AUDITED FINANCIAL STATEMENTS

WOODLANDS COMMUNITY LENDERS, INC.

FOR THE YEAR ENDED
DECEMBER 31, 2025

WOODLANDS COMMUNITY LENDERS, INC.

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2025

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Dooley & Vicars
Certified Public Accountants, L.L.P.

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Woodlands Community Lenders, Inc.
Elkins, WV

Opinion

We have audited the accompanying statement of financial position of Woodlands Community Lenders, Inc. (the Organization) as of and for the year ended December 31, 2025, and the related statement 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 the Organization as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Report on Summarized Comparative Information

We have previously audited Woodland Community Lenders, Inc.'s 2024 financial statements. Our report dated June 30, 2025, expressed an unmodified opinion on those audited financial statements based on our audit. 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.

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

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 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 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 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

Dooley & Vicars

Dooley & Vicars
Certified Public Accountants, L.L.P.

Richmond, Virginia
June 30, 2026

WOODLANDS COMMUNITY LENDERS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(With Comparative Amounts as of December 31, 2024)

ASSETS

	2025	2024
CURRENT ASSETS		
Cash	$ 246,738	$ 347,634
Cash with Donor Restrictions	2,059,401	1,454,375
Accounts Receivable	200	10,200
Grants Receivable	134,127	77,868
Current Portion of Loan Receivable,		
Net Current Allowance for Credit Losses of $23,840	665,135	733,661
Total Current Assets	3,105,601	2,623,738
PROPERTY AND EQUIPMENT		
Leasehold Improvements	80,155	80,155
Furniture and Equipment	10,882	10,882
Less: Accumulated Depreciation	(42,294)	(36,787)
Property and Equipment, Net	48,743	54,250
OTHER ASSETS		
Right of Use Asset	84,324	105,924
Certificates of Deposit	1,688,017	856,424
Loans Receivable, Net of Allowance for Credit Losses of		
($176,204 in 2025 and $142,553 in 2024)	4,892,312	3,841,542
Less: Current Portion of Loan Receivable	(665,135)	(733,661)
Total Other Assets	5,999,518	4,070,229
Total Assets	$ 9,153,862	$ 6,748,217

LIABILITIES AND NET ASSETS

	2025	2024
CURRENT LIABILITIES		
Accounts Payable	$ 128,604	$ 25,336
Accrued Expenses	17,891	20,001
Deferred Revenue	-	327,514
Notes Payable - Current Portion	144,638	88,310
Total Current Liabilities	291,133	461,161
LONG-TERM LIABILITIES		
Notes Payable	4,684,561	3,159,096
Operating Lease Liability	84,324	105,924
Total Long-term Liabilities	4,768,885	3,265,020
Total Liabilities	5,060,018	3,726,181
NET ASSETS		
Without Donor Restriction	655,758	532,290
With Donor Restriction	3,438,086	2,489,746
Total Net Assets	4,093,844	3,022,036
Total Liabilities and Net Assets	$ 9,153,862	$ 6,748,217

WOODLANDS COMMUNITY LENDERS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(With Comparative Amounts as of December 31, 2024)

	2025	2024
SUPPORT AND REVENUE		
Grants Revenue	$ 1,627,039	$ 656,658
Interest Income	425,685	284,706
Fee Income	15,464	20,855
Rental Income	14,040	12,000
Other Income	88,587	30,962
In-Kind Income - MFTP	159,800	-
Total Support and Revenue	2,330,615	1,005,181
EXPENSES		
Program Services	1,131,182	450,405
Management and General	127,625	170,336
Total Expenses	1,258,807	620,741
Increase (Decrease) in Net Assets	1,071,808	384,440
NET ASSETS		
Beginning of Year	3,022,036	2,637,596
End of Year	$ 4,093,844	$ 3,022,036

WOODLANDS COMMUNITY LENDERS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(With Comparative Amounts as of December 31, 2024)

	Program Services		Supportive Services Management & General			
	WCL	MFTP	WCL	MFTP	Total 2025	Total 2024
Salaries	$ 106,962	$ 134,392	$ -	$ -	$ 241,354	$ 159,691
Contracted Services	154,939	238,239	5,266	82,664	481,108	242,455
Technical Assistance	38,155	-	-	-	38,155	26,343
Provision for Loan Loss	30,455	-	-	-	30,455	6,122
Loan Processing Expense	55	-	-	-	55	-
Travel and Training	12,920	23,594	7,349	-	43,863	19,555
Administrative Office Costs	10,502	5,427	8,106	-	24,035	20,696
Employee Benefits	25,382	29,015	-	-	54,397	48,984
Office Rent	12,994	-	10,631	-	23,625	21,600
Depreciation Expense	3,029	-	2,478	-	5,507	6,604
Interest	83,237	-	-	-	83,237	38,976
In-Kind Expense	-	159,800	-	-	159,800	-
Insurance	1,825	-	1,493	-	3,318	3,059
Equipment and Support	10,028	-	8,205	-	18,233	20,957
Utilities	1,751	-	1,433	-	3,184	2,773
Bad Debts Expense	22,722	-	-	-	22,722	-
Marketing and Advertising	1,942	23,817	-	-	25,759	2,926
Total Expenses	$ 516,898	$ 614,284	$ 44,961	$ 82,664	$ 1,258,807	$ 620,741

WOODLANDS COMMUNITY LENDERS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(With Comparative Amounts as of December 31, 2024)

	2025	2024
Cash Flows from Operating Activities		
Cash Received from Donors	$ 1,580,780	$ 711,298
Cash Received from Rental Revenue	14,040	284,706
Cash Received from Borrowers	15,464	20,855
Cash Received from Others	88,587	30,962
In-Kind Revenue Received	159,800	-
Interest and Dividends Received	425,685	12,000
Cash Payments for Salaries and Benefits	(295,751)	(208,675)
Cash Payments to Vendors and Other	(1,183,905)	(135,400)
Net Cash Provided By (Used In) Operating Activities	804,700	715,746
Cash Flows from Investing Activities		
Purchase of Investments	(831,593)	(397,446)
Net Cash Provided By (Used In) Investing Activities	(831,593)	(397,446)
Cash Flows from Financing Activities		
(Increase)/Decrease in Loans Receivable	(1,050,770)	(773,703)
Increase/(Decrease) in Notes Payable	1,581,793	751,334
Net Cash Provided By (Used In) Financing Activities	531,023	(22,369)
Net Increase (Decrease) in Cash	504,130	295,931
Cash at Beginning of Year	1,802,009	1,506,078
Cash at End of Year	$ 2,306,139	$ 1,802,009

Reconciliation of Cash

	2025	2024
Cash - Unrestricted	$ 246,738	$ 347,634
Cash with Donor Restrictions	2,059,401	1,454,375
Total Cash	$ 2,306,139	$ 1,802,009

WOODLANDS COMMUNITY LENDERS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(With Comparative Amounts as of December 31, 2024)
(CONTINUED)

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	$ 1,071,808	$ 384,440
Adjustments to Reconcile Change in Net Assets		
Depreciation	5,507	6,604
(Increase) Decrease in:		
Grants Receivable	(56,259)	64,840
Other Receivables	10,000	(10,200)
Increase (Decrease) in:		
Accounts Payable	103,268	19,404
Accrued Expenses	(329,624)	250,658
Net Cash Provided By (Used In) Operating Activities	$ 804,700	$ 715,746

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1: Organization and Mission

Woodlands Community Lenders, Inc. (the Organization) is a non-profit (501)(c)(3) organization incorporated in the State of West Virginia. The organization is a certified community development financial institution whose mission is to provide loans, support, and assistance to small businesses and nonprofit organizations in the underserved communities of Randolph, Barbour, Tucker, Upshur, Preston, Grant, Pendleton, Pocahontas, and Webster counties.

Note 2: Summary of Significant Accounting Policies

Method of Accounting - The financial statements of Woodlands Community Lenders, Inc., have been prepared on the accrual basis of accounting. Revenues and related assets are recognized when earned and expenses and related liabilities are recognized when the related obligations are incurred.

Basis of Presentation - The financial statements have been prepared in accordance with the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 958, Financial Statements of Not-for-Profit Organizations. In accordance with ASC 958, the Agency is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Without Donor Restrictions - Net assets available for use in general operations and not subject to donor- (or certain grantor-) imposed restrictions.

With Donor Restrictions - Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 consolidated statements of activities as net assets released from restrictions. We report conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Woodlands Community Lenders, Inc. accounts for contributions received as with or without donor restriction depending on the existence and/or nature of any donor restrictions.

Advertising Costs - Advertising costs are charged to operations when incurred.

Functional Allocation of Expenses - The cost of providing various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 2: Summary of Significant Accounting Policies (Cont.)

Program Support and Revenue - The Organization received a majority of its revenues from grants and contributions. The Organization relies on the continued receipt of grants and contributions to provide program services.

Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported periods. Actual results could differ from those estimates.

Depreciation - All purchased property and equipment which have useful life of more than one year are capitalized at cost. The costs of normal maintenance and repairs that do not add to the asset or materially extend asset lives are expensed. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation is provided for in an amount sufficient to relate the cost of depreciable assets to operations over their estimated service lives on a straight-line basis. Depreciation expense during the years ended December 31, 2025 and 2024, was $5,507 and $6,604, respectively.

Subsequent Events - Management has evaluated subsequent events through June 30, 2026, the date on which the financial statements were available to be issued.

Allocation of Joint Costs - The Organization allocates joint costs using a systematic methodology, applied consistently, that results in a reasonable allocation following the criteria of purpose.

Income Taxes - Woodlands Community Lenders, Inc., is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2025. Fiscal years ending on or after December 31, 2022, remain subject to examination by federal and state tax authorities.

Long Term Leases - In accordance with ASC 842, operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities on the balance sheet.

Restatements - Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

In-Kind Contributions - Contributed nonfinancial assets include donated professional services, board and committee support, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. In-kind revenue is the value of contributed materials and the value of contributed services that either created or enhanced a nonfinancial asset or required specialized skills, and was provided by individuals possessing those skills, and are a type that would have been purchased, if not contributed, are recognized as in-kind revenue.

Current Expected Credit Losses - In accordance with ASC 326-20, an allowance for credit losses has been recognized for a portion of debt assets that are not expected to be collected.

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 2: Summary of Significant Accounting Policies (Cont.)

Restricted Cash - In order to secure its obligations in existing loan agreements, the Organization is required to maintain certain bank accounts and balance, wherein the proceeds of the loans shall be held in separate custodial accounts established at a mutually acceptable financial institution. This requirement includes three federal programs, restricted grants, and loan funds. For the ARC Revolving Loan Funds (RLF) and Intermediary Relending Program (IRP), which includes the Rural Microentrepreneur Assistance Program (RMAP), the Organization agrees to deposit in a custodial account on the closing date the full amount of the proceeds of the loan and thereafter, principal or proceeds received by the ultimate recipient, and all interest, dividends or other earnings. The amounts deposited in the account shall not be commingled with any other funds. In addition, IRP, RMAP, and Small Business Administration (SBA) require cash to be restricted for loan loss reserves. Refer to *Note 2 - Cash and Cash Equivalents* .

Note 3: Cash and Cash Equivalents

For financial statement purposes, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents as of December 31, 2025 and 2024, consisted of the following:

	2025	2024
Cash - Unrestricted	$ 246,738	$ 347,634
Cash with Donor Restrictions	2,059,401	1,454,375
Total	$ 2,306,139	$ 1,802,009

Restricted cash balances at December 31, 2025 and 2024, are held for the following purposes:

	2025	2024
Cash Loan Loss Reserves:		
Intermediary Relending Program	$ 107,469	$ 80,718
Rural Microentrepreneur Assistance Program	67,848	40,016
Small Business Administration	6,279	-
Cash Required to be Segregated:		
Loan Funds & PRI	245,623	519,967
Restricted Grants	667,297	570,878
Revolving Loan Funds:		
Appalachian Regional Commission	240,209	171,713
Intermediary Relending Program	56,316	-
Rural Microentrepreneur Assistance Program	668,360	71,083
	$ 2,059,401	$ 1,454,375

Note 4: Grants Receivable

Grants Receivable as of December 31, 2025 and 2024 consisted of the following:

	2025	2024
Appalachian Regional Commission (ARC)	$ -	$ 4,006
USDA Rural Microenterprise Assistance Program (RMAP)	15,741	37,777
Mon Forest Towns Partnership	86,011	-
Partner Community Capital, Inc. (PCAP)	32,375	36,085
Total	$ 134,127	$ 77,868

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 5: Loans Receivable

The amount represents loans given by the Organization to certain qualified businesses and nonprofits. The loans are secured. The Organization had provided an allowance for loan loss of $30,455 and $6,122 charged to Provision for Loan Losses expense for the years 2025 and 2024, respectively, and included in the Allowance for Credit Losses account balance on outstanding Loan Receivables. At December 31, 2025 and 2024, the balances due are as follows:

	2025	2024
Loans Receivable	$ 5,092,356	$ 4,011,130
Less: Allowance for Credit Losses	(200,044)	(169,588)
Net Receivables	4,892,312	3,841,542
Loans Receivable - Current Portion	665,135	733,661
Loans Receivable - Noncurrent	$ 4,227,177	$ 3,107,881

Woodlands Community Lenders (WCL) makes small business loans to our customers, primarily in Randolph, Barbour, Tucker, Upshur, Preston, Grant, Pendleton, Pocahontas, and Webster counties.

Due to our current loan portfolio size, WCL has determined that all loans fit within our small business loan segment for financial reporting purposes. Loans receivable are stated at the principal amount outstanding, net of allowance for losses. Due to the low level of materiality, interest income and origination fees are recognized when received.

Loans are monitored monthly and placed on a watch list if circumstances warrant.

WCL estimates an allowance for credit losses in accordance with current expected credit loss (CECL) methodology. WCL's management assesses the adequacy of the allowance on a quarterly basis. The level of allowance is based on management's evaluation of historical default and loss experience, current and projected general economic outlook, composition of loan portfolio and other pertinent factors. Loans are evaluated on an individual basis using an internally developed risk rating system.

As of December 31, 2025, all loans receivable were either current or less than 30 days past due, with the exception of twelve loans, secured by real estate, in the 31-90 days past due status in the amount of $602,377. For 2024, all loans receivable were current or less than 30 days past due, except for seven loans totaling $158,478 in the 90 days past due status. One loan was written off in 2025, totaling $22,722. In 2024, one loan was written off, totaling $15,288. Two loans written off in years previous to 2024 were recovered, totaling $15,087. No loans were recovered in 2025.

WCL evaluates loans using the below rating scale:

		2025	**2024**
Strong	Risk 1	$ 176,551	$ 57,058
Low Risk	Risk 2	787,099	444,612
Moderate Risk	Risk 3	3,078,907	2,115,867
High Risk	Risk 4	811,879	893,368
Vulnerable	Risk 5	54,969	96,812
Loss Imminent	Risk 6	-	-
Higher Covid Risk	Risk R	180,952	401,119
	Total	$ 5,090,357	$ 4,008,836

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 5: Loans Receivable (Cont.)

The above table summarizes the loan portfolio classified by internal credit risk rating as of December 31, 2025 and 2024, respectively.

The following is an analysis of the allowance for credit losses for the years ending December 31, 2025 and 2024.

	2025	2024
Beginning Balance	$ 169,588	$ 178,754
Provision charged to operations	53,178	6,122
Less charge-offs	(22,722)	(15,288)
Recoveries	-	-
Ending Balance	$ 200,044	$ 169,588

Note 6: Notes Payable

The Organization had nine notes payable at December 31, 2025 totaling $4,829,199 and seven notes payable at December 31, 2024 totaling $3,247,406. The detail of calculation below represents current portion due within one year using straight-line amortization which is as follows:

	Amounts of Notes Payable	Current Portion	Noncurrent Portion
USDA-Intermediary Relending Program (IRP#1)	$ 185,561	$ 10,748	$ 174,813
USDA-Intermediary Relending Program (IRP#2)	726,049	25,692	700,357
USDA-Intermediary Relending Program (IRP#3)	746,754	24,214	722,540
Rural Microenterprise Assistance Program	271,663	31,631	240,032
Rural Microenterprise Assistance Program - CLF	412,737	28,083	384,654
Rural Microenterprise Assistance Program - 3	486,435	24,270	462,165
Appalachian Community Capital 2022	500,000	-	500,000
Appalachian Community Capital 2025	1,000,000	-	1,000,000
RK Mellon Foundation Loan	500,000	-	500,000
Ending Balance	$ 4,829,199	$ 144,638	$ 4,684,561

The first note payable is for a loan of $281,000 availed from the USDA-Rural Development under the Intermediary Relending Program (IRP#1). The loan carries an interest rate of 1% and is repayable in 27 equal annual installments starting from December 13, 2018. The total loan amount was fully drawn, and the outstanding amount under this loan as of December 31, 2025 and 2024 was $185,561 and $195,534, respectively.

The second note payable is for a loan of $750,000 availed from the USDA-Rural Development under the Intermediary Relending Program (IRP#2). The loan carries an interest rate of 1% and is repayable in 27 equal annual installments starting from April 8, 2025. The outstanding amount under this loan as of December 31, 2025 and 2024 was $726,049 and $750,000, respectively.

The third note payable is for a loan of $750,000 availed from the USDA-Rural Development under the Intermediary Relending Program (IRP#3). During 2025, $183,228 was drawn. The loan carries an interest rate of 1% and is repayable in 30 equal annual installments starting from March 31, 2027. The total outstanding amount under this loan as of December 31, 2025 and 2024 was $746,754 and $563,526, respectively.

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 6: Notes Payable (Cont.)

During 2015, the Organization obtained additional financing from the USDA-Rural Development of the Rural Microenterprise Assistance Program (RMAP) amounting to $500,000. The loan carries an interest rate of 2% and is repayable in 216 equal monthly installments starting from December 31, 2016. The total loan amount was fully drawn, and the outstanding amount under this loan as of December 31, 2025 and 2024 was $271,663 and $299,759 , respectively.

During 2019, the Organization obtained additional financing from the USDA-Rural Development of the Rural Microenterprise Assistance Program (RMAP) amounting to $500,000. The loan carries an interest rate of 2% and is repayable in 216 equal monthly installments starting from November 9, 2021. The outstanding amount under this loan as of December 31, 2025 and 2024 was $412,737 and $438,587, respectively.

During 2025, the Organization obtained additional financing from the USDA-Rural Development of the Rural Microenterprise Assistance Program (RMAP) amounting to $500,000. The loan was approved in 2022, but the final disbursement of the funds occurred in 2025. The loan carries an interest rate of 1% and is repayable in 216 equal monthly installments starting from July 1, 2025. The outstanding amount under this loan as of December 31, 2025 and 2024 was $486,435 and $0, respectively.

During 2022, the Organization entered into an agreement with Appalachian Community Capital for $500,000 to make project loans to small business. The loan carries an interest rate of 2.78% and is to be fully repaid by December 15, 2027. The outstanding amount under this loan as of December 31, 2025 and 2024 was $500,000.

During 2025, the Organization entered into an agreement with Appalachian Community Capital for $1,000,000 to make project loans to small business. The loan carries an interest rate of 3.95% and is to be fully repaid by May 31, 2030. The outstanding amount under this loan as of December 31, 2025 and 2024 was $1,000,000 and $0, respectively.

During 2024, the Organization entered into an agreement with Richard King Mellon Foundation for $500,000 to support new and growing small businesses. The loan carries an interest rate of 1% and is to be fully repaid by December 31, 2029. The outstanding amount under this loan as of December 31, 2025 and 2024 was $500,000 and $500,000, respectively.

The estimated future maturities of all notes payable as of December 31, 2025, are as follows:

2026	$ 144,638
2027	644,638
2028	144,638
2029	644,638
2030	1,144,638
Thereafter	2,106,009
	$ 4,829,199

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 7: Property and Equipment

Property and equipment is stated at cost. Depreciation on property and equipment is provided over the

	Balance 12/31/2024	Additions	Retirements/ Transfers	Balance 12/31/2025
Leasehold Improvements	$ 80,155	$ -	$ -	$ 80,155
Furniture and Equipment	10,882	-	-	10,882
Total Historical Cost	91,037	-	-	91,037
Less: Accumulated Depreciation:	(36,787)	(5,507)	-	(42,294)
Net Property and Equipment	$ 54,250	$ (5,507)	$ -	$ 48,743

Note 8: Accrued Expenses

At December 31, 2025 and 2024, accrued expenses consist of the following:

	2025	2024
Accrued Salaries	$ -	$ 5,519
Accrued Payroll Taxes	1,373	3,042
Accrued Compensated Absences	-	5,408
Accrued Interest	16,017	5,625
Loan Closing Escrow	501	407
	$ 17,891	$ 20,001

Note 9: Accounts Payable

At December 31, 2025 and 2024, accounts payable consist of the following:

	2025	2024
Other Vendors	$ 45,940	$ 25,336
MOU Contracted Services	82,664	-
	$ 128,604	$ 25,336

Note 10: Interest Expense

The total interest cost incurred during the years ended December 31, 2025 and 2024 was $83,237 and $38,976, respectively.

Note 11: Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of December 31:

	2025	2024
Purpose restrictions	$ 3,438,086	$ 2,489,746
Total	$ 3,438,086	$ 2,489,746

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 12: Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist

As of December 31, 2025 and 2024, the Organization's cash balances are as follows:

	Uninsured	FDIC Insured	Collateralized	Total
Citizens Bank of West Virginia	$ 1,968,434	$ 250,000	$ -	$ 2,218,434
Mountain Valley Bank	-	87,705	-	87,705
December 31, 2025	$ 1,968,434	$ 337,705	$ -	$ 2,306,139
December 31, 2024	$ 1,410,993	$ 391,016	$ -	$ 1,802,009

Note 13: Availability and Liquidity

	2025	2024
Cash and Cash Equivalents	$ 246,738	$ 347,634
Restricted Cash	2,059,401	1,454,375
Accounts Receivable	200	10,200
Grants Receivable	134,127	77,868
Loans Receivable - Current	665,135	733,661
Total Financial Assets	3,105,601	2,623,738
Less Amounts Not Available to be Used Within One Year:		
Deferred Revenue	$ -	$ 1,296
Donor Restricted Net Assets (Net Noncurrent Cert. of Deposits)	1,750,069	1,633,322
Total Nonavailable Funds	1,750,069	1,634,618
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	$ 1,355,532	$ 989,120

The Organization manages multiple grants. The Organization has adopted an annual budget and manages liquidity as needed. Presented above are the Organization's cash and cash equivalents available within one year of the statement of financial position date to meet cash needs for general expenditures.

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 14: Related Party Transactions

The Organization shares an office with the Woodlands Development Group, Inc. (WDG). The Corporation provides certain administrative services to the Organization.

At December 31, 2025 and 2024, the Organization incurred the following expenses for services provided by the Corporation: Contracted Services by WDG $144,481 and $146,800. The Organization is due $0 and $10,000, respectively, from WDG. In addition, the Organization has three outstanding business loans to WDG. At December 31, 2025 and 2024, the outstanding balance of the RMAP loan was $5,678 and $5,678, respectively.

WDG subleases office space from the Organization. In 2025 and 2024, WDG paid the Organization $14,040 and $12,000 respectively for rent.

During 2025 and 2024, The Organization was a fiscal sponsor for Mon Forest Towns Partnership, Inc., a 501(c)3 non profit organization incorporated in West Virginia. As a result, the Organization received $812,683 and $211,090, respectively, in income and disbursed $650,439 and $221,913, respectively, in expenses on behalf of Mon Forest Towns Partnership in 2025 and 2024.

The total net loss or surplus for this separate, fiscally-sponsored organizations consists of the following on December 31:

	2025	2024
Mon Forest Towns Partnership, Net Surplus/(Deficit)	$ 162,244	$ (10,883)
Total Grant Receivable	86,011	36,085

Note 15: Employee Benefits

Employee benefits for the years 2025 and 2024 consist of the following:

	2025	2024
Fringe Benefits	$ 54,397	$ 48,984

Note 16: Allocation of Joint Costs

The Organization incurred joint costs of $252,599 and $60,562 in 2025 and 2024, respectively. These expenses are allocated based on management's assessment of how funds are spent towards the organization's purpose. Expenses were allocated to various functional areas as follows:

	Program	Management and General	2025	2024
WCL				
Joint Cost	$ 207,988	$ 44,611	$ 252,599	$ 92,417
Non Joint Cost	308,910	350	309,260	306,408
Total	$ 516,898	$ 44,961	$ 561,859	$ 398,825
MFTP				
Joint Cost	$ 238,239	$ 82,664	$ 320,903	$ (31,857)
Non Joint Cost	376,045	-	376,045	253,773
	$ 614,284	$ 82,664	$ 696,948	$ 221,916

WOODLANDS COMMUNITY LENDERS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

Note 17: Grant Revenue

The Organization’s grant revenues for the years 2025 and 2024 were as follows:

	2025	2024
MFTP Grant Income		
Appalachian Regional Commission (ARC)	$ 240,751	$ 4,006
Conservation MAR Trails	66,525	13,475
Partner Community Capital, Inc. (PCAP)	99,770	129,739
Woodlands Development Group	1,410	48,590
Claude Worthington Benedum Foundation	138,704	1,296
The Conservation Fund (TCF)	100,000	-
Total MFTP Grant Income	647,160	197,106
WCL Grant Income		
Richard King Mellon Foundation	75,000	-
Appalachian Forest National Heritage Area (AFNHA)	9,400	-
West Virginia Capital Access Program	596,642	342,290
U.S. Department of Treasury CDFI Fund	200,000	5,519
USDA Rural Microenterprise Assistance Program (RMAP)	43,410	101,743
Appalachian Community Capital Corporation (ACC)	50,000	-
Rural Community Development Initiative (RCDI)	5,427	10,000
Total WCL Grant Income	979,879	459,552
Total Grant Income	$ 1,627,039	$ 656,658

Note 18: Right-of-Use Asset Lease

As discussed in Note 2, in 2023 the Company adopted ASC 842. Per the new lease standard, the operating lease with Randolph County Housing Authority (RCHA) is considered a right-of-use asset and has a corresponding lease liability. The lease of property is for a term of ten (10) years beginning May 1, 2020 through April 30, 2030. Rent may increase annually beginning 24 months from the initial lease date, however, said rent increase shall not exceed one percent (1%) in any one year. This agreement calls for monthly payments of $1,800.

Minimum lease payments are as follows:

2026	$ 21,600
2027	21,600
2028	21,600
2029	21,600
2030	7,200
Thereafter	-
	$ 93,600
Less: Amount representing interest	(9,276)
Present value of net minimum lease payments	$ 84,324