FOCUS ON COMMUNITY, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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FOCUS ON COMMUNITY, INC.
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	**4**
STATEMENT OF ACTIVITIES	**5**
STATEMENT OF FUNCTIONAL EXPENSES	**6**
STATEMENT OF CASH FLOWS	**8**
NOTES TO FINANCIAL STATEMENTS	**9**
SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUE AND FUNCTIONAL EXPENSES	**17**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Focus on Community, Inc.
Racine, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Focus on Community, Inc., which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Focus on Community, Inc. as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Focus on Community, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Focus on Community, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued.

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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 auditors' 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 Focus on Community, 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 Focus on Community, 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.

Report on Summarized Comparative Information

We have previously audited Focus on Community, Inc.'s 2024 financial statements, and our report dated July 7, 2025 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Board of Directors
Focus on Community, Inc.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of revenue and functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of revenue and functional expenses is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

Racine, Wisconsin
August 17, 2026

FOCUS ON COMMUNITY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(WITH SUMMARIZED TOTAL AS OF DECEMBER 31, 2024)

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 157,163	$ 184,086
Accounts Receivable	-	107
Grants Receivable	49,581	61,974
Pledges Receivable, United Way	123,760	142,755
Pledges Receivable, Other	218	3,485
Prepaid Expenses	6,375	8,562
Total Current Assets	337,097	400,969
RIGHT-OF-USE ASSETS - OPERATING, NET	10,000	12,895
PROPERTY AND EQUIPMENT		
Land	24,000	24,000
Building	384,010	374,250
Equipment	6,518	6,518
Land Improvements	21,712	-
Total Property and Equipment	436,240	404,768
Less: Accumulated Depreciation	25,560	14,982
Net Property and Equipment	410,680	389,786
Total Assets	$ 757,777	$ 803,650
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 12,571	$ 6,292
Accrued Salaries and Vacation	18,774	26,067
Accrued Payroll Liabilities	3,624	5,565
Current Portion of Operating Lease Liability	3,018	2,895
Current Maturities of Long-Term Debt	4,095	3,796
Total Current Liabilities	42,082	44,615
LONG-TERM LIABILITIES		
Long-Term Portion of Operating Lease Liability	6,982	10,000
Long-Term Debt, Less Current Maturities Above	91,330	95,425
Total Long-Term Liabilities	98,312	105,425
Total Liabilities	140,394	150,040
NET ASSETS		
Without Donor Restrictions:		
Undesignated	213,784	218,195
Designated by the Board for Operating Reserve	139,473	139,473
Total Without Donor Restrictions	353,257	357,668
With Donor Restrictions	264,126	295,942
Total Net Assets	617,383	653,610
Total Liabilities and Net Assets	$ 757,777	$ 803,650

See accompanying Notes to Financial Statements.

FOCUS ON COMMUNITY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTAL FOR THE YEAR ENDED DECEMBER 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025	2024
PUBLIC SUPPORT AND REVENUE				
Public Support:				
Contributions	$ 10,823	$ 26,240	$ 37,063	$ 132,549
United Way	-	267,520	267,520	259,110
Grants	326,645	-	326,645	344,315
Total Public Support	337,468	293,760	631,228	735,974
Revenue:				
Special Events	26,490	-	26,490	25,477
Fees for Services	85,247	-	85,247	185,382
Investment and Interest Income	8	-	8	8
Total Revenue	111,745	-	111,745	210,867
Net Assets Released from Restrictions	325,576	(325,576)	-	-
Total Public Support and Revenue	774,789	(31,816)	742,973	946,841
EXPENSES				
Program Services:				
Teen Outreach	-	-	-	99,907
Family Advocacy Program	2,952	-	2,952	-
Alternatives to Expulsion - RUSD	19,069	-	19,069	-
Extended Learning - Cop House	6,537	-	6,537	-
Search Institute Survey	1,900	-	1,900	-
ARPA-COP	-	-	-	19,162
Technology and Equity Fund	-	-	-	8,094
Innovation and Equity Fund	26,575	-	26,575	42,677
AWY-SOR (State Opioid Response)	16,859	-	16,859	18,514
Community Violence Prevention	47,078	-	47,078	30,599
CANPB Strengthening Families	11,531	-	11,531	23,947
CANPB Fast	11,127	-	11,127	23,678
CANPB Child Care Development Fast	-	-	-	43,479
CANPB HRN	14,785	-	14,785	71,950
SAP	58,690	-	58,690	36,978
UWRC FAST	80,813	-	80,813	57,595
DFC (Drug Free Communities)	158,013	-	158,013	86,610
Advancing Family Assets	38,540	-	38,540	36,824
RUSD Extended Learning	57,000	-	57,000	85,219
Strengthening Families - Suicide Prevention	33,726	-	33,726	7,345
UW Strengthening Families	24,128	-	24,128	49,840
Opportunities Club	32,762	-	32,762	28,245
LIFT Fast	24,156	-	24,156	60,883
Total Program Services	666,241	-	666,241	831,546
Supporting Services:				
Management and General	97,356	-	97,356	111,247
Fundraising	15,603	-	15,603	12,583
Total Supporting Services	112,959	-	112,959	123,830
Total Expenses	779,200	-	779,200	955,376
CHANGE IN NET ASSETS	(4,411)	(31,816)	(36,227)	(8,535)
Net Assets - Beginning of Year	357,668	295,942	653,610	662,145
NET ASSETS - END OF YEAR	$ 353,257	$ 264,126	$ 617,383	$ 653,610

See accompanying Notes to Financial Statements.

FOCUS ON COMMUNITY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTAL FOR THE YEAR ENDED DECEMBER 31, 2024)

	Family Advocacy Program	Alternatives To Expulsion RUSD	Extended Learning - Cop House	Search Institute Survey	AWY-SOR (State Opioid Response)	Community Violence Prevention	CANPB Strengthening Families	CANPB FAST	CANPB HRN	SAP	UWRC FAST	DFC (Drug Free Communities)	Advancing Family Assets
EXPENSES													
Payroll Expenses	$ 1,638	$ 14,651	$ 5,630	$ -	$ 9,707	$ 34,939	$ 7,910	$ 7,944	$ 9,502	$ 39,911	$ 53,377	$ 100,442	$ 27,927
Employee Benefits	-	1,161	-	-	1,032	2,024	519	475	133	3,092	2,667	11,828	1,094
Payroll Taxes	129	1,150	527	-	764	2,732	758	736	957	3,353	4,434	8,511	2,358
Total Salaries and Related Expenses	1,767	16,962	6,157	-	11,503	39,695	9,187	9,155	10,592	46,356	60,478	120,781	31,379
Professional Fees	-	-	-	1,900	900	2,500	214	194	449	577	6,121	9,827	370
Supplies	-	26	-	-	1,316	1,119	595	372	34	798	1,984	4,120	1,070
Telephone	26	320	136	-	140	510	128	127	155	620	727	1,576	428
Postage	-	-	-	-	-	-	-	-	-	-	-	295	-
Occupancy	90	560	-	-	223	431	188	191	682	838	1,136	4,969	702
Rental/Maint. Equip	-	-	-	-	1,701	-	-	-	-	-	-	-	-
Printing and Publications	-	63	157	-	116	296	43	370	167	200	246	1,509	379
Travel	-	-	-	-	-	-	-	-	-	1,120	417	6,567	384
Meeting Expense	62	-	-	-	88	300	513	260	-	3,645	4,708	305	1,836
Membership Dues	-	-	-	-	-	-	-	-	-	29	50	550	-
Assistance to Individuals	250	-	-	-	-	-	-	-	2,140	-	1,259	-	-
Staff Training	-	168	-	-	250	300	200	-	-	200	191	510	289
Ins. Liab/Other	60	542	-	-	382	1,212	310	315	369	1,800	2,008	3,959	1,109
Miscellaneous	631	-	-	-	-	15	-	-	-	1,527	15	528	-
PayPal Fees	-	-	-	-	-	-	-	-	-	12	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-	-	-	-
State and Nat'l Dues	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	66	428	87	-	240	700	153	143	197	968	1,473	2,517	594
Total Expenses	$ 2,952	$ 19,069	$ 6,537	$ 1,900	$ 16,859	$ 47,078	$ 11,531	$ 11,127	$ 14,785	$ 58,690	$ 80,813	$ 158,013	$ 38,540

See accompanying Notes to Financial Statements.

FOCUS ON COMMUNITY, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTAL FOR THE YEAR ENDED DECEMBER 31, 2024)

	RUSD Extended Learning	Strengthening - Families Suicide Prevention	UW Strengthening Families	Innovation and Equity Fund	Opportunities Club	LIFT Fast	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total Functional Expenses	2024
EXPENSES												
Payroll Expenses	$ 49,087	$ 23,341	$ 16,626	$ 14,282	$ 23,528	$ 14,062	$ 454,504	$ 1,054	$ 57,566	$ 58,620	$ 513,124	$ 628,460
Employee Benefits	-	1,244	924	2,244	569	1,370	30,376	50	10,017	10,067	40,443	45,380
Payroll Taxes	4,675	2,034	1,548	1,415	2,006	1,315	39,402	82	5,011	5,093	44,495	51,092
Total Salaries and Related Expenses	53,762	26,619	19,098	17,941	26,103	16,747	524,282	1,186	72,594	73,780	598,062	724,932
Professional Fees	-	1,527	1,207	264	299	366	26,715	2,056	15,233	17,289	44,004	46,098
Supplies	1,598	1,306	925	1,265	563	1,934	19,025	573	2,033	2,606	21,631	49,541
Telephone	-	354	250	231	366	225	6,319	16	1,438	1,454	7,773	8,133
Postage	-	-	-	-	-	-	295	-	21	21	316	526
Occupancy	-	494	340	506	487	475	12,312	897	-	897	13,209	12,998
Rental/Maint. Equip	-	-	-	-	-	-	1,701	-	2,054	2,054	3,755	13,834
Printing and Publications	810	246	97	125	186	974	5,984	320	685	1,005	6,989	7,049
Travel	70	-	-	3,039	611	148	12,356	-	190	190	12,546	10,892
Meeting Expense	-	826	1,138	1,926	2,700	1,628	19,935	190	1,674	1,864	21,799	32,483
Membership Dues	-	-	-	-	-	-	629	-	116	116	745	695
Assistance to Individuals	-	-	-	-	-	-	3,649	-	-	-	3,649	3,170
Staff Training	-	1,000	130	365	-	800	4,403	-	267	267	4,670	10,381
Ins. Liab/Other	-	835	617	559	917	550	15,544	44	-	44	15,588	9,865
Miscellaneous	-	15	-	-	-	-	2,731	-	906	906	3,637	4,284
PayPal Fees	-	-	-	-	-	-	12	-	6	6	18	30
Fundraising	-	-	-	-	-	-	-	10,090	-	10,090	10,090	10,266
State and Nat'l Dues	-	-	-	-	-	-	-	-	139	139	139	104
Depreciation	760	504	326	354	530	309	10,349	231	-	231	10,580	10,095
Total Expenses	$ 57,000	$ 33,726	$ 24,128	$ 26,575	$ 32,762	$ 24,156	$ 666,241	$ 15,603	$ 97,356	$ 112,959	$ 779,200	$ 955,376

See accompanying Notes to Financial Statements.

FOCUS ON COMMUNITY, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTAL FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (36,227)	$ (8,535)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	10,580	10,095
Noncash Lease Expense	2,895	2,778
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	107	317
Grants Receivable	12,393	28,834
Pledges Receivable	22,262	36,371
Prepaid Expenses	2,187	(3,584)
Accounts Payable	279	(8,284)
Accrued Salaries and Vacation	(7,293)	5,473
Accrued Payroll Liabilities	(1,941)	1,609
Lease Liability - Operating	(2,895)	(2,778)
Net Cash Provided by Operating Activities	2,347	62,296
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(25,474)	(5,908)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt	(3,796)	(4,454)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(26,923)	51,934
Cash and Cash Equivalents - Beginning of Year	184,086	132,152
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 157,163	$ 184,086
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Property and Equipment Additions in Accounts Payable	$ 6,000	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Focus on Community, Inc. (the Organization) operates several programs to increase public awareness of alcohol and drug related issues through community informational and educational programs. They also provide advocacy for alcohol and other drug related services, provide prevention and intervention, Organization programs, and operate neighborhood substance abuse prevention programs.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210*, Financial Statements of Not-for-Profit Organizations*.

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 the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Net Assets

Net assets are classified into one of two classes based on the existence or absence of donor-imposed restrictions. The following is a description of each class:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations and available for use at the discretion of the board of directors and/or for management and general operating purposes.

Portions of the Organization's net assets without donor restrictions have been designated for certain purposes by the board of directors. Details on designated net assets without donor restrictions are as follows:

Operating Reserve – Amount represents the unrestricted dollars set aside as an operating reserve for a period of time deemed reasonable by the board of directors to fund operations during a period of cash flow shortfall.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time. All other donor-restricted support is reported as an increase in net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all demand deposits (including money market funds) with banks or other financial institutions and cash on hand as cash and cash equivalents. Certificate of deposits that have an original maturity of more than 90 days are not classified as cash and cash equivalents. Such amounts are reported as either current or noncurrent assets on the statement of financial position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are recorded at cost, or if donated, at the approximate fair market value at the date of donation. Depreciation and amortization are provided on the straight-line basis over their estimated useful lives, ranging from 3 to 30 years, beginning when the assets are placed in service.

Expenditures for maintenance, including those for planned major maintenance projects, repairs, and minor renewals to maintain facilities in operating condition are generally expensed as incurred. Replacements and renewals over $2,500 are capitalized.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Donated Services

The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in carrying out its operations. No amounts have been recognized in the accompanying statement of activities for donated services, since the recognition criteria under FASB ASC 958-605-25-16, *Donated Materials, Long-Lived Assets, Facilities, and Services,* has not been met.

Public Support and Revenue Recognition

A portion of the Organization's revenue is derived from cost-reimbursable government grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received cost reimbursable grants of $23,335 that have not been recognized at December 31, 2025 because qualifying expenditures have not yet been incurred. Expenses incurred but not yet reimbursed by the funding source are recorded as grants receivable. The grant receivable balance is $49,581 at December 31, 2025.

Contributions received are recorded as with or without donor restriction depending on the absence or existence and/or nature of donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Contributions and income from special events and fundraising are recognized in the year pledged. Pledges receivable and related revenue are recorded when the pledge is received. Fees for services are recognized as revenues during the year the related services are rendered.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost Allocation

The costs of providing programs and other activities have been summarized on a functional basis in the financial statements. Expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification. Expenses that are not directly attributable to a single program or supporting activity are allocated among functions on a reasonable and consistent basis. Salaries and related expenses are allocated based on employee timesheet entries. Occupancy and related facility costs are allocated among programs based on the amount of funding received, as multiple programs can share the same space.

Income Taxes

Focus on Community, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been established as a nonprofit organization under Chapter 181 of the Wisconsin Statutes.

Management continually evaluates expiring statutes of limitations, audits, changes in tax law, and new authoritative rulings. The Organization has no unrelated business income tax, accrued interest or penalties associated with uncertain tax positions. None of the Organization's federal or state informational returns are currently under examination.

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

NOTE 2 PRIOR YEAR SUMMARIZED INFORMATION

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

NOTE 3 PLEDGES RECEIVABLE, UNITED WAY

Pledges receivable of $123,760 as of December 31, 2025 consists of pledges from United Way to be used for the FAST, AFA, SAP, LIFT FAST, Opportunities Club, and Strengthening Families programs and management and general related expenses in the next fiscal year. The pledge receivable is due within one year.

NOTE 4 OPERATING LEASES

The Organization leases a copier through March 2029.

Quantitative information concerning the Organization's lease for the year ended December 31, 2025:

Operating Lease Cost	$	3,363
Operating Cash Flows from Operating Leases	$	3,363
Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	$	-
Weighted Average Remaining Lease Term		3.2 Years
Weighted Average Discount Rate		4.14%

A maturity analysis of annual undiscounted cash flows for operating lease liabilities as of December 31, 2025, is as follows:

Year Ending December 31,	Amount
2026	$ 3,363
2027	3,363
2028	3,363
2029	561
Undiscounted Cash Flows	10,650
Less: Imputed Interest	(650)
Total Present Value	$ 10,000
Short-Term Operating Lease Liabilities	$ 3,018
Long-Term Operating Lease Liabilities	6,982
Total	$ 10,000

NOTE 5 LONG-TERM DEBT

Long-term debt consists of the following at December 31, 2025:

Description	Amount
In September 2019, the Organization entered into a mortgage payable in the amount of $120,000 with a bank. This note was refinanced in September 2024. The note requires principal and interest payments of $934 payable monthly. The note bears fixed interest at 7.50%. All outstanding principal and unpaid interest is due in September 2029. The note is collateralized by the Organization's building.	$ 95,425
Less: Current Portion	4,095
Long-Term Portion	$ 91,330

Principal payments at December 31 are due as follows:

Year Ending December 31,	Amount
2026	$ 4,095
2027	4,418
2028	4,747
2029	82,165
Total	$ 95,425

The note above contains various operating covenants. Management believes that the Organization was in compliance with all covenants as of December 31, 2025.

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes and/or periods:

Subject to the Passage of Time:		
United Way of Racine County:		
Families and Schools Together	$	63,641
Substance Abuse Prevention Program		24,374
Advancing Family Assets		19,121
Opportunities Club		16,624
Total		123,760
Subject to Expenditure for Specified Purpose:		
United Way of Racine County:		
Substance Abuse Prevention Program		21,531
Families and Schools Together		15,935
LIFT Fast		25,133
Opportunities Club		19,180
Advancing Family Assets - Young Adults		16,087
Family Advocacy Program		20,000
Racine Community Foundation:		
Substance Abuse Prevention Program		22,500
Total		140,366
Total Net Assets With Donor Restrictions	$	264,126

NOTE 7 RETIREMENT PLAN

The Organization has a SIMPLE IRA retirement plan for employees earning at least $5,000 in compensation during the year. The Organization matches employee contributions up to 3% of each eligible employee's earnings for the year. Total retirement expense under this plan for the year was $5,533.

NOTE 8 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures.

The following table reflects Focus on Community, Inc.'s financial assets as of December 31, 2025, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

Financial Assets at Year-End:		
Cash and Cash Equivalents	$	157,163
Grants Receivable		49,581
Pledges Receivable, United Way		123,760
Pledges Receivable, Other		218
Total Financial Assets		330,722
Less: Amounts Not Available to be Used Within One Year:		
Board Designated Operating Reserve		139,473
Net Assets with Donor Purpose Restrictions		140,366
Financial Assets Available to Meet General Expenditures Within One Year	$	50,883

NOTE 9 CONCENTRATIONS AND COMMITMENTS

Accounting principles generally accepted in the United States of America require disclosure of information about current vulnerabilities due to certain concentrations. These matters include the following:

The Organization receives approximately 71% of its funding from three organizations. Pledges and grants receivable due from these funding sources were $157,451 at December 31, 2025.

NOTE 10 LITIGATION

The Organization is a defendant in a legal action. While the final outcome cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the final resolution of this matter will not have a material effect on the Organization's financial statements.

NOTE 11 GOING CONCERN

The financial statements were prepared on a going concern basis. The going concern basis assumes that the Organization will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations.

The Organization has experienced losses from operations in recent years and has a lack of financial assets available to meet cash needs for general expenditures as of December 31, 2025, as described in Note 8. Whether and when the Organization can attain an increase in net assets and positive cash flows from operating activities is uncertain. In the future, these uncertainties may cast doubt upon the Organization's ability to continue as a going concern.

Management believes it has addressed these issues through reducing costs such as salaries and wages. In addition, on July 16, 2026, the Board of Directors approved the removal of the board designation on $139,473 of operating reserve funds. As a result, these funds became available for general operating purposes and may be used to meet current obligations and support ongoing operations as necessary.

Management believes that the actions described above will provide sufficient liquidity to meet the Organization's obligations as they become due for at least one year from the date the financial statements are available to be issued. Accordingly, management has concluded that the plans are probable of being effectively implemented and that substantial doubt about the Organization's ability to continue as a going concern has been alleviated.

NOTE 12 SUBSEQUENT EVENTS

Management evaluated subsequent events through August 17, 2026, the date the financial statements were available to be issued.

FOCUS ON COMMUNITY, INC.
SCHEDULE OF REVENUE AND FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	UW Wadewitz Fund	Family Advocacy Program	Alternatives To Expulsion RUSD	Extended Learning - Cop House	Search Institute Survey	AWY-SOR (State Opioid Response)	Community Violence Prevention	CANPB Strengthening Families	CANPB FAST	CANPB HRN	SAP	UWRC FAST	DFC (Drug Free Communities)
PUBLIC SUPPORT AND REVENUE													
Public Support:													
Grants	$ 6,000	$ -	$ -	$ -	$ -	$ 18,670	$ 49,918	$ 12,638	$ 12,239	$ 16,184	$ -	$ -	$ 173,884
United Way Support	-	20,000	-	-	-	-	-	-	-	-	48,748	127,282	-
Contributions	-	-	-	-	-	-	2,075	-	-	-	25,740	-	-
Total Public Support	6,000	20,000	-	-	-	18,670	51,993	12,638	12,239	16,184	74,488	127,282	173,884
Revenue:													
Fees for Services	-	-	20,869	6,633	-	-	-	-	-	-	-	-	-
Special Events	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	20,869	6,633	-	-	-	-	-	-	-	-	-
Total Public Support and Revenue	6,000	20,000	20,869	6,633	-	18,670	51,993	12,638	12,239	16,184	74,488	127,282	173,884
EXPENSES													
Payroll Expenses	-	1,638	14,651	5,630	-	9,707	34,939	7,910	7,944	9,502	39,911	53,377	100,442
Employee Benefits	-	-	1,161	-	-	1,032	2,024	519	475	133	3,092	2,667	11,828
Payroll Taxes	-	129	1,150	527	-	764	2,732	758	736	957	3,353	4,434	8,511
Total Salaries and Related Expenses	-	1,767	16,962	6,157	-	11,503	39,695	9,187	9,155	10,592	46,356	60,478	120,781
Professional Fees	-	-	-	-	1,900	900	2,500	214	194	449	577	6,121	9,827
Supplies	-	-	26	-	-	1,316	1,119	595	372	34	798	1,984	4,120
Telephone	-	26	320	136	-	140	510	128	127	155	620	727	1,576
Postage	-	-	-	-	-	-	-	-	-	-	-	-	295
Occupancy	-	90	560	-	-	223	431	188	191	682	838	1,136	4,969
Rental/Maint. Equip	-	-	-	-	-	1,701	-	-	-	-	-	-	-
Printing and Publications	-	-	63	157	-	116	296	43	370	167	200	246	1,509
Travel	-	-	-	-	-	-	-	-	-	-	1,120	417	6,567
Meeting Expense	-	62	-	-	-	88	300	513	260	-	3,645	4,708	305
Membership Dues	-	-	-	-	-	-	-	-	-	-	29	50	550
Assistance to Individuals	-	250	-	-	-	-	-	-	-	2,140	-	1,259	-
Staff Training	-	-	168	-	-	250	300	200	-	-	200	191	510
Ins. Liab/Other	-	60	542	-	-	382	1,212	310	315	369	1,800	2,008	3,959
Miscellaneous	-	631	-	-	-	-	15	-	-	-	1,527	15	528
PayPal Fees	-	-	-	-	-	-	-	-	-	-	12	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-	-	-	-
State and Nat'l Dues	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	66	428	87	-	240	700	153	143	197	968	1,473	2,517
Total Expenses Prior to Allocation of Management and General Expenses	-	2,952	19,069	6,537	1,900	16,859	47,078	11,531	11,127	14,785	58,690	80,813	158,013
Allocation of Management and General Expenses	-	354	2,228	716	237	2,048	5,751	1,259	1,255	1,588	6,884	9,453	18,388
Total Expenses	-	3,306	21,297	7,253	2,137	18,907	52,829	12,790	12,382	16,373	65,574	90,266	176,401
CHANGE IN OPERATING NET ASSETS	$ 6,000	$ 16,694	$ (428)	$ (620)	$ (2,137)	$ (237)	$ (836)	$ (152)	$ (143)	$ (189)	$ 8,914	$ 37,016	$ (2,517)

FOCUS ON COMMUNITY, INC.
SCHEDULE OF REVENUE AND FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Advancing Family Assets	RUSD Extended Learning	Strengthening - Families Suicide Prevention	UW Strengthening Families	Innovation and Equity Fund	Opportunities Club	LIFT Fast	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total
PUBLIC SUPPORT AND REVENUE												
Public Support:												
Grants	$ -	$ -	$ 37,112	$ -	$ -	$ -	$ -	$ 326,645	$ -	$ -	$ -	$ 326,645
United Way Support	38,241	-	-	-	-	33,249	-	267,520	-	-	-	267,520
Contributions	-	-	-	-	-	-	-	27,815	500	8,748	9,248	37,063
Total Public Support	38,241	-	37,112	-	-	33,249	-	621,980	500	8,748	9,248	631,228
Revenue:												
Fees for Services	-	57,745	-	-	-	-	-	85,247	-	-	-	85,247
Special Events	-	-	-	-	-	-	-	-	26,490	-	26,490	26,490
Investment Income	-	-	-	-	-	-	-	-	-	8	8	8
Total Revenue	-	57,745	-	-	-	-	-	78,614	26,490	8	26,498	105,112
Total Public Support and Revenue	38,241	57,745	37,112	-	-	33,249	-	707,227	26,990	8,756	35,746	742,973
EXPENSES												
Payroll Expenses	27,927	49,087	23,341	16,626	14,282	23,528	14,062	454,504	1,054	57,566	58,620	513,124
Employee Benefits	1,094	-	1,244	924	2,244	569	1,370	30,376	50	10,017	10,067	40,443
Payroll Taxes	2,358	4,675	2,034	1,548	1,415	2,006	1,315	39,402	82	5,011	5,093	44,495
Total Salaries and Related Expenses	31,379	53,762	26,619	19,098	17,941	26,103	16,747	524,282	1,186	72,594	73,780	598,062
Professional Fees	370	-	1,527	1,207	264	299	366	26,715	2,056	15,233	17,289	44,004
Supplies	1,070	1,598	1,306	925	1,265	563	1,934	19,025	573	2,033	2,606	21,631
Telephone	428	-	354	250	231	366	225	6,319	16	1,438	1,454	7,773
Postage	-	-	-	-	-	-	-	295	-	21	21	316
Occupancy	702	-	494	340	506	487	475	12,312	897	-	897	13,209
Rental/Maint. Equip	-	-	-	-	-	-	-	1,701	-	2,054	2,054	3,755
Printing and Publications	379	810	246	97	125	186	974	5,984	320	685	1,005	6,989
Travel	384	70	-	-	3,039	611	148	12,356	-	190	190	12,546
Meeting Expense	1,836	-	826	1,138	1,926	2,700	1,628	19,935	190	1,674	1,864	21,799
Membership Dues	-	-	-	-	-	-	-	629	-	116	116	745
Assistance to Individuals	-	-	-	-	-	-	-	3,649	-	-	-	3,649
Staff Training	289	-	1,000	130	365	-	800	4,403	-	267	267	4,670
Ins. Liab/Other	1,109	-	835	617	559	917	550	15,544	44	-	44	15,588
Miscellaneous	-	-	15	-	-	-	-	2,731	-	906	906	3,637
PayPal Fees	-	-	-	-	-	-	-	12	-	6	6	18
Fundraising	-	-	-	-	-	-	-	-	10,090	-	10,090	10,090
State and Nat'l Dues	-	-	-	-	-	-	-	-	-	139	139	139
Depreciation	594	760	504	326	354	530	309	10,349	231	-	231	10,580
Total Expenses Prior to Allocation of Management and General Expenses	38,540	57,000	33,726	24,128	26,575	32,762	24,156	666,241	15,603	97,356	112,959	779,200
Allocation of Management and General Expenses	4,526	6,247	3,891	2,701	2,833	3,816	2,716	76,891	1,930	(78,821)	(76,891)	-
Total Expenses	43,066	63,247	37,617	26,829	29,408	36,578	26,872	740,995	17,533	18,535	36,068	779,200
CHANGE IN OPERATING NET ASSETS	$ (4,825)	$ (5,502)	$ (505)	$ (26,829)	$ (29,408)	$ (3,329)	$ (26,872)	$ (39,768)	$ 9,457	$ (9,779)	$ (322)	$ (36,227)

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