

GUADALUPE CENTERS, INC.

**CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT AUDITORS' REPORT**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

GUADALUPE CENTERS, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Guadalupe Centers, Inc.
Kansas City, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Guadalupe Centers, Inc., (a nonprofit organization) which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of Guadalupe Centers, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Guadalupe Centers, 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

"Consistently Exceeding Expectations"

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 19 through 22, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating schedules and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Westbrook & Co., P.C.

Richmond, Missouri
September 16, 2025

GUADALUPE CENTERS, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	ASSETS	
	2024	RESTATED 2023
Cash and cash equivalents	\$ 13,368,921	\$ 11,922,161
Investments	6,960,962	6,790,930
Accounts receivable, net	168,974	132,046
Grants receivable, net	2,732,935	3,025,641
Promises receivable, net	377,832	526,068
Note receivable	530,000	530,000
Accrued interest receivable	39,554	-
Prepaid expenses	105,951	72,364
Property and equipment, net	36,224,134	25,738,935
Collection items, donated artwork	182,500	182,500
TOTAL ASSETS	\$ 60,691,763	\$ 48,920,645
	LIABILITIES AND NET ASSETS	
LIABILITIES:		
Accounts payable	\$ 2,044,653	\$ 1,035,698
Accrued expenses and payroll withholdings	852,196	301,838
Accrued interest payable	30,641	33,009
Deferred revenue	-	9,412
Line of credit	455,000	-
Lease liability	415,001	507,230
Notes payable, net	16,580,894	10,894,818
TOTAL LIABILITIES	20,378,385	12,782,005
NET ASSETS:		
Without donor restrictions	39,338,119	34,313,265
With donor restrictions	975,259	1,825,375
TOTAL NET ASSETS	40,313,378	36,138,640
TOTAL LIABILITIES AND NET ASSETS	\$ 60,691,763	\$ 48,920,645

See accompanying notes.

GUADALUPE CENTERS, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			RESTATED 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Federal government grants/contracts	\$ 6,615,651	\$ -	\$ 6,615,651	\$ 5,560,007	\$ -	\$ 5,560,007
Other government grants/contracts	35,614,651	-	35,614,651	30,634,158	-	30,634,158
Contributions of cash and other financial assets	1,006,482	954,665	1,961,147	102,478	2,601,384	2,703,862
Program services and other fees	4,336,938	-	4,336,938	2,911,731	-	2,911,731
Special events	418,854	-	418,854	345,835	-	345,835
Rent revenue	3,400,387	-	3,400,387	3,062,288	-	3,062,288
Net investment income	876,546	-	876,546	711,115	-	711,115
Other revenue	246,620	-	246,620	802,958	-	802,958
 Total support and revenue	 52,516,129	 954,665	 53,470,794	 44,130,570	 2,601,384	 46,731,954
 Net assets released from restrictions	 1,804,781	 (1,804,781)	 -	 3,108,340	 (3,108,340)	 -
 Total support, revenue and reclassifications	 54,320,910	 (850,116)	 53,470,794	 47,238,910	 (506,956)	 46,731,954
 EXPENSES:						
Program services:						
Community Center	10,180,313	-	10,180,313	8,810,179	-	8,810,179
Alta Vista Charter School	36,133,547	-	36,133,547	30,420,061	-	30,420,061
Management and general	2,238,143	-	2,238,143	1,724,339	-	1,724,339
Fundraising	744,053	-	744,053	706,531	-	706,531
 Total expenses	 49,296,056	 -	 49,296,056	 41,661,110	 -	 41,661,110
 Change in net assets	 5,024,854	 (850,116)	 4,174,738	 5,577,800	 (506,956)	 5,070,844
 Net assets, January 1	 34,313,265	 1,825,375	 36,138,640	 28,735,465	 2,332,331	 31,067,796
 Net assets, December 31	 <u>\$ 39,338,119</u>	 <u>\$ 975,259</u>	 <u>\$ 40,313,378</u>	 <u>\$ 34,313,265</u>	 <u>\$ 1,825,375</u>	 <u>\$ 36,138,640</u>

See accompanying notes.

GUADALUPE CENTERS, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services				
	Community	Alta Vista	Management	Fundraising	Total
	Center	Charter School	and General		
Salaries	\$ 5,078,041	\$ 14,874,278	\$ 1,126,571	\$ 508,888	\$ 21,587,778
Payroll taxes and benefits	711,102	3,991,596	233,577	75,914	5,012,189
Assistance to individuals	209,585	-	-	-	209,585
Building and equipment maintenance	129,577	2,159,778	124,926	4,310	2,418,591
Conferences, meetings and travel	53,749	122,993	55,201	18,026	249,969
Contract and professional fees	865,101	5,017,876	327,948	36,937	6,247,862
Depreciation	969,628	522,385	-	-	1,492,013
Student transportation	-	1,593,887	-	-	1,593,887
Food supplies	621,130	960,523	42,874	4,043	1,628,570
Office supplies	63,246	-	37,459	19,754	120,459
Other supplies	169,859	1,279,977	11,425	-	1,461,261
Insurance	1,274	265,208	151,537	335	418,354
Interest	627,461	28,168	-	-	655,629
Utilities, telephone and communications	149,250	505,219	64,255	18,121	736,845
Printing and publications	13,819	5,994	32,678	15,277	67,768
Textbooks and educational materials	4,205	1,120,948	-	-	1,125,153
Rent expense	73,164	3,389,045	10,467	9,903	3,482,579
Special event expense	434,701	-	8,461	31,831	474,993
Bad debt expense	4,855	-	-	-	4,855
Other	566	295,672	10,764	714	307,716
Total expenses	<u>\$ 10,180,313</u>	<u>\$ 36,133,547</u>	<u>\$ 2,238,143</u>	<u>\$ 744,053</u>	<u>\$ 49,296,056</u>

See accompanying notes.

GUADALUPE CENTERS, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services				
	Community	Alta Vista	Management	Fundraising	Total
	Center	Charter School	and General		
Salaries	\$ 4,510,396	\$ 12,573,003	\$ 536,998	\$ 273,114	\$ 17,893,511
Payroll taxes and benefits	729,485	3,453,744	160,306	40,952	4,384,487
Assistance to individuals	261,265	-	-	4,315	265,580
Building and equipment maintenance	415,493	1,705,922	115,875	663	2,237,953
Conferences, meetings and travel	59,403	70,379	65,177	1,979	196,938
Contract and professional fees	329,199	3,431,194	476,624	66,668	4,303,685
Depreciation	810,708	386,794	-	-	1,197,502
Student transportation	-	1,196,681	-	-	1,196,681
Food supplies	500,338	846,770	-	-	1,347,108
Office supplies	48,487	-	16,890	7,788	73,165
Other supplies	164,570	904,701	11,706	60	1,081,037
Insurance	1,038	231,785	125,091	273	358,187
Interest	564,256	10,622	-	-	574,878
Utilities, telephone and communications	255,469	467,308	200,620	22,996	946,393
Printing and publications	6,981	989	9,319	940	18,229
Textbooks and educational materials	15,797	1,224,949	-	-	1,240,746
Rent expense	107,241	3,406,158	575	-	3,513,974
Special event expense	22,362	-	-	286,676	309,038
Bad debt expense	-	38,500	-	-	38,500
Other	7,691	470,562	5,158	107	483,518
Total expenses	<u>\$ 8,810,179</u>	<u>\$ 30,420,061</u>	<u>\$ 1,724,339</u>	<u>\$ 706,531</u>	<u>\$ 41,661,110</u>

See accompanying notes.

GUADALUPE CENTERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 4,174,738	\$ 5,070,844
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,492,013	1,197,502
Amortization	18,780	18,780
(Gain)/Loss on investments	(164,574)	(127,164)
(Gain)/Loss on sale of assets	-	(504,042)
(Increase) decrease in:		
Grants receivable	292,706	677,427
Promises receivable	148,236	482,002
Accounts receivable	(36,928)	152,131
Accrued interest receivable	(39,554)	-
Prepaid expenses	(33,587)	10,544
Increase (decrease) in:		
Accounts payable	1,008,955	261,221
Accrued interest payable	(2,368)	2,351
Deferred revenue	(9,412)	9,412
Accrued expenses and payroll withholdings	550,358	72,528
Net cash provided by operating activities	<u>7,399,363</u>	<u>7,323,536</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(4,586)	(5,001,529)
Purchase of property and equipment	<u>(11,977,211)</u>	<u>(4,090,611)</u>
Net cash used by investing activities	<u>(11,981,797)</u>	<u>(9,092,140)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments of lease liabilities	(93,338)	(23,230)
Proceeds from line of credit	455,360	-
Proceeds from notes payable	6,400,000	2,320,000
Principal payments on notes payable	<u>(732,828)</u>	<u>(765,212)</u>
Net cash provided by financing activities	<u>6,029,194</u>	<u>1,531,558</u>
NET INCREASE (DECREASE) IN CASH	1,446,760	(237,046)
CASH AND CASH EQUIVALENTS, beginning	<u>11,922,161</u>	<u>12,159,207</u>
CASH AND CASH EQUIVALENTS, ending	<u>\$ 13,368,921</u>	<u>\$ 11,922,161</u>
Supplemental Disclosures:		
Interest paid	<u>\$ 602,298</u>	<u>\$ 539,403</u>
Non-cash investing activity - Note receivable from sale of land	<u>\$ -</u>	<u>\$ 530,000</u>

See accompanying notes.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Guadalupe Centers, Inc. is a multi-purpose community center, which serves the needs of the elderly, youth and residents of the Latino neighborhoods of Kansas City, Missouri. Programs currently offered include counseling, emergency assistance, youth and elderly services, education, health initiatives, cultural events and various activities.

Basis of Accounting

The accompanying financial statements are prepared using the accrual method of accounting in accordance with U.S. generally accepted accounting principles.

Principles of Consolidation and Comparability

The consolidated financial statements include the accounts of Guadalupe Centers, Inc., Guadalupe Educational Systems, Inc., Guadalupe Alta Vista Charter School, LLC and Guadalupe Villa Campus, LLC (collectively, the "Organization").

The Guadalupe Educational Systems, Inc. was organized to operate the Alta Vista Charter School effective July 1, 2006. Guadalupe Centers, Inc. is the sole member of this corporation.

During September 2013, Guadalupe Centers, Inc. formed a new entity, Guadalupe Alta Vista Charter School, LLC, a 501(c)2 real estate holding company, which is operated exclusively for the benefit of its sole member, Guadalupe Centers, Inc. The entity was formed in conjunction with a New Market Tax Credit transaction discussed in Note M.

During June 2019, Guadalupe Centers, Inc. formed a new entity, Guadalupe Villa Campus, LLC, a 501(c)2 real estate holding company, which is operated exclusively for the benefit of its sole member, Guadalupe Centers, Inc. The entity was formed in conjunction with a New Market Tax Credit transaction discussed in Note L.

Basis of Presentation

The Organization reports net assets, revenues, expenses, and gains and losses in two classes of net assets that are based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed stipulations.

Net Asset with Donor Restrictions: Net assets subject to donor-imposed stipulations for use for a particular purpose or in a future period.

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 donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all unrestricted highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the statements of activities.

Grants Receivable

Grants receivable are primarily from government agencies and are considered fully collectible.

Accounts Receivable

The Organization provides an allowance for uncollectible accounts based upon a review of existing receivables. At December 31, 2024 and 2023, the Organization considered all receivables fully collectible.

Collection Items

Collection items are recorded based on the appraised fair market value at date of gift and are not depreciated since their value is not expected to decline in value over time.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general 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.

Income Taxes

Guadalupe Centers, Inc. and Guadalupe Educational Systems, Inc. are not-for-profit organizations that are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law as charitable organizations whereby only unrelated business income, as defined by Section 509(a)(2) of the Code, is subject to federal income tax. The Organizations currently have no unrelated business income. Accordingly, no provision for income taxes has been recorded.

Guadalupe Alta Vista Charter School, LLC and Guadalupe Villa Campus, LLC are separate entities and independent from Guadalupe Centers, Inc. For Federal and State income tax purposes, however, it is intended that these companies shall be disregarded as an entity, and its income, gains, deductions, credits, losses and other tax items shall be treated as those of Guadalupe Centers, Inc.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Organization's Forms 990, Return of Organization Exempt from Income Taxes, for the years ended December 31, 2023, 2022 and 2021, are subject to examination by the IRS, generally three years after they were filed.

Property and Equipment

Property and equipment are recorded at cost, if acquired, or fair value, if donated. The Organization's policy is to capitalize property and equipment with a cost of \$1,500 or more and a useful life of three years or more. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis, which range as follows:

	<u>Years</u>
Buildings	20 - 50
Building improvements	5 - 20
Leasehold improvements	7 - 20
Furniture and equipment	5 - 7
Vehicles	5 - 7

Accrued Paid Time Off

The amount of paid time off (PTO) allowed per year depends upon an employee's years of service. PTO is available for full-time and part-time employees who are regularly scheduled to work 20 or more hours per week. Up to a maximum of 448 hours of unused PTO may be accumulated and carried over. PTO will be paid after notice of resignation or in the event of separation based on the number of years of service.

Intercompany Revenue

During 2024 and 2023, Guadalupe Centers, Inc. provided intercompany instructional, operating and catering services to Guadalupe Educational Systems, Inc. in the amount of \$3,858,882 and \$2,340,444, respectively that would otherwise be outsourced. During 2024 and 2023, the Organization also collected rent from Guadalupe Educational Systems, Inc. in the amounts of \$3,363,749 and \$3,040,309, respectively.

The intercompany instructional and catering services are reported on the Statement of Activities as program services and other fees and the intercompany rent is reported as rent revenue.

Subsequent Events

Management has evaluated subsequent events through September 16, 2025, the date the financial statements were available to be issued.

NOTE B - REVENUE RECOGNITION

The Organization recognizes revenue from exchange transactions and certain grants associated with providing program services, the Organization's principal activities. Reimbursements for grants are accrued as revenue at the time the expenditures are made, or if the reimbursement is received in advance, the revenue is unearned until the expenditures are made. Exchange transactions are recognized once services have been performed. At December 31, 2024 and 2023, there were no performance obligations that had not been satisfied.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE C - CASH

At December 31, 2024, the bank balances of the Organization's deposits totaled \$13,650,446. Of this amount \$847,463 was covered by FDIC insurance, \$12,741,000 was guaranteed with securities under a repurchase agreement and \$86,546 was uninsured.

At December 31, 2023, the bank balances of the Organization's deposits totaled \$12,516,102. Of this amount \$830,131 was covered by FDIC insurance, \$10,281,000 was guaranteed with securities under a repurchase agreement and \$1,404,971 was uninsured.

NOTE D - INVESTMENTS

The Organization carries Level 1 measurements for investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values based on quoted prices in active markets in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. The Organization initially records Level 2 financial investments at the fair value as of the date the investments are donated to the Organization and thereafter carries such investments primarily at current appraised values. The Organization uses the income approach to record Level 3 investments. Fair values for assets in Level 3 are calculated using assumptions about discounted cash flow and other present value techniques.

Level 1 investments consist of the following:

	2024	2023
Mutual funds	\$ 1,982,523	\$ 1,818,472
Treasury Bills	4,978,439	4,972,458
	<u>\$ 6,960,962</u>	<u>\$ 6,790,930</u>

A summary of earnings on investments for the years ended December 31, 2024 and 2023 consist of the following:

	2024	2023
Interest and dividends	\$ 734,720	\$ 522,160
Realized and unrealized gains (losses)	149,841	199,467
Investment expense	(8,015)	(10,512)
Net investment income	<u>\$ 876,546</u>	<u>\$ 711,115</u>

NOTE E - PROMISES RECEIVABLE

Promises receivable at December 31, 2024 and 2023 are due as follows:

	2024	2023
Less than one year	\$ 377,832	\$ 501,247
One to five years	-	25,000
	377,832	526,247
Less: Discount to present value	-	(179)
	<u>\$ 377,832</u>	<u>\$ 526,068</u>

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE F - NOTE RECEIVABLE

The Organization sold a tract of land on December 21, 2023 to a developer. As part of the sale, the Organization, will carry a \$530,000 note, secured by a subordinate deed of trust, bearing interest at 7.25% and due on or before December 21, 2043. The balance of the note at December 31, 2024 and 2023 was \$530,000.

NOTE G - PROPERTY AND EQUIPMENT

	2024	2023
Land	\$ 1,854,297	\$ 732,843
Buildings & improvements	40,022,098	32,531,967
Leasehold improvements	56,469	56,469
Furniture and equipment	3,181,560	2,671,737
Vehicles	1,295,106	939,251
Right of use assets	530,460	530,460
Construction in progress	2,563,742	63,794
	49,503,732	37,526,521
Accumulated depreciation	(13,279,598)	(11,787,586)
	<u>\$ 36,224,134</u>	<u>\$ 25,738,935</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$1,492,013 and \$1,197,502, respectively.

NOTE H - NOTES PAYABLE

	2024	2023
Principal amount	\$ 16,669,918	\$ 11,002,622
Less unamortized debt issuance costs	89,024	107,804
Notes payable, net	<u>\$ 16,580,894</u>	<u>\$ 10,894,818</u>

On February 14, 2014, the Organization entered into a \$2,900,000 secured loan agreement with Raza Development Fund, a not-for-profit corporation. The proceeds of the loan were used to purchase a building. In May 2015, an additional \$1,450,000 was advanced on the loan and the terms were revised. The revised loan bears interest at 5.675% and is secured by real estate. On July 16, 2019, this loan with Raza Development was refinanced with IFF. The loan is secured by real estate and bears interest at 6.0%. The loan is payable in monthly installments of principal and interest of \$33,476 until August 1, 2034. The balance of the loan as of December 31, 2024 and 2023 was \$2,944,982 and \$3,159,256, respectively.

On August 25, 2017, the Organization entered into a \$1,479,800 secured promissory note with Community America Credit Union. The proceeds of the loan were used to refinance existing debt that had been used to purchase real estate. The loan is secured by real estate and bears interest at 4.75%. The loan is payable in monthly installments of principal and interest until August 2027. The balance of the loan as of December 31, 2024 and 2023 was \$471,723 and \$630,143, respectively.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE H - NOTES PAYABLE (continued)

On July 16, 2019, the Organization entered into a note payable with a limited liability company in the amount of \$1,494,465 to develop property for a public charter school facility. The note is secured by real estate. Beginning September 1, 2019, the note requires quarterly interest payments until maturity with interest at 3.8804%. The principal amount and all unpaid interest is due on July 16, 2026. The balance at December 31, 2024 and 2023 was \$1,494,465.

On July 16, 2019, the Organization entered into a note payable with a limited liability company in the amount of \$505,535 to develop property for a public charter school facility. The note is secured by real estate. Beginning September 1, 2019, the note requires quarterly interest payments until maturity with interest at 3.8804%. The principal amount and all unpaid interest is due on July 16, 2026. The balance at December 31, 2024 and 2023 was \$505,535.

On July 16, 2019, the Organization entered into a note payable with a limited liability company in the amount of \$1,000,000 to develop property for a public charter school facility. There were no advances on this loan made in 2019. The note is secured by real estate. Beginning when the first advance is made, the note requires monthly installments of interest only until February 1, 2021 with 60 principal and interest payments of \$8,439 beginning then. The loan bears interest at 6.0%. The principal amount and all unpaid interest is due on February 1, 2026. The balance at December 31, 2024 and 2023 was \$818,328 and \$868,854, respectively.

On September 11, 2020, the Organization entered into a \$2,500,000 secured promissory note with Community America Credit Union. The proceeds of the loan were used to refinance existing debt that had been used to develop property for a public charter school facility. The loan is secured by real estate and bears interest at 4.5%. The loan is payable in monthly installments of principal and interest of \$19,207 beginning October 11, 2020 with a balloon payment on September 11, 2030. The balance at December 31, 2024 and 2023 was \$1,955,289 and \$2,092,868, respectively.

On July 13, 2023, the Organization entered into a \$2,320,000 secured promissory note with Community America Credit Union. The proceeds of the loan were used for building improvements to the administration building. The loan is secured by real estate and bears interest at 6.74%. The loan is payable in monthly installments of principal and interest of \$26,749 beginning August 13, 2023. The balance at December 31, 2024 and 2023 was \$2,079,462 and \$2,251,501, respectively.

On December 20, 2024, the Organization entered into a \$6,400,000 secured promissory note with UMB Bank. The proceeds of the loan were used to purchase real estate. The loan is secured by real estate and has a variable interest rate based on the One-Month SOFR, with an initial rate of 6.616%. The note requires monthly installments of interest only beginning January 20, 2025. The principal amount is due in full on December 20, 2025. The balance at December 31, 2024 was \$6,400,000.

Future maturities of the debt are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	\$ 7,186,077	\$ 956,190	\$ 8,142,267
2026	3,539,191	415,317	3,954,508
2027	760,099	321,468	1,081,567
2028	671,819	281,372	953,191
2029	712,316	240,875	953,191
2030-2042	3,800,416	410,173	4,210,589
	<u>\$ 16,669,918</u>	<u>\$ 2,625,395</u>	<u>\$ 19,295,313</u>

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE I - LEASES

The Organization entered into two lease agreements for copier equipment on August 15, 2023 and December 5, 2023. The copier leases are non-cancelable with terms of 60 months, an imputed interest rate of 7.75% and monthly payments of \$8,463 and \$2,229. The assets will be amortized over the lease terms since they are shorter than the useful life of the copiers and the Organization will not take ownership of the copiers. There are no residual guarantees in the lease provisions. A summary of the remaining lease payments are as follows:

Year Ending December 31,	Total
2025	\$ 128,310
2026	128,310
2027	128,310
2028	94,456
	<u>479,386</u>
Less: amounts representing interest	(64,385)
	<u>\$ 415,001</u>

The assets acquired through the right of use leases are as follows:

Copiers	\$ 530,460
Less: Accumulated depreciation	<u>(134,082)</u>
Total	<u>\$ 396,378</u>

NOTE J - LINE OF CREDIT

On August 27, 2024, the Organization entered into a secured line of credit agreement in the amount of \$1,200,000, bearing interest at the prime rate with an initial rate of 8.5% and maturing on August 27, 2025. The available balance on this line of credit as of December 31, 2024 was \$745,000.

NOTE K - RETIREMENT PLAN

The Organization's school contributes to The Public School Retirement System of the School District of Kansas City, Missouri, a cost-sharing multiple-employer defined benefit pension plan. Under the plan, the covered employees are required to contribute 9% of their annual covered salary and the School is required to contribute 12%. The contribution requirements of these employees and the School are established by the Board of Trustees of the Plan. The School's contributions for 2024 and 2023 were \$1,617,879 and \$1,357,018, respectively.

NOTE L - NEW MARKET TAX CREDITS

In September 2013, the Organization and its newly formed affiliate, Guadalupe Alta Vista Charter School, LLC, entered into a series of transactions which generated "New Market Tax Credits" under Section 45D of Internal Revenue Code of 1986, as amended. Chase NMTC IFF Charter School Investment Fund, LLC (Investment Fund), an entity wholly owned by Chase Community Equity, LLC by virtue of a capital contribution of \$1,657,500, was awarded New Market Tax Credits of \$1,950,000 in consideration of its \$5,000,000 investment in its 99.99% owned subsidiary, IFF Capital V, LLC. IFF Capital V, LLC made three loans totaling \$4,650,000 to Guadalupe Alta Vista Charter School, LLC. The entire principal amount was forgiven by the lender in 2020.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE L - NEW MARKET TAX CREDITS (continued)

The Organization transferred all its real estate to Guadalupe Alta Vista Charter School, LLC. Guadalupe Alta Vista Charter School, LLC will lease its real estate to the Organization under terms of a triple net lease requiring annual lease payments of \$477,600 from 2021 through 2028, \$501,600 from 2029 through 2036, \$526,800 from 2037 through 2042 and \$363,708 for 2043.

In June 2019, the Organization and its newly formed affiliate, Guadalupe Villa Campus, LLC, entered into a series of transactions which generated “New Market Tax Credits” under Section 45D of Internal Revenue Code of 1986, as amended. On July 16, 2019, IFF Capital 26, LLC, made two loans totaling \$2,000,000 described in Note H to Guadalupe Villa Campus, LLC.

In June 2019, the Organization transferred its real estate located at 5123 Truman Road in Kansas City and the related debt to Guadalupe Villa Campus, LLC. Guadalupe Villa Campus, LLC will lease its real estate to the Organization under terms of a triple net lease requiring monthly lease payments of \$51,177 from July 16, 2019 through July 15, 2034.

NOTE M - LITIGATION

As of December 31, 2024 and 2023, the Center and Guadalupe Educational Systems, Inc. are defendants in ongoing litigation matters, the outcomes of which cannot be predicted at this time; however, the Center’s and Guadalupe Educational Systems, Inc.’s insurance carriers are vigorously defending against these claims.

NOTE N - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2024 and 2023 consist of:

	2024	RESTATED 2023
Capital improvements	\$ 153,831	\$ 218,080
COVID-19	22,809	51,999
Education	352,757	696,036
Family support services	33,542	191,940
Senior support services	14,000	100,000
Substance abuse services	-	215,000
Workforce development	398,320	352,320
	<u>\$ 975,259</u>	<u>\$ 1,825,375</u>

NOTE O - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization received significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles; operating within a prudent range or financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

GUADALUPE CENTERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE O - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of December 31, 2024 and 2023, reduced by amounts not available to meet general expenditures within one year of the statement of financial position date because of donor restrictions.

	2024	Restated 2023
Cash	\$ 13,368,921	\$ 11,922,161
Investments	6,960,962	6,790,930
Accounts receivable, net	168,974	132,046
Grants receivable, net	2,732,935	3,025,641
Promises receivable, net	<u>377,832</u>	<u>526,068</u>
Total financial assets	23,609,624	22,396,846
Donor restricted assets	<u>(975,259)</u>	<u>(1,825,375)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 22,634,365</u>	<u>\$ 20,571,471</u>

NOTE P - RESTATEMENT OF PRIOR PERIOD

Net assets with donor restrictions and without donor restrictions at December 31, 2023 have been restated to reclass \$295,985 of grants. As a result of this change, net assets with donor restrictions decreased by \$295,985 and net assets without donor restrictions increased by \$295,985.

SUPPLEMENTARY INFORMATION

GUADALUPE CENTERS, INC.
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

ASSETS					
	Guadalupe Centers, Inc.	Guadalupe Alta Vista Charter School, LLC	Guadalupe Villa Campus, LLC	Eliminations	Total
Cash and cash equivalents	\$ 13,368,921	\$ -	\$ -	\$ -	\$ 13,368,921
Investments	6,960,962	-	-	-	6,960,962
Accounts receivable, net	168,974	-	-	-	168,974
Grants receivable, net	2,732,935	-	-	-	2,732,935
Promises receivable, net	377,832	-	-	-	377,832
Note receivable	-	-	530,000	-	530,000
Accrued interest receivable	-	-	39,554	-	39,554
Intercompany receivable	-	-	368,598	(368,598)	-
Prepaid expenses	105,951	-	-	-	105,951
Property and equipment, net	27,068,095	3,852,590	5,303,449	-	36,224,134
Collection items, donated artwork	182,500	-	-	-	182,500
TOTAL ASSETS	\$ 50,966,170	\$ 3,852,590	\$ 6,241,601	\$ (368,598)	\$ 60,691,763
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable	\$ 2,044,653	\$ -	\$ -	\$ -	\$ 2,044,653
Accrued expenses and payroll withholdings	852,196	-	-	-	852,196
Accrued interest payable	11,844	-	18,797	-	30,641
Intercompany payable	1,386,016	(1,017,418)	-	(368,598)	-
Line of credit	455,000	-	-	-	455,000
Lease liability	415,001	-	-	-	415,001
Notes payable, net	8,935,902	1,936,389	5,708,603	-	16,580,894
TOTAL LIABILITIES	14,100,612	918,971	5,727,400	(368,598)	20,378,385
NET ASSETS:					
Without donor restrictions	35,890,299	2,933,619	514,201	-	39,338,119
With donor restrictions	975,259	-	-	-	975,259
TOTAL NET ASSETS	36,865,558	2,933,619	514,201	-	40,313,378
TOTAL LIABILITIES AND NET ASSETS	\$ 50,966,170	\$ 3,852,590	\$ 6,241,601	\$ (368,598)	\$ 60,691,763

GUADALUPE CENTERS, INC.
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS					
	Guadalupe Centers, Inc.	Guadalupe Alta Vista Charter School, LLC	Guadalupe Villa Campus, LLC	Eliminations	RESTATED Total
Cash and cash equivalents	\$ 11,922,161	\$ -	\$ -	\$ -	\$ 11,922,161
Investments	6,790,930	-	-	-	6,790,930
Accounts receivable , net	132,046	-	-	-	132,046
Grants receivable, net	3,025,641	-	-	-	3,025,641
Promises receivable, net	526,068	-	-	-	526,068
Note receivable	-	-	530,000	-	530,000
Intercompany receivable	144,710	-	341,139	(485,849)	-
Prepaid expenses	72,364	-	-	-	72,364
Property and equipment, net	16,160,017	3,951,007	5,627,911	-	25,738,935
Collection items, donated artwork	182,500	-	-	-	182,500
TOTAL ASSETS	\$ 38,956,437	\$ 3,951,007	\$ 6,499,050	\$ (485,849)	\$ 48,920,645
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable	\$ 1,035,698	\$ -	\$ -	\$ -	\$ 1,035,698
Accrued expenses and payroll withholdings	301,838	-	-	-	301,838
Accrued interest payable	12,869	-	20,140	-	33,009
Intercompany payable	1,174,404	(688,555)	-	(485,849)	-
Deferred revenue	9,412	-	-	-	9,412
Lease liability	507,230	-	-	-	507,230
Notes payable, net	2,864,965	2,070,642	5,959,211	-	10,894,818
TOTAL LIABILITIES	5,906,416	1,382,087	5,979,351	(485,849)	12,782,005
NET ASSETS:					
Without donor restrictions	31,224,646	2,568,920	519,699	-	34,313,265
With donor restrictions	1,825,375	-	-	-	1,825,375
TOTAL NET ASSETS	33,050,021	2,568,920	519,699	-	36,138,640
TOTAL LIABILITIES AND NET ASSETS	\$ 38,956,437	\$ 3,951,007	\$ 6,499,050	\$ (485,849)	\$ 48,920,645

GUADALUPE CENTERS, INC.
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Guadalupe Centers, Inc.			Guadalupe Alta Vista Charter School, LLC	Guadalupe Villa Campus, LLC		Total		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:									
Federal government grants/contracts	\$ 6,615,651	\$ -	\$ 6,615,651	\$ -	\$ -	\$ -	\$ 6,615,651	\$ -	\$ 6,615,651
Other government grants/contracts	35,614,651	-	35,614,651	-	-	-	35,614,651	-	35,614,651
Contributions of cash and other financial assets	1,006,482	954,665	1,961,147	-	-	-	1,006,482	954,665	1,961,147
Program services and other fees	4,336,938	-	4,336,938	-	-	-	4,336,938	-	4,336,938
Special events	418,854	-	418,854	-	-	-	418,854	-	418,854
Rent revenue	3,400,387	-	3,400,387	559,346	614,118	(1,173,464)	3,400,387	-	3,400,387
Net investment income	836,992	-	836,992	-	39,554	-	876,546	-	876,546
Other revenue	246,620	-	246,620	-	-	-	246,620	-	246,620
Total support and revenue	52,476,575	954,665	53,431,240	559,346	653,672	(1,173,464)	52,516,129	954,665	53,470,794
Net assets released from restrictions	1,804,781	(1,804,781)	-	-	-	-	1,804,781	(1,804,781)	-
Total support, revenue and reclassifications	54,281,356	(850,116)	53,431,240	559,346	653,672	(1,173,464)	54,320,910	(850,116)	53,470,794
EXPENSES:									
Program services:									
Community Center	9,740,052	-	9,740,052	101,751	338,510	-	10,180,313	-	10,180,313
Alta Vista Charter School	36,133,547	-	36,133,547	-	-	-	36,133,547	-	36,133,547
Management and general	2,998,051	-	2,998,051	92,896	320,660	(1,173,464)	2,238,143	-	2,238,143
Fundraising	744,053	-	744,053	-	-	-	744,053	-	744,053
Total expenses	49,615,703	-	49,615,703	194,647	659,170	(1,173,464)	49,296,056	-	49,296,056
Change in net assets	4,665,653	(850,116)	3,815,537	364,699	(5,498)	-	5,024,854	(850,116)	4,174,738
Net assets, January 1	31,224,646	1,825,375	33,050,021	2,568,920	519,699	-	34,313,265	1,825,375	36,138,640
Net assets, December 31	\$ 35,890,299	\$ 975,259	\$ 36,865,558	\$ 2,933,619	\$ 514,201	\$ -	\$ 39,338,119	\$ 975,259	\$ 40,313,378

GUADALUPE CENTERS, INC.
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Guadalupe Centers, Inc.			Guadalupe Alta Vista Charter School, LLC	Guadalupe Villa Campus, LLC		RESTATE		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:									
Federal government grants/contracts	\$ 5,560,007	\$ -	\$ 5,560,007	\$ -	\$ -	\$ -	\$ 5,560,007	\$ -	\$ 5,560,007
Other government grants/contracts	30,634,158	-	30,634,158	-	-	-	30,634,158	-	30,634,158
Contributions of cash and other financial assets	102,478	2,601,384	2,703,862	-	-	-	102,478	2,601,384	2,703,862
Program services and other fees	2,911,731	-	2,911,731	-	-	-	2,911,731	-	2,911,731
Special events	345,835	-	345,835	-	-	-	345,835	-	345,835
Rent revenue	3,062,288	-	3,062,288	559,346	614,118	(1,173,464)	3,062,288	-	3,062,288
Net investment income	711,115	-	711,115	-	-	-	711,115	-	711,115
Other revenue	298,915	-	298,915	-	504,043	-	802,958	-	802,958
Total support and revenue	43,626,527	2,601,384	46,227,911	559,346	1,118,161	(1,173,464)	44,130,570	2,601,384	46,731,954
Net assets released from restrictions	3,108,340	(3,108,340)	-	-	-	-	3,108,340	(3,108,340)	-
Total support, revenue and reclassifications	46,734,867	(506,956)	46,227,911	559,346	1,118,161	(1,173,464)	47,238,910	(506,956)	46,731,954
EXPENSES:									
Program services:									
Community Center	8,399,147	-	8,399,147	101,751	309,281	-	8,810,179	-	8,810,179
Alta Vista Charter School	30,420,061	-	30,420,061	-	-	-	30,420,061	-	30,420,061
Management and general	2,472,718	-	2,472,718	98,759	326,326	(1,173,464)	1,724,339	-	1,724,339
Fundraising	706,531	-	706,531	-	-	-	706,531	-	706,531
Total expenses	41,998,457	-	41,998,457	200,510	635,607	(1,173,464)	41,661,110	-	41,661,110
Change in net assets	4,736,410	(506,956)	4,229,454	358,836	482,554	-	5,577,800	(506,956)	5,070,844
Net assets, January 1	26,488,236	2,332,331	28,820,567	2,210,084	37,145	-	28,735,465	2,332,331	31,067,796
Net assets, December 31	\$ 31,224,646	\$ 1,825,375	\$ 33,050,021	\$ 2,568,920	\$ 519,699	\$ -	\$ 34,313,265	\$ 1,825,375	\$ 36,138,640

GUADALUPE CENTERS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL ASSISTANCE LISTING	PASS-THROUGH GRANTOR NUMBER	EXPENDITURES
U.S. Department of Agriculture			
Child Nutrition Cluster:			
Passed-through Missouri Department of Elementary and Secondary Education:			
School Breakfast Program	10.553		\$ 215,627
National School Lunch Program	10.555		877,665
Non-Cash: Food Distribution Program	10.555		27,848
Passed-through Missouri Department of Health and Senior Services:			1,121,140
Summer Food Service Program	10.559	ERS0460052S	111,684
Total Child Nutrition Cluster			1,232,824
Passed-through Missouri Department of Health and Senior Services:			
Child and Adult Care Food Program	10.558	ERS46110052	95,827
Passed-through Missouri Department of Social Services:			
Food Distribution Cluster:			
Emergency Food Assistance Program			
Non-Cash: Food Commodities	10.569		44,151
Total U.S. Department of Agriculture			1,372,802
U.S. Department of Housing and Urban Development			
Passed-through City of Kansas City, Missouri:			
CDBG Entitlement Grants Cluster:			
Community Development Block Grant Program	14.218		42,253
U.S. Department of the Treasury			
Passed-through City of Kansas City, Missouri:			
COVID-19 - Emergency Rental Assistance Program	21.023		16,077
Passed-through Jackson County, Missouri:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		12,003
Total U.S. Department of the Treasury			28,080
Federal Communications Commission			
Direct:			
COVID-19 - Emergency Connectivity Fund	32.009		51,471
U.S. Department of Education			
Passed-through Missouri Department of Elementary and Secondary Education:			
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027		326,629
Special Education - Preschool Grants	84.173		4,504
Total Special Education Cluster (IDEA)			331,133
Title I - Grants to Local Educational Agencies	84.010		1,239,248
English Language Acquisition Grants	84.365		201,429
Supporting Effective Instruction State Grants	84.367		106,478
Student Support and Academic Enrichment Program	84.424		57,769
Education Stabilization Fund:			
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D		6,660
COVID-19 - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U		1,202,139
COVID-19 - Elementary and Secondary School Emergency Relief (ARP HCY) Fund	84.425W		11,709
Total Education Stabilization Fund			1,220,508
Total U.S. Department of Education			3,156,565

GUADALUPE CENTERS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL ASSISTANCE LISTING	PASS-THROUGH GRANTOR NUMBER	EXPENDITURES
U.S. Department of Health and Human Services			
Passed-through Mid-America Regional Council:			
Aging Cluster:			
Special Programs for the Aging-Title III, Part B	93.044		7,572
Special Programs for the Aging-Title III, Part C	93.045		995,082
Nutrition Services Incentive Program	93.053		<u>50,251</u>
Total Aging Cluster			<u>1,052,905</u>
Head Start Cluster:			
Head Start	93.600		769,784
Social Services Block Grant	93.667		23,352
Passed-through Missouri Department of Elementary and Secondary Education:			
CCDF Cluster:			
Childcare and Development Block Grant	93.575		<u>112,158</u>
Total U.S. Department of Health and Human Services			<u>1,958,199</u>
U.S. Department of Homeland Security			
Direct:			
Emergency Food and Shelter Program	97.024		<u>6,281</u>
Total Expenditures of Federal Awards			<u>\$ 6,615,651</u>

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Guadalupe Centers, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of Guadalupe Centers, Inc. under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Guadalupe Centers, Inc., it is not intended to and does not present the financial position, change in net assets or cash flows of Guadalupe Centers, Inc.

INTERNAL CONTROL AND COMPLIANCE



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Guadalupe Centers, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Guadalupe Centers, Inc. (a nonprofit organization) which comprise the statement of financial position as of and for the year ended December 31, 2024, and the related statements of activities, and cash flows for the year then ended and the related notes to the consolidated financial statements, and have issued our report thereon dated September 16, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Westbrook & Co., P.C.

Richmond, Missouri
September 16, 2025



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Guadalupe Centers, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Guadalupe Centers, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Guadalupe Centers, Inc. complied, in all material respects, with the type of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Westbrook & Co., P.C.

Richmond, Missouri
September 16, 2025

GUADALUPE CENTERS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether
the financial statements audited were prepared
in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- | | | |
|---|---------------------------------|--|
| • Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| • Significant deficiency(ies) identified? | <u> </u> Yes | <u> X </u> None reported |

Noncompliance material to financial
statements noted?

 Yes X No

Federal Awards

Internal control over major federal programs:

- | | | |
|---|---------------------------------|--|
| • Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| • Significant deficiency(ies) identified? | <u> </u> Yes | <u> X </u> None reported |

Type of auditor's report issued on compliance
for major federal programs:

Unmodified

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)?

 Yes X No

Identification of major federal programs:

Child Nutrition Cluster	AL No. 10.553, 10.555 and 10.559
Aging Cluster	AL No. 93.044, 93.045 and 93.053

Dollar threshold used to distinguish between
type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X Yes No

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None