LIBERTAS NETWORK

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

As of and for the Years Ended December 31, 2025 and 2024

Larson
CERTIFIED PUBLIC ACCOUNTANTS

LIBERTAS NETWORK

C O N T E N T S

Larson
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Trustees
Libertas Network

Opinion

We have audited the accompanying consolidated financial statements of **Libertas Network** (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of **Libertas Network** (the "Network") as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Network 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 Consolidated 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 Network's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Responsibilities for the Audit of the Consolidated 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 consolidated 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 Network'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 Network'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Larson & Company P.C.

Salt Lake City, Utah
May 13, 2026

LIBERTAS NETWORK

Consolidated Statements of Financial Position
As of December 31, 2025 and 2024

ASSETS

Current assets:	2025	2024
Cash and cash equivalents	$ 2,520,445	$ 4,153,148
Accounts receivable, net	452,545	281,696
Crypto assets	3,232,321	2,377,294
Investments	542,070	444,816
Inventories	1,593,259	1,295,722
Prepaid expenses and other current assets	227,549	130,108
Total current assets	8,568,189	8,682,784
Noncurrent assets:		
Property and equipment, net	352,608	467,710
Right-of-use asset, operating	1,764,250	1,990,769
Investment in LLC	1,398,384	1,398,384
Goodwill	676,021	-
Total noncurrent assets	4,191,263	3,856,863
Total assets	$ 12,759,452	$ 12,539,647

LIABILITIES AND NET ASSETS

Current liabilities:	2025	2024
Accounts payable	$ 442,648	$ 316,201
Accrued liabilities	118,372	360,212
Deferred revenue	42,987	-
Operating lease liabilities, current portion	220,394	204,858
Notes payable, current	106,285	-
Total current liabilities	930,686	881,271
Non current liabilities:		
Notes payable, less current portion	250,575	-
Operating lease liabilities, less current portion	1,625,347	1,845,741
Total noncurrent liabilities	1,875,922	1,845,741
Total liabilities	2,806,608	2,727,012
Net assets:		
Without donor restrictions	9,952,844	9,812,635
With donor restrictions	-	-
Total net assets	9,952,844	9,812,635
Total liabilities and net assets	$ 12,759,452	$ 12,539,647

The accompanying notes to the consolidated financial statements
are an integral part of these consolidated financial statements.

LIBERTAS NETWORK

Consolidated Statements of Activities
For the Years Ended December 31, 2025 and 2024

	2025	2024
Change in net assets without donor restrictions:		
Contributions, fees, and other income:		
Contributions and grants	**$ 9,605,668**	$ 6,326,833
Program service revenues, net	**10,324,076**	6,174,179
Tuition income, net	**32,403**	-
Other income (expense)	**(43,475)**	-
Return (loss) on investments, net	**(154,185)**	1,151,168
Total contributions, fees, and other income	**19,764,487**	13,652,180
Expenses:		
Program services	**16,634,815**	8,285,399
Supporting services:		
General and administrative	**1,432,769**	997,757
Fundraising	**1,556,694**	983,262
Total expenses	**19,624,278**	10,266,418
Change in net assets without donor restrictions	**140,209**	3,385,762
Change in net assets	**140,209**	3,385,762
Net assets at beginning of year	**9,812,635**	6,426,873
Net assets at end of year	**$ 9,952,844**	$ 9,812,635

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

LIBERTAS NETWORK

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2025

	Programs	General and Administrative	Fundraising	Total Expenses
Expenses:				
Grants awarded	$ 49,700	$ 500	$ -	$ 50,200
Salaries and wages	2,953,087	221,308	861,807	4,036,202
Employee benefits	210,901	24,534	52,710	288,145
Payroll taxes	254,758	47,233	61,042	363,033
Professional and contractor fees	2,205,454	411,233	348,794	2,965,481
Advertising and promotion	7,186,732	12,443	317	7,199,492
Office expenses	97,303	56,984	5,036	159,323
Information technology	424,796	283,147	68,602	776,545
Royalties	1,111,890	-	-	1,111,890
Occupancy	226,958	151,109	-	378,067
Travel	278,009	50,678	73,805	402,492
Conferences, conventions,				-
and meetings	147,213	7,666	79,764	234,643
Payments to affiliates	22,305	-	-	22,305
Depreciation and amortization	-	118,099	-	118,099
Insurance	71,097	34,738	-	105,835
Postage and shipping	1,453,878	781	4,677	1,459,336
Merchant fees	145,644	10,146	128	155,918
Printing and publication	2,686,098	-	-	2,686,098
Miscellaneous	94,462	2,170	12	96,644
Total functional expenses	19,620,285	1,432,769	1,556,694	22,609,748
Less expenses included with revenue	(2,985,470)	-	-	(2,985,470)
Total functional expenses	$ 16,634,815	$ 1,432,769	$ 1,556,694	$ 19,624,278

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

LIBERTAS NETWORK

Consolidated Statement of Functional Expenses

For the Year Ended December 31, 2024

	Programs	General and Administrative	Fundraising	Total Expenses
Expenses:				
Grants awarded	$ 87,250	$ 200	$ -	$ 87,450
Salaries and wages	1,807,890	151,033	616,156	2,575,079
Employee benefits	32,796	25,152	9,139	67,087
Payroll taxes	169,417	27,508	53,608	250,533
Professional and contractor fees	1,182,244	213,118	186,464	1,581,826
Advertising and promotion	2,509,623	30,556	3,860	2,544,039
Office expenses	74,183	45,553	5,054	124,790
Information technology	194,516	101,754	11,857	308,127
Royalties	826,392	-	-	826,392
Occupancy	244,508	148,687	-	393,195
Travel	128,530	22,942	54,290	205,762
Conferences, conventions, and meetings	106,683	334	4,577	111,594
Payments to affiliates	13,185	-	-	13,185
Depreciation and amortization	-	111,372	-	111,372
Insurance	21,220	7,006	-	28,226
Postage and shipping	771,856	4,613	11,360	787,829
Merchant fees	295,585	50,450	-	346,035
Printing and publication	1,123,659	-	-	1,123,659
Miscellaneous	115,107	57,479	26,897	199,483
Total functional expenses	9,704,644	997,757	983,262	11,685,663
Less expenses included with revenue	(1,419,245)	-	-	(1,419,245)
Total functional expenses	$ 8,285,399	$ 997,757	$ 983,262	$ 10,266,418

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

LIBERTAS NETWORK

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	**$ 140,209**	$ 3,385,762
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	**118,099**	111,372
Realized and unrealized loss (gain)	**154,185**	(1,137,076)
(Increase) decrease in operating assets:		
Accounts receivable, net	**24,368**	(278,579)
Inventories	**(297,537)**	67,780
Prepaid expenses and other assets	**(78,403)**	(109,065)
Right-of-use asset, operating	**226,519**	260,474
Increase (decrease) in operating liabilities:		
Accounts payable	**126,447**	91,115
Accrued liabilities	**(241,840)**	309,532
Deferred revenue	**(97,289)**	-
Operating lease liabilities	**(204,858)**	(230,778)
Net cash from operating activities	**(130,100)**	2,470,537
Cash flows from investing activities:		
Acquisition of property and equipment	**(2,997)**	(79,232)
Acquisition of Praxis, LLC	**(300,000)**	-
Net proceeds and purchases of investments	**3,991**	(11,754)
Net proceeds and purchases of crypto assets	**(1,110,457)**	(658,511)
Net cash from investing activities	**(1,409,463)**	(749,497)
Cash flows from financing activities:		
Payments on notes payable	**(93,140)**	-
Net cash from financing activities	**(93,140)**	-
Net change in cash and cash equivalents	**(1,632,703)**	1,721,040
Cash and cash equivalents, beginning of year	**4,153,148**	2,432,108
Cash and cash equivalents at end of year	**$ 2,520,445**	$ 4,153,148

Supplemental disclosures of cash flow information:

	2025	2024
Cash paid for:		
Interest	**$ 43,758**	$ -
Income taxes	**$ -**	$ -
Non-cash investing and financing activities:		
Acquisition of Praxis, LLC through debt issuance	**$ 450,000**	$ -

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Libertas Network (the "Network" or "Libertas") is a 501(c)(3) nonprofit entity that was originally founded and incorporated in 2011. The Network is a public policy and education organization focused on free markets and individual rights. The Network generates nonpartisan analysis and commentary, conducts investigative research, and publishes educational literature to inform the public about its ideas.

The mission of Libertas is to change hearts, minds, and laws to build a freer society by creating and implementing innovative policy reforms and exceptional educational resources.

By using strategy and persuasive communication to inform the public and educate elected officials, the Network helps generate the political will to reduce and eliminate barriers that government places in the path of hard-working individuals. The Network's policy work is primarily focused on reforming state and local laws in Utah, with a secondary emphasis on reform in other states. Libertas partners with like-minded groups and elected officials in these states to help them adopt its model reforms.

The Network's unique educational materials, such as the Tuttle Twins children's books, are translated into several languages and read by hundreds of thousands of families throughout the world. The Network's award-winning free market curriculum teaches economics to kids of all ages, and the Children's Entrepreneur Market events provide a direct experience for youth to apply their knowledge and experience the benefits of operating a small business. These and other resources help the rising generation understand and embrace the ideas of a free society.

In September 2024, Libertas Network formed Children's Entrepreneur Market, LLC ("CEM"), a disregarded entity. This strategic move better allows CEM to develop vibrant and resourceful children through entrepreneurship and creative play that create momentum in their personal, educational, work and community life.

In January 2025, Libertas Network acquired Praxis Careers, LLC, a single-member limited liability company ("Praxis"). Praxis is a pioneering force in alternative education. In April 2025, Libertas launched Overton Insights, a new public polling company that operates as a dba of Libertas Network.

Basis of Presentation

The Network prepares its consolidated financial statements on the accrual basis of accounting and follows accounting principles generally accepted in the United States of America for nonprofit organizations. The Network reports information regarding its financial position and activities according to two classes of net assets, with donor restrictions and without donor restrictions, based upon the following criteria:

> **Net assets without donor restrictions** – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Network. These net assets may be used at the discretion of the Network's management and Board of Trustees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Network by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Basis of Consolidation

The consolidated financial statements include the accounts of Libertas Network, a 501(c)(3) organization, Children's Entrepreneur Market, LLC, a disregarded LLC and Praxis Careers, LLC, a single member LLC. For external financial reporting purposes, the financial statements are presented on a consolidated basis. All significant inter-organizational transactions have been eliminated as part of the consolidation.

Use of Estimates

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

Cash and Cash Equivalents

The Network considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The carrying amount reported in the statement of financial position approximates fair value because of the short maturity of those instruments.

Accounts receivable

Accounts receivable are recorded at their estimated realizable value. The Network determines its allowance by considering a number of factors, including the length of time receivables are past due, the Network's previous loss history, the payer's current ability to pay its obligation to the Network, and the condition of the general economy and industry as a whole. Based on these factors, the Network expects all accounts receivable to be collected; therefore, no allowance for uncollectible receivable amounts is recorded as of December 31, 2025 and 2024. An account is written off when it is determined that all collection efforts have been exhausted.

Promises to Give

Promises to give are recorded at their estimated fair value less an appropriate allowance for uncollectable amounts. Allowances are based on historical experience and management's analysis of specific balances. An account is written off when it is determined that all collection efforts have been exhausted.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give (Continued)

Promises to give due later than one year are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using imputed interest rates applicable to the years in which promises are received. Discounts on promises to give that are measured at present value are amortized between the date the promise to give is initially recognized and the date the cash or other contributed assets are received.

Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Crypto assets

The Network holds investments in crypto assets, debt securities, and marketable securities. Crypto assets are measured at their fair market values at each reporting period end on the statement of financial position. The cost basis of the Network's crypto assets is initially record at the fair value using the U.S. dollar spot price of the related crypto assets at 4:00 p.m., New York time, on the date of receipt. Realized and unrealized gains and losses are reported in the statement of activities as return (loss) on investments. Crypto assets are subject to significant market volatility, and changes in fair value could materially impact the Network's financial position and results of operations.

Investments

The Network holds investments in debt securities and marketable securities. Investments in debt securities and marketable securities with readily determinable fair values are recorded at fair value. Realized gains and losses, unrealized gains and losses, dividends, and interest are reported in the statement of activities as return (loss) on investments.

Fair Value Measurements

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumption market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entities own assumptions about those that market participants would use in pricing the asset based on the best information available.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs are as follows:

> Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the Network has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Level 2 – Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Inventories

Inventories consist of books which are available for sale. The inventories are recorded at cost, using the first-in-first-out (“FIFO”) method.

Property and Equipment

Acquisitions of property and equipment in excess of $1,500 and all expenditures for repairs and maintenance that materially prolong the useful lives of property and equipment are capitalized. Property and equipment are stated at cost, less accumulated depreciation and amortization. If assets are acquired by donation, the assets are initially recognized at estimated fair value at the date of the donation. If a donor stipulates how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation and amortization is computed over the following estimated useful lives using the straight-line method:

Assets	Useful Lives
Leasehold improvements	5 years
Furniture and fixtures	5 to 7 years
Warehouse equipment	5 years

Lease Agreements

The Network leases facilities and equipment for various terms under long-term, noncancelable operating lease agreements. The Network determines if an arrangement is a lease at inception and begins recording lease activity at the commencement date, which is generally the date in which the Network takes possession of or controls the physical use of the asset. Right-of-use (“ROU”) assets and lease liabilities are recognized based on the present value of lease payments over the lease term. Operating lease expenses are recognized on a straight-line basis over the life of the lease and are typically recognized as lease or rent expense.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Network estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using a risk-free rate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Lease Agreements (Continued)

ROU assets include amounts for scheduled rent increases and are reduced by the amount of lease incentives. The lease term includes the non-cancellable period of the lease and options to extend or terminate the lease when it is reasonably certain the Network will exercise those options.

The Network has elected to account for lease and non-lease components together as a single lease component in the measurement of ROU assets and lease liabilities. Variable lease payments are not included in the measurement of ROU assets and lease liabilities.

The Network has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Investment in LLC

The Network maintains a non-controlling investment in an LLC. The LLC does not have a quoted price in an active market, nor does it have a readily determinable fair value, and is measured at its original cost. Management performs an evaluation for impairment on the investment in the LLC in accordance with its policies regarding long-lived assets discussed below.

Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of the identifiable net assets acquired in business combinations. Goodwill also includes goodwill that existed on the Praxis historical balance sheet prior to acquisition. Goodwill is not amortized but is tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that goodwill may be impaired. An impairment loss is recognized to the extent that the carrying amount of goodwill exceeds its fair value.

Long-lived Assets

U.S. GAAP requires that long-lived assets be evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount 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 net undiscounted 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 the carrying amount or fair value less costs to sell. Management does not believe impairments are present for the years ended December 31, 2025 and 2024.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and In-kind Donations

Contributions are recorded as donations with or without donor restrictions depending on the existence or nature of donor restrictions. All contributions are considered to be available for unrestricted use, unless specifically restricted by the donor.

Donations that are designated for future periods or restricted for a specific purpose are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfaction of restrictions.

Donations of property and equipment and other goods are recorded as support at their estimated fair market value at the date of gift. These donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as net assets with donor restrictions and reclassified to net assets without donor restrictions when placed in service.

Revenue Recognition

The Network recognizes program service revenue under the core principle of depicting the transfer of promised goods and services to its customers in an amount that reflects the consideration it expects to be entitled. In order to achieve that core principle, the Network applies the following five-step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when a performance obligation is satisfied.

The Network recognizes revenue when (or as) a performance obligation is satisfied by transferring promised goods or services to a customer. Customers may obtain the control of promised goods or services over time or at a point in time. Program service revenue primarily relates to the sale of the Network’s educational materials and is recognized at a point in time.

Functional Allocation of Expenses

The costs of programs and supporting services have been summarized on a functional basis in the statement of functional expenses. All direct costs are charged to the applicable functional area they pertain to. Indirect costs are charged to programs and supporting services based on estimates made by management, taking into account the nature of the expense and how it relates to the functional area. The Network allocates expenses either by time and effort or by square footage depending on the nature of the expense. General and administrative costs include those expenses that are not directly identifiable with any other specific function but to provide for the overall support and direction of the Network.

The statement of functional expenses includes certain costs that are recognized net of program service revenue as reflected in the “expenses included with revenue” line in the statement of functional expenses. These amounts primarily consist of costs of sales directly related to the revenue recognized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising Costs

Advertising costs are charged to operations when incurred. Advertising and promotional expenses were **$7,199,493** and $2,544,039 for the years ended December 31, 2025 and 2024, respectively.

Income Taxes

The Network qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision has been made for federal or state income tax. The Network remains subject to income taxes on net income that is derived from a trade or business, regularly carried on, and not for the exempt purposes for which the Network was granted exempt status. The taxable income of CEM and Praxis are passed through to its members. Accordingly, no provision for income taxes has been made in these financial statements.

Management evaluates tax positions taken or expected to be taken in preparation of the Network's tax returns to determine if the positions are more-likely-than-not of being sustained if examined by the taxing authorities. Management has determined there are no uncertain income tax positions. The Network's Returns of Organization Exempt from Income Tax (Form 990) generally remain subject to examination by the Internal Revenue Service for three years after they are filed.

Reclassification

Certain amounts in prior year consolidated financial statements have been reclassified for comparative purposes to conform to the presentation in the current year consolidated financial statements. Total changes in net assets were not affected by the reclassification.

2. LIQUIDITY AND AVAILABILITY

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

	2025	2024
Cash and cash equivalents	**$ 2,520,445**	$ 4,153,148
Accounts receivable, net	**452,545**	281,696
Crypto assets	**3,232,321**	2,377,294
Investments	**542,070**	444,816
Financial assets available to meet general expenditures within one year	**$ 6,747,381**	$ 7,256,954

As part of the Network's liquidity management, the Network invests its financial assets to be available as general expenditures, liabilities, and other obligations come due. In addition, the Network invests cash in excess of daily requirements in short-term liquid investments and crypto assets. Such assets are actively traded and readily available should the Network have the need to use such funds.

3. CRYPTO ASSETS

The following table presents the Network's crypto assets held as of December 31, 2025:

	Tokens	Cost	Fair Market Value
Bitcoin USD (BTC)	**36.94**	**$ 2,160,048**	**$ 3,232,321**
Total	**36.94**	**$ 2,160,048**	**$ 3,232,321**

The following table presents the Network's crypto assets held as of December 31, 2024:

	Tokens	Cost	Fair Market Value
Bitcoin USD (BTC)	25.44	$ 1,053,307	$ 2,377,294
Total	25.44	$ 1,053,307	$ 2,377,294

The following table presents a rollforward of the Network's crypto asset activities for the years ended December 31, 2025 and 2024:

	2025	2024
Crypto assets, Jan 1	**$ 2,377,294**	$ 624,882
Purchases of crypto assets	**1,110,456**	658,511
Unrealized gain (loss) on crypto assets	**(255,429)**	1,093,901
Crypto assets, December 31	**$ 3,232,321**	$ 2,377,294

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The fair values of the financial instruments shown in the following table as of December 31, 2025 and 2024 represent the amounts that would be received to sell those assets in an orderly transaction between market participants at that date. These fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset at the measurement date, the fair value measurement reflects the Network's judgments about the assumptions that market participants would use in pricing the asset. Those judgments are based on the best information available including expected cash flows, and appropriately risk-adjusted interest rates, and available observable and unobservable inputs.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Assets listed below are measured at fair value during the years ended December 31, 2025 and 2024 using the market approach. The following table sets forth by level the Network's financial instruments at fair value as of December 31, 2025:

	Total	Level 1	Level 2	Level 3
Mutual funds	**$ 535,851**	**$ 535,851**	**$ -**	**$ -**
Exchange traded funds	**6,219**	**6,219**	**-**	**-**
Crypto assets	**3,232,321**	**3,232,321**	**-**	**-**
Total	**$ 3,774,391**	**$ 3,774,391**	**$ -**	**$ -**

The following table sets forth by level the Network's financial instruments at fair value as of December 31, 2024:

	Total	Level 1	Level 2	Level 3
Mutual funds	$ 439,892	$ 439,892	$ -	$ -
Exchange traded funds	4,924	4,924	-	-
Crypto assets	2,377,294	2,377,294	-	-
Total	$ 2,822,110	$ 2,822,110	$ -	$ -

Investment income (loss) by net asset class for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Return on investments, without restriction:		
Interest and dividends	**10,629**	$ 9,318
Net realized and unrealized gain (loss)	**(164,814)**	1,141,850
Return on investments, unrestricted	**$ (154,185)**	$ 1,151,168

5. PROPERTY AND EQUIPMENT, NET

Property and equipment as of December 31, 2025 and 2024 consisted of the following:

	2025	2024
Leashold improvements	**515,931**	$ 515,931
Furniture and fixtures	**47,257**	44,260
Warehouse equipment	**35,965**	35,965
	599,153	596,156
Accumulated depreciation and amortization	**(246,545)**	(128,446)
Total property and equipment, net	**$ 352,608**	$ 467,710

5. PROPERTY AND EQUIPMENT, NET (Continued)

Depreciation expense for the years ended December 31, 2025 and 2024 was **$118,099** and $111,372, respectively.

6. LEASES

The Network leases certain office facilities and equipment for various terms under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2033 and certain of the leases provide for renewal options. The agreements generally require the Network to pay real estate taxes, insurance, and repairs.

Total lease costs for the years ended December 31, 2025 and 2024, were **$297,507** and $338,575, respectively.

The following table summarizes the supplemental cash flow information for the years ended December 31, 2025 and 2024:

	2025	**2024**
Cash paid for amounts included in		
the measurement of lease liabilities:		
Operating cash flows used for operating leases	**$ 275,846**	$ 308,880

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate used as of December 31, 2025 and 2024:

	2025	**2024**
Weighted-average remaining lease term		
Operating leases	**6.7 years**	7.7 years
Weighted-average discount rate		
Operating leases	**3.43%**	3.42%

6. LEASES (Continued)

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2025:

For the years ending December 31,	
2026	$ 284,121
2027	292,645
2028	301,424
2029	310,467
2030	300,566
Thereafter	620,890
Total lease payments	2,110,113
Less: present value discount	(264,372)
Present value of lease liabilities	$ 1,845,741

7. NOTES PAYABLE

The Organization entered into three separate promissory note agreements in connection with the acquisition of Praxis LLC, on January 31, 2025. Each note bears interest at 8.0%, requires fixed monthly payments, and matures in January 2029. The notes are unsecured and do not contain financial covenants.

As of December 31, 2025, future minimum maturities of the notes payable is as follows:

For the years ending December 31,	
2026	$ 106,285
2027	115,072
2028	124,659
2029	10,844
Thereafter	-
Total future minimum payments	$ 356,860

8. RETIREMENT PLAN

The Network sponsors a 403(b) plan (the “Plan”). Under the Plan, eligible employees may elect to contribute up to 100% of their salaries, limited to the maximum allowable amounts specified in the IRS Regulations. The Network matches 100% of the first 3% contributed to the Plan and 50% of contributions between 3% and 5%. The amount contributed to the Plan by the Network for the years ended December 31, 2025 and 2024 was **$83,563** and $44,231, respectively.

9. CONCENTRATIONS OF CREDIT AND MARKET RISK

The Network maintains its cash and cash equivalent balances at financial institutions located in the Salt Lake and Utah County areas. The deposits at times may exceed their federally insured limits of $250,000 established by the Federal Deposit Insurance Corporation. The Network has not experienced any losses related to its accounts and believes it is not exposed to any significant credit risk on these balances.

The Network maintains accounts with a brokerage firm. The accounts contain cash and securities. The balances are insured by the Securities Investors Protection Corporation up to $500,000 with a $250,000 limit for cash claims. Due to the level of risk associated with investment securities, changes are likely to occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

The Organization has a concentration of credit risk related to its note payable, as a significant portion of its outstanding debt is owed to a single individual. As of December 31, 2025, approximately 70% of the Organization's total notes payable were owed to a single individual.

10. RELATED PARTY TRANSACTIONS

The Network has transactions with entities related to board members and certain employees at the Network. The Network's Investment in LLC is an investment in Tuttle Twins Show, LLC that is considered to be a related party. The total investment in this related party was valued at $1,398,384 as of December 31, 2025 and 2024 and is valued at cost.

The Network also has transactions with Tuttle Twins Holding Company, LLC which is considered a related party. The Network made royalty payments to the entity that totaled approximately **$1,111,890** and $826,392 for the years ended December 31, 2025 and 2024, respectively.

The Network may also receive contributions from board members or entities owned by or directly affiliated with board members.

11. ACQUISITION

In January 2025, the Network acquired 100% of the equity interests of Praxis Careers, LLC, a for-profit entity. The acquisition was accounted for as an acquisition by a not-for-profit entity and Praxis' financial position and results of operations are included in the accompanying consolidated financial statements from the acquisition date.

11. ACQUISITION

The following is a summary of the total consideration paid in the acquisition:

Cash consideration	$ 300,000
Issuance of notes payable	450,000
Total purchase consideration	**$ 750,000**

The following is a summary of the estimated fair values of the assets acquired and liabilities assumed as of the date of acquisition:

Identifiable tangible assets	$ 88,421
Identifiable intangible assets	300,000
Goodwill	376,021
Current liabilities assumed	(14,442)
Total purchase consideration	**$ 750,000**

The fair value of assets obtained was based on the parties' best estimate of the value of the assets and liabilities. The excess of consideration transferred over the fair value of net identifiable assets acquired resulted in the recognition of goodwill of $376,021, which is included in the consolidated statement of financial position and represents expected future economic benefits arising from the acquisition. Goodwill is subject to impairment testing in accordance with ASC 350.

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through the date of the independent auditor's report, which is the date the consolidated financial statements were available to be issued. No events have occurred subsequent to December 31, 2025 that would require recognition or disclosure in these consolidated financial statements.