Truckers Against Trafficking

Financial Statements

December 31, 2025
(With Summarized Comparative Totals as of December 31, 2024)

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Montoya, P.C.
Certified Public Accountants

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Certified Public Accountants

Independent Auditor's Report

Board of Directors
Truckers Against Trafficking

Opinion
We have audited the accompanying financial statements of Truckers Against Trafficking (TAT), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of TAT and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

475 Lincoln Street, Suite 200 ● Denver, CO 80203
Phone 303-534-5953 ● Fax 303-892-7776 ● Website kcmdenver.cpa

Board of Directors
Truckers Against Trafficking

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TAT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about TAT'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.

Prior Period Financial Statements
The financial statements of TAT as of December 31, 2024 were audited by another auditor, who expressed an unmodified opinion on those financial statements on September 5, 2025. In our opinion the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Kundinger, Corder & Montoya, P.C.

July 2, 2026

Truckers Against Trafficking
Statement of Financial Position
December 31, 2025
(With Summarized Information for December 31, 2024)

		2025	2024
Assets			
Cash and cash equivalents	$	733,101	4,908,285
Contributions receivable		390,017	417,606
Investments (note 3)		5,829,312	1,193,872
Inventory		19,918	5,546
Property and equipment, net (note 4)		105,448	–
Total assets	$	7,077,796	6,525,309
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued liabilities	$	56,562	48,729
Total liabilities		56,562	48,729
Net assets			
Net assets without donor restrictions		6,726,804	6,183,246
Net assets with donor restrictions (note 5)		294,430	293,334
Total net assets		7,021,234	6,476,580
Commitments (note 7)			
Total liabilities and net assets	$	7,077,796	6,525,309

See the accompanying notes to the financial statements.

Truckers Against Trafficking
Statement of Activities
Year Ended December 31, 2025
(With Summarized Information for the Year Ended December 31, 2024)

	Without donor restrictions	With donor restrictions	2025 Total	2024 Total
Operating revenue				
Contributions and grants	$ 2,601,939	350,000	2,951,939	3,384,410
Contributed non-financial assets (note 6)	234,059	–	234,059	78,291
Investment income	404,430	–	404,430	275,202
Other income	471	–	471	53,452
Net assets released from restriction	348,904	(348,904)	–	–
Total operating revenue	3,589,803	1,096	3,590,899	3,791,355
Operating Expenses				
Program services				
Training and education	2,681,448	–	2,681,448	2,438,019
Supporting services				
General and administrative	304,892	–	304,892	285,018
Fundraising	59,905	–	59,905	43,981
Total supporting services	364,797	–	364,797	328,999
Total expenses	3,046,245	–	3,046,245	2,767,018
Change in net assets	543,558	1,096	544,654	1,024,337
Net assets at beginning of year	6,183,246	293,334	6,476,580	5,452,243
Net assets at end of year	$ 6,726,804	294,430	7,021,234	6,476,580

See the accompanying notes to the financial statements.

Truckers Against Trafficking
Statement of Functional Expenses
Year Ended December 31, 2025
(With Summarized Information for the Year Ended December 31, 2024)

	Program services	Supporting services: General and administrative	Supporting services: Fund raising	2025 Total	2024 Total
Salaries and related expenses	$ 1,878,028	258,813	48,298	2,185,139	1,962,482
Travel, lodging, and meals	281,712	7,244	1,352	290,308	218,144
Utilities	11,453	1,578	295	13,326	12,942
Depreciation	5,342	–	–	5,342	–
In-kind	169,059	–	–	169,059	78,291
Professional fees	11,950	32,500	307	44,757	45,423
Insurance	5,360	2,072	138	7,570	8,404
Communications	2,892	397	74	3,363	2,368
Donation program	–	–	9,106	9,106	11,004
Miscellaneous	–	491	–	491	1,448
Office supplies	13,041	1,797	335	15,173	21,837
Industry training program	302,611	–	–	302,611	404,675
Total expenses	$ 2,681,448	304,892	59,905	3,046,245	2,767,018

See the accompanying notes to the financial statements.

Truckers Against Trafficking
Statement of Cash Flows
Year Ended December 31, 2025
(With Summarized Information for the Year Ended December 31, 2024)

	2025	2024
Cash flows from operating activities		
Change in net assets	$ 544,654	1,024,337
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net unrealized/realized gains on investments	(252,793)	(100,739)
Depreciation	5,342	–
Changes in operating assets and liabilities		
Contributions receivable	27,589	261,088
Inventory	(14,372)	(3,193)
Accounts payable and accrued liabilities	7,833	4,421
Net cash provided by operating activities	318,253	1,185,914
Cash flows from investing activities		
Net, purchases of investments	(4,382,647)	2,210,094
Purchases of property and equipment	(110,790)	–
Net cash (used in) provided by investing activities	(4,493,437)	2,210,094
(Decrease) increase in cash and cash equivalents	(4,175,184)	3,396,008
Cash and cash equivalents at beginning of year	4,908,285	1,512,277
Cash and cash equivalents at end of year	$ 733,101	4,908,285

See the accompanying notes to the financial statements.

(1) Summary of Significant Accounting Policies

(a) General

Truckers Against Trafficking (TAT) was established in 2011 to educate, equip, empower, and mobilize members of key industries and agencies to combat human trafficking. TAT accomplishes its mission by focusing on key areas as follows:

The industry training program is TAT's core program that drives the biggest impact by training over a million industry members about the realities of domestic sex trafficking and how the trucking industry can combat it. By speaking all over the country, utilizing a robust social media program, and via our industry-specific materials, TAT partners with the truck, bus, and energy industries, as well as shippers, manufacturers and state and national associations in order to spread the word.

In order to discover and disrupt human trafficking networks, TAT engages in state agency initiatives, insofar as it partners with state agencies across the nation to conduct trainings and adopt policies and protocols that capitalize on their intersections with commercial vehicle sectors, as well as potential victims.

In order to scale sustainably, TAT is working to replicate its model across borders, modes and industries. TAT continues its model into Canada and Mexico.

(b) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

(c) Financial Statement Presentation

TAT is required to present information regarding financial position and activities according to the following net asset classifications:

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 TAT. These net assets may be used at the discretion of TAT's management and the Board of Directors.

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 TAT or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

(1) Summary of Significant Accounting Policies, Continued

(d) Cash and Cash Equivalents

For purposes of the statement of cash flows, TAT considers all highly liquid investments with an initial maturity of three months or less, and are not held as part of the investment portfolio, to be cash equivalents.

(e) Concentrations

Financial instruments which potentially subject TAT to concentrations of credit risk consist of cash and cash equivalents, contributions receivable and investments. TAT places its cash and cash equivalents with creditworthy, high quality, financial institutions. At times throughout the year, a portion of TAT's cash is not insured by the FDIC or related entity.

Credit risk with respect to contributions receivable is generally diversified due to the number of entities and credit-worthiness of the organizations and individuals that make up the donor base.

TAT's investments are heavily weighted toward equity investments which could result in a significant reduction in the value of the corpus in certain market conditions. Investments are made directly by the board of directors and investment managers engaged by the board and are monitored by the board and a third-party advisor on an ongoing basis. Through the market values of investments are subject to fluctuation on a year-to-year basis, the board believes that the investment policy is prudent for the long-term welfare of TAT.

(f) Investments

Investments are recorded at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair value in the statement of financial position. Fair value is determined as more fully described in note 1(g). TAT's management is responsible for the fair value measurement of investments reported in the financial statements and believes the reported values are reasonable. Investment return consists of TAT's distributive share of any interest, dividends, and capital gains and losses generated from sales of investments. Gains and losses attributable to investments are realized and reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the statement of activities.

(g) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. Generally accepted accounting principles (GAAP) establish a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

(1) Summary of Significant Accounting Policies, Continued

(g) Fair Value Measurements, Continued

Assets are grouped in three levels based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.
Level 3	Unobservable inputs that cannot be corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Level 1, 2 and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not an indication of risk or liquidity.

(h) Property and Equipment

Property and equipment are stated at cost at the date of purchase or, if donated, at the approximate fair market value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. TAT's policy is to capitalize all expenditures for property and equipment in excess of $5,000 and with a useful life exceeding one year, and to expense normal repairs and maintenance as incurred. When assets are sold, retired or otherwise disposed of, the applicable costs are removed from the accounts and any resulting gain or loss is recognized. Management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

(i) Revenue Recognition

<u>Contributions</u>
Contributions are recognized when cash, securities, and unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend are substantially met. Should TAT substantially meet the conditions in the same period that the contribution was received, and barring any further donor-imposed restrictions, TAT has elected to recognize the revenue in net assets without donor restrictions. Payments received in advance of conditions being met are recorded as a refundable advance.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(1) Summary of Significant Accounting Policies, Continued

(i) Revenue Recognition, Continued

Contributions, Continued
Contributions receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. At December 31, 2025, all contributions receivable are expected to be collected within one year. There is no allowance for uncollectible amounts as management believes that all amounts will be collected. There were no conditional contributions as of December 31, 2025.

Donated Goods and Services
Donated goods are recorded at fair value on the date of donation. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by TAT. In addition, a number of volunteers have donated time in connection with TAT's activities. No amounts have been reflected in the accompanying financial statements because the volunteer services do not meet the recognition criteria under GAAP. TAT did not monetize any donated goods. There were no donor-imposed restrictions associated with the donated goods and services.

(j) Functional Expense Allocations

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. TAT incurs expenses that directly relate to, and can be assigned to, specific programs or supporting activities.

TAT also conducts a number of activities which benefit both program objectives as well as supporting services (i.e. fund raising and general and administrative activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel.

(k) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(l) Income Taxes

TAT is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, and contributions received qualify for the charitable contribution deduction. However, income from activities not directly related to their tax-exempt purpose is subject to taxation as unrelated business income. TAT did not incur unrelated business income tax during the year ended December 31, 2025.

(1) Summary of Significant Accounting Policies, Continued

(l) Income Taxes, Continued

Management is required to evaluate tax positions taken and to recognize a tax liability (or asset) if a position has been taken that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements and determined there are none. TAT is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The three previous tax years remain subject to examination by the IRS.

(m) Subsequent Events

TAT's financial statements were available to be issued on July 2, 2026 and this is the date through which subsequent events were evaluated.

(n) Prior Year Information

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

(2) Liquidity and Availability of Financial Assets

The following reflects TAT's financial assets that are available for general expenditure within one year as of December 31, 2025:

Financial assets available at year-end	
Cash and cash equivalents	$ 733,101
Contributions receivable within one year	390,017
Investments	5,829,312
Financial assets available to meet general and specific expenditures within one year	$ 6,952,430

General expenditures include administrative, program, and fund raising expenses incurred in the conduct of ongoing activities. TAT's activities are sustained primarily through contributions. TAT anticipates collecting sufficient revenue to cover general expenditures largely through contributions.

TAT considers donor restricted contributions for on-going programs to be available for expenditure, provided they are available for expenditure within the next twelve months. Accordingly, the donor restricted amounts expected to be expended in the next twelve months are included in total financial assets available for expenditure within one year.

(3) Investments

The following table summarizes the TAT's investments at fair value on a recurring basis, by level within the fair value hierarchy, as of December 31, 2025:

	Fair Value	Level 1	Level 2	Level 3
Cash equivalents	$ 1,287,319	1,287,319	–	–
Mutual funds				
Fixed income	2,606,180	2,606,180	–	–
Large growth	1,351,443	1,351,443	–	–
Total mutual funds	5,244,942	5,244,942	–	–
Annuity insurance contract	584,370	–	–	584,370
Total investments	$ 5,829,312	5,244,942	–	584,370

All assets have been valued using a market approach. Level 1 investments are comprised of open-ended mutual funds and securities with readily determinable fair values based on daily redemption values. Level 3 investments consists of an annuity insurance contract. The annuity insurance contract was established as a death benefit, naming a prior Executive Director as the annuitant. The fair value is based upon the cash surrender value, which is the cash amount that would be offered to TAT by the issuing annuity carrier upon cancellation of the contract. As of December 31, 2025, the death benefit payout amount was $604,370, with a cash surrender value of $584,370. Management believes that the sensitivity in the fair value measurement of the annuity insurance contract is related to market fluctuations, as the investments held in the annuity insurance contract are primarily marketable securities.

(4) Property and Equipment

Property and equipment consists of the following at December 31, 2025:

Autos and trucks	$ 150,790
Less accumulated depreciation	(45,342)
Property and equipment, net	$ 105,448

(5) Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of program restrictions totaling $294,430 at December 31, 2025. These are expected to be released within the next year when the related expenditures have been incurred.

Net assets totaling $348,904 were released from donor restrictions as a result of meeting the respective purpose restrictions.

(6) Contributed Non-Financial Assets

TAT received professional services from trucking services in the amount of $164,344 during 2025. TAT also received donated goods in the amount of $69,715 during 2025. All gifts in-kind were utilized to carry out the mission of TAT and are considered without donor restrictions. During 2025, $65,000 of donated goods received were capitalized.

TAT values donated goods using either of these two methods (1) current price located on a publicly available website; or (2) the estimated cost based on the services provided. The estimated fair value of professional services is provided by the service provider, who estimates the fair value based on the date, time, and market in which each service is rendered. Donated goods includes one Great Dane trailer and flooring for the trailer received during 2025, which has been capitalized as property and equipment. Professional services include primarily trucking services donated to TAT.

(7) Retirement Plan

Effective January 1, 2019, TAT established a simplified IRA (the "Plan") covering substantially all employees. Contributions are based on a percentage of the eligible employee's annual salary which is approved by the board of directors on an annual basis. Contributions to the Plan during the year ended December 31, 2025, totaled $47,951.