,519	(65,644)
Refundable advances	(200,000)	200,000
Other liabilities	627	(7,485)
Designations payable	136,202	(19,603)
Net cash provided by operating activities	268,659	203,957
Cash Flows from Investing Activities		
Proceeds from the sale of investments	1,850,663	1,264,759
Purchases of investments	(1,565,237)	(1,039,753)
Net cash provided by investing activities	285,426	225,006
Cash Flows from Financing Activities		
Financing lease payments	(4,783)	(4,599)
Net payments to line of credit	(503,216)	(80,302)
Payments to notes payable	(19,578)	(18,543)
Net cash used in financing activities	(527,577)	(103,444)
Net increase in cash and cash equivalents	26,508	325,519
Cash and Cash Equivalents		
Beginning	451,617	126,098
Ending	$ 478,125	$ 451,617
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 51,307	$ 65,561

UNITED WAY OF THE VIRGINIA PENINSULA

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of organization: The United Way of the Virginia Peninsula (UWVP) is a nonprofit corporation chartered under the laws of the Commonwealth of Virginia. UWVP conducts fundraising campaigns, acts as an administrative agent and distributes funds to human service agencies in Hampton Roads according to donor designations and Community Investment Team recommendations.

UWVP's primary role is to fund, convene and advocate to address the root causes of poverty and working poor. UWVP's efforts to provide critical resources, engage and convene around a shared agenda, and advocate for those who need them the most are vital to the success of the community's collective impact and achievement of its goal.

After conducting a comprehensive needs assessment in 2016, UWVP established a community-wide collective impact agenda, "Pathways Out of Poverty." Organized by four areas of impact representing the building blocks to achieve health, education, and financial stability for every person in the community, UWVP established its role as the convener and connector to reduce poverty in the community. As it relates to UWVP and its partners, ALICE (Asset Limited, Income Constrained, Employed) households face a unique vulnerability, earning too much for most publicly-funded programs, but too little to save, and must therefore rely on the services on the nonprofit community.

After seeing a 9.7% decrease in households at/below the ALICE threshold in just five years (2018 to 2023), 2025 data shows that 41% of households on the VA Peninsula are experiencing poverty, representing 70,472 households within our service area and a 7% decrease in households experiencing poverty (ALICE/below) since 2018.

Since its inception in 2021, UWVP's Community Assistance Network (CAN) has served 14,278 people. The Advocacy and Referral Services provided by UWVP has empowered a collaborative system of partnerships in which diverse partners are working together to keep our neighbors housed, healthy, and thriving. CAN serves as the foundation for the Peninsula's Eviction Reduction Pilot. In 2023, UWVP launched the Peninsula Youth Collaborative (PYC), bringing people and organizations together to better serve children and young adults on the Virginia Peninsula. Through partnerships, the PYC addresses youth mental health and career readiness. UWVP also convenes housing service providers across the spectrum of needs - from crisis homeless response to foreclosure prevention and first-time homebuyer supports. The Peninsula Housing Collaborative is working to ensure housing stability for all as a fundamental component of our collective success.

Basis of presentation: The accompanying financial statements do not include the accounts of United Way agencies, each of which are separate legal entities and have an independent board of directors and conduct an independent services program.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*, establishes standards for external financial reporting by not-for-profit organizations. Resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into categories, as follows:

Without Donor Restrictions

Includes general-purpose contributions, grants and other revenues.

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Basis of presentation (continued):

With Donor Restrictions

Includes contributions that are restricted by donors or grantors for special projects or other uses, including program funds subject to long-term restrictions. When a donor time restriction expires or purpose restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions. Contributions and grants with donor restrictions are included in the accompanying statements of activities as without donor restrictions if the restriction is met within the same year.

Cash and cash equivalents: For purposes of reporting cash flows, UWVP considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Pledges and grants receivable: Pledges are recognized when the donor makes a promise to give to UWVP that is, in substance, unconditional. UWVP provides an allowance for uncollectible pledges based upon prior collection experience and management's assessment of the collectability of existing specific accounts. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. UWVP had no conditional pledges as of June 30, 2025 and 2024.

Refundable advances: Contributions that are subject to donor-imposed conditions, such as use in a future period or for a specific purpose, are recorded as refundable advances in the statement of financial position until such conditions are substantially met. Once the conditions are fulfilled, the contributions are recognized as revenue.

In-kind contributions: UWVP periodically receives contributions of non-financial assets such as donated services and donated equipment. These are reported based on the estimated fair value of the asset or service on the date received and are presented as in-kind contributions on the statements of activities. Donated services are only recorded if they meet the criteria for recognition based on current ASC guidance. There were no in-kind contributions recorded for the years ended June 30, 2025 and 2024.

Property and equipment: All acquisitions of property and equipment in excess of $1,000 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at estimated fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the respective classes of property and equipment which range from 3 years to 30 years. Gains and losses arising from retirements or dispositions are recognized in the statements of activities.

Investments: FASB ASC Topic 958, *Not-for-Profit Entities,* and ASC Topic 820, *Fair Value Measurements,* require investments in marketable securities with readily determinable fair values and all investments in debt securities to be reported at their fair values in the statements of financial position. Net realized and unrealized gains and losses are recorded in the statements of activities. UWVP reports investment income net of investment expenses of $31,699 and $32,844 for the years ended June 30, 2025 and 2024, respectively. UWVP has determined that there are no donor-imposed restrictions on investment income.

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Advertising: Advertising costs are expensed as incurred.

Fundraising campaigns: UWVP conducts the following fundraising campaign:

United Way of the Virginia Peninsula Annual Campaign

The annual campaign is run by UWVP for support of the organization and also includes donor-designated contributions. It is the practice of UWVP to include donor-designated contributions received in general fundraising campaigns in the net assets without donor restrictions unless specifically restricted by the donor. These designated contributions will be paid separately to the respective agencies proportionately and based on collections by participating company, organization or individual.

During the year ended June 30, 2025, UWVP switched from using a third-party processor for workplace campaign contributions from the donor organization discussed in Note 3, and now processes these contributions internally. The timing of this switch resulted in UWVP recognizing revenue and pledges receivable from both the 2024 and 2025 calendar year campaigns during the year ended June 30, 2025.

Designations payable: Designations payable represents donor contributions directed to agencies and other United Ways accrued, but not yet paid, as of June 30. Designations payable to agencies are recorded net of associated cost recovery fees.

Functional expense allocations: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. UWVP has allocated these expenses on the basis of estimates of time and effort.

Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates and assumptions.

Leases: UWVP determines if an arrangement is, or contains, a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is, or contains, a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) UWVP obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. UWVP also considers whether its service arrangements include the right to control the use of an asset.

UWVP has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for all asset classes. The non-lease components typically represent additional services transferred to UWVP, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Leases (continued): The discount rate represents the risk-free rate using a period comparable with that of the individual lease term. UWVP's lease terms for each of its leases represents the noncancelable period for which UWVP has the right to use an underlying asset, together with all of the following: (i) periods covered by an option to extend the lease, if UWVP is reasonably certain to exercise that option; (ii) periods covered by an option to terminate the lease if UWVP is reasonably certain not to exercise that option; and (iii) periods covered by an option to extend (or not to terminate) the lease in which exercise of the option is controlled by the lessor. UWVP recognizes lease expense on a straight-line basis over the lease term.

Income taxes: UWVP is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is an organization that is not a private foundation under Section 170(b)(1)(A)(vi). FASB ASC Topic 740, *Income Taxes*, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. UWVP's management has evaluated the impact of the standard to its financial statements. UWVP's income tax returns are subject to examination by taxing authorities, generally for a period of three years from the date they were filed.

UWVP's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Subsequent events: UWVP has evaluated all events subsequent to June 30, 2025 through September 23, 2025 which is the date these financial statements were available to be issued.

Note 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date comprise the following:

	2025	2024
Cash and cash equivalents	**$ 478,125**	$ 451,617
Pledges receivable, net	**1,029,879**	415,513
Grants receivable	**121,537**	41,900
Investments	**4,911,200**	4,807,196
	6,540,741	5,716,226
Less:		
Donor restricted amounts	**(74,500)**	(114,500)
	$ 6,466,241	$ 5,601,726

Investments of $4,911,200 and $4,807,196 as of June 30, 2025 and 2024, respectively, are subject to an annual spending rate of 4.5 percent. Although UWVP does not intend to spend from these investments, they are available to support UWVP and/or meet its obligations to Collective Impact Partner Agencies. Pledges receivable, as a direct result of the resource development plan including annual campaign, fluctuate during the year based upon pledge payments. UWVP also has a $1,000,000 line of credit available to meet short-term needs, of which $1,000,000 and $496,784 was available to be drawn upon at June 30, 2025 and 2024, respectively.

Note 3. Concentrations

UWVP maintains a portion of its cash in bank deposit accounts with a local branch of a national bank, which, at times, were in excess of the $250,000 limit insured by the Federal Deposit Insurance Corporation during the years ended June 30, 2025 and 2024.

UWVP maintains its investments with a local office of a national broker. The balances were in excess of the $500,000 limit insured by the Securities Investor Protection Corporation during the years ended June 30, 2025 and 2024.

In addition, UWVP is potentially subject to concentrations of credit risk with regard to pledges receivable as most of the receivables are due from donors located in the same geographic area. Pledges receivable are not collateralized; however, credit risk is limited due to the large number of donors and the collection history of UWVP. Included in UWVP's pledges receivable balance are gifts from one donor organization that represent 60% and 24% of total pledges receivable at June 30, 2025 and 2024, respectively. Gifts from these organizations represent 35% and 17% of total public support and revenue for the years ended June 30, 2025 and 2024, respectively.

Government grants from departments of the federal government represented approximately 0% and 10% of total public support and revenue for the years ended June 30, 2025 and 2024.

Note 4. Annual Campaign and Pledges Receivable

Total pledges for the annual campaign are included in this report as follows:

	2025	2024
Annual campaign	**$ 4,765,060**	$ 3,360,661
Less allowance for uncollectible pledges	**473,608**	314,554
Net annual campaign	**4,291,452**	3,046,107
Less cash received during the year	**3,261,573**	2,630,594
Pledges receivable, net	**$ 1,029,879**	$ 415,513

All pledges are due within one year.

Note 5. Investments and Line of Credit

Investments consist of the following at June 30, 2025 and 2024:

	June 30, 2025		
	Cost	**Fair Value**	**Unrealized Gain (Loss)**
Exchange-traded and closed end funds	**$ 1,757,082**	**$ 2,560,524**	**$ 803,442**
Mutual funds - equities	**814,193**	**1,165,972**	**351,779**
Mutual funds - fixed income	**1,227,725**	**1,184,704**	**(43,021)**
	$ 3,799,000	**$ 4,911,200**	**$ 1,112,200**

	June 30, 2024		
	Cost	Fair Value	Unrealized Gain (Loss)
Exchange-traded and closed end funds	$ 1,554,941	$ 2,088,948	$ 534,007
Mutual funds - equities	835,018	1,109,440	274,422
Mutual funds - fixed income	1,811,135	1,608,808	(202,327)
	$ 4,201,094	$ 4,807,196	$ 606,102

UWVP has a $1,000,000 secured liquidity access line of credit with Morgan Stanley. The line of credit has no fixed maturity date but is subject to review of the lender. The variable interest rate is charged at the Secured Overnight Financing Rate plus 1.86% (6.18% and 7.20% at June 30, 2025 and 2024, respectively), and is collateralized by one of UWVP's existing Morgan Stanley investment accounts. The outstanding balance on the line of credit was $0 and $503,216 at June 30, 2025 and 2024, respectively.

Note 6. Fair Value of Financial Instruments

UWVP has adopted the provisions of FASB ASC 820, *Fair Value Measurements*, which 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 and establishes a framework for measuring fair value.

ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Note 6. Fair Value of Financial Instruments (Continued)

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

UWVP endeavors to utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Following is a description of the methodologies used by UWVP to determine fair value of its investments. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Common stocks, exchange-traded and closed end funds, and mutual funds: Valued at quoted market prices. (Level 1).

UWVP does not hold any financial instruments measured using Level 2 or Level 3 inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although UWVP believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables summarize, by level within the fair value hierarchy, the assets measured at fair value on a recurring basis as of June 30, 2025 and 2024:

	Assets at Fair Value as of June 30, 2025	
	Level 1	**Total**
Exchange-traded and closed end funds	**$ 2,560,524**	**$ 2,560,524**
Mutual funds - equities	**1,165,972**	**1,165,972**
Mutual funds - fixed income	**1,184,704**	**1,184,704**
	$ 4,911,200	**$ 4,911,200**

	Assets at Fair Value as of June 30, 2024	
	Level 1	Total
Exchange-traded and closed end funds	$ 2,088,948	$ 2,088,948
Mutual funds - equities	1,109,440	1,109,440
Mutual funds - fixed income	1,608,808	1,608,808
	$ 4,807,196	$ 4,807,196

Note 7. Property and Equipment

Property and equipment consist of the following at June 30, 2025 and 2024:

	2025	2024
Furniture and equipment	**$ 137,431**	$ 137,431
Building and improvements	**1,678,251**	1,678,251
Software	**247,519**	247,519
	2,063,201	2,063,201
Less accumulated depreciation	**664,831**	582,883
	$ 1,398,370	$ 1,480,318

Note 8. Notes Payable

Notes payable consists of the following at June 30:

	2025	2024
UWVP has a note payable with TowneBank collateralized by real property. The note's original principal balance was $675,000 on May 24, 2023. Payments of $4,895 of principal and interest are due monthly, and one balloon payment of $442,795 is due when the note matures in May 2033. Interest is calculated at an annual rate of 6.06%.	**$ 635,507**	$ 655,085
Less current portion	**(20,798)**	(19,578)
	$ 614,709	$ 635,507

Future principal maturities on the note are as follows:

Years Ending June 30,	Amount
2026	$ 20,798
2027	22,094
2028	23,470
2029	24,933
2030	26,486
Thereafter	517,726
	$ 635,507

Note 9. Retirement Plan

UWVP has a 401(k) plan covering substantially all employees who are over the age of 21. Employer contributions to the 401(k) plan are 6% of plan participants' eligible wages. UWVP's matching contribution expense amounted to $24,930 and $32,584 for the years ended June 30, 2025 and 2024, respectively.

Note 10. Leases and Other Commitments

UWVP leases equipment under a financing lease set to expire in May 2028 and an operating lease set to expire in November 2025. UWVP leased equipment in other various operating lease agreements that expired during the year ended June 30, 2025.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term.

The components of lease expense are as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Finance lease expense		
Amortization of ROU assets	**$ 4,982**	$ 4,982
Interest on lease liabilities	**679**	864
Operating lease expense	**540**	540
Short-term lease expense	**3,492**	6,155
Total	**$ 9,693**	$ 12,541

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases (interest)	**$ 695**	$ 879
Financing cash flows from finance leases (principal)	**4,783**	4,599
Operating cash flows from operating leases	**540**	540
Weighted-average remaining lease term in years for operating leases	**0.42**	1.42
Weighted-average remaining lease term in years for finance leases	**2.92**	3.92
Weighted-average discount rate for operating leases	**3.99%**	3.99%
Weighted-average discount rate for finance leases	**3.93%**	3.93%

Future discounted cash flows from finance and operating leases are as follows:

Year(s) Ending June 30,	Finance Leases	Operating Leases	Total
2026	$ 5,478	$ 224	$ 5,702
2027	5,478	-	5,478
2028	5,022	-	5,022
2029	-	-	-
Total lease payments	15,978	224	16,202
Less: imputed interest	(856)	(1)	(857)
Total present value of lease liabilities	$ 15,122	$ 223	$ 15,345

Note 11. Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30, 2025 and 2024 are restricted for the following purposes:

	2025	2024
Donor gifts subject to purpose restrictions		
City of Newport News Grant	**$ 47,500**	$ 47,500
Sentara Healthcare Grant	**-**	50,000
Dominion Energy Grant	**10,000**	-
Donor gifts to be maintained in perpetuity		
Friends of Bryan Dalheim Memorial Scholarship Fund	**17,000**	17,000
Total net assets with donor restrictions	**$ 74,500**	$ 114,500

SUPPLEMENTARY INFORMATION
(UNAUDITED)

UNITED WAY OF THE VIRGINIA PENINSULA

SCHEDULE OF VOLUNTEER HOURS (UNAUDITED)
Year Ended June 30, 2025

Project	Volunteers		
Board Member Volunteers	18 volunteers, 97.8 hours x $33.38	**$**	**3,265**
Campaign Cabinet Volunteers	9 volunteers, 40.5 hours x $33.38		**1,352**
Campaign Coordinator Volunteers	53 volunteers, 958 hours x $33.38		**31,978**
Community Event Volunteers	171 volunteers, 594.5 hours x $33.38		**19,844**
DOC Committee and Project Volunteers	505 volunteers, 2,020 hours x $33.38		**67,428**
Other Committee Volunteers	28 volunteers, 172.25 hours x $33.38		**5,750**
Total	784 volunteers, 3,883 hours	**$**	**129,617**