

Report of Independent Auditors and  
Financial Statements

**AI4ALL**

December 31, 2025 and 2024



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## **Report of Independent Auditors**

The Board of Directors  
AI4ALL

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of AI4ALL, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of AI4ALL 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 (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 AI4ALL and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 AI4ALL'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.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AI4ALL'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 AI4ALL'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.

*Baker Tilly US, LLP*

San Francisco, California

May 21, 2026

## **Financial Statements**

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**AI4ALL**  
**Statements of Financial Position**  
**December 31, 2025 and 2024**

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	2025	2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,740,461	\$ 4,829,447
Contributions and grants receivable	100,100	63,562
Prepaid and other assets	47,843	57,843
Total assets	\$ 2,888,404	\$ 4,950,852
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 1,874	\$ 370
Accrued expenses	102,255	102,227
Total liabilities	104,129	102,597
<b>NET ASSETS</b>		
Without donor restrictions	1,034,172	1,531,638
With donor restrictions	1,750,103	3,316,617
Total net assets	2,784,275	4,848,255
Total liabilities and net assets	\$ 2,888,404	\$ 4,950,852

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See accompanying notes.

**AI4ALL**  
**Statements of Activities and Changes in Net Assets**  
**Years Ended December 31, 2025 and 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Donor Restrictions	With Donor Restrictions	Total
<b>Revenue</b>						
Contributions	\$ 16,264	\$ 485,000	\$ 501,264	\$ 622,867	\$ 2,360,000	\$ 2,982,867
Corporate sponsorship revenue	12,348	100,000	112,348	57,500	-	57,500
In-kind contributions	311,576	-	311,576	310,421	-	310,421
ERTC revenue	443,639	-	443,639	-	-	-
Other income	736	-	736	16,114	-	16,114
Releases from restriction	2,151,514	(2,151,514)	-	2,132,819	(2,132,819)	-
<b>Total revenue</b>	<b>2,936,077</b>	<b>(1,566,514)</b>	<b>1,369,563</b>	<b>3,139,721</b>	<b>227,181</b>	<b>3,366,902</b>
<b>Expenses</b>						
Program services	1,563,648	-	1,563,648	1,137,053	-	1,137,053
General and administrative	1,474,968	-	1,474,968	1,146,928	-	1,146,928
Fundraising	394,927	-	394,927	296,460	-	296,460
<b>Total expenses</b>	<b>3,433,543</b>	<b>-</b>	<b>3,433,543</b>	<b>2,580,441</b>	<b>-</b>	<b>2,580,441</b>
<b>Changes in net assets</b>	<b>(497,466)</b>	<b>(1,566,514)</b>	<b>(2,063,980)</b>	<b>559,280</b>	<b>227,181</b>	<b>786,461</b>
<b>Net assets, beginning of year</b>	<b>1,531,638</b>	<b>3,316,617</b>	<b>4,848,255</b>	<b>972,358</b>	<b>3,089,436</b>	<b>4,061,794</b>
<b>Net assets, end of year</b>	<b>\$ 1,034,172</b>	<b>\$ 1,750,103</b>	<b>\$ 2,784,275</b>	<b>\$ 1,531,638</b>	<b>\$ 3,316,617</b>	<b>\$ 4,848,255</b>

See accompanying notes.

**AI4ALL**  
**Statements of Functional Expenses**  
**Years Ended December 31, 2025 and 2024**

	2025				
	Supporting Services				Total
	Program Services	General and Administrative	Fundraising	Total Supporting Services	
Payroll and payroll-related expenses	\$ 1,331,631	\$ 724,182	\$ 305,655	\$ 1,029,837	\$ 2,361,468
Direct program costs	82,880	4,901	-	4,901	87,781
Occupancy expense	2,929	20,007	-	20,007	22,936
Consultants and professional services	45,966	584,217	66,961	651,178	697,144
Travel, lodging, and meals	45,253	56,359	6,661	63,020	108,273
Technology and telecommunications	29,984	64,353	15,045	79,398	109,382
Other expenses	25,005	20,949	605	21,554	46,559
<b>Total expenses</b>	<b>\$ 1,563,648</b>	<b>\$ 1,474,968</b>	<b>\$ 394,927</b>	<b>\$ 1,869,895</b>	<b>\$ 3,433,543</b>

  

	2024				
	Supporting Services				Total
	Program Services	General and Administrative	Fundraising	Total Supporting Services	
Payroll and payroll-related expenses	\$ 1,046,376	\$ 431,967	\$ 225,894	\$ 657,861	\$ 1,704,237
Grants and awards	1,759	-	-	-	1,759
Direct program costs	36,400	-	-	-	36,400
Occupancy expense	-	7,837	-	7,837	7,837
Consultants and professional services	58	571,353	52,125	623,478	623,536
Travel, lodging, and meals	36,182	65,011	4,011	69,022	105,204
Technology and telecommunications	19,403	52,484	14,420	66,904	86,307
Rescinded grants	(3,125)	-	-	-	(3,125)
Other expenses	-	18,276	10	18,286	18,286
<b>Total expenses</b>	<b>\$ 1,137,053</b>	<b>\$ 1,146,928</b>	<b>\$ 296,460</b>	<b>\$ 1,443,388</b>	<b>\$ 2,580,441</b>

See accompanying notes.

**AI4ALL**  
**Statements of Cash Flows**  
**Years Ended December 31, 2025 and 2024**

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	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (2,063,980)	\$ 786,461
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities		
Depreciation and amortization	2,188	2,188
Changes in operating assets and liabilities		
Contributions and grants receivable	(36,538)	227,917
Prepaid and other assets	7,812	(46,235)
Accounts payable	1,504	(17,046)
Accrued expenses	28	(30,592)
Grants payable	-	(3,518)
	(2,532,625)	919,175
Net cash (used in) provided by operating activities		
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,088,986)	919,175
CASH AND CASH EQUIVALENTS – beginning of year	4,829,447	3,910,272
CASH AND CASH EQUIVALENTS – end of year	\$ 2,740,461	\$ 4,829,447

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See accompanying notes.

# AI4ALL

## Notes to Financial Statements

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### **Note 1 – Organization and Summary of Significant Accounting Policies**

**Nature of Business** – AI4ALL (the Organization) is a national nonprofit organization whose mission is to shape AI for the benefit of humanity. The Organization advances its mission by providing educational programs, career development and networking opportunities designed to prepare students for careers in AI and related fields.

Founded in 2017, the Organization initially offered summer programs for high school students and has since evolved to focus on higher education programming. The Organization’s primary program is the Ignite Accelerator, which provides training in responsible AI, technical skills, and career readiness to support students in pursuing internships and careers in the field. The Organization also maintains an alumni network to support ongoing engagement and career development.

**Basis of Presentation** - AI4ALL prepares its financial statements in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

**Use of estimates** – The preparation of financial statements in conformity with U.S. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Net assets** – Net assets and revenue, gains, and losses are classified based on existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

*Without donor restrictions* – Represent resources that are not subject to donor-imposed restrictions and are available to support all activities of AI4ALL. A portion of net assets without donor restrictions may be designated by the Organization’s Board of Directors as a reserve to be used for core operations as needed. For the years ended December 31, 2025 and 2024, there were no board designated net assets.

*With donor restrictions* – Resources whose use by AI4ALL is limited by donor-imposed stipulations that either expire by passage of time or fulfillment of programmatic purpose. When the purpose restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

**Concentrations of credit risk** – Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist of cash and cash equivalents. At times, the Organization has cash in financial institutions in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced losses in such accounts in the past.

## AI4ALL

### Notes to Financial Statements

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The Organization has a concentration of credit risk with respect to the volume of business transacted with certain donors. For the year ended December 31, 2025, two donors accounted for approximately 80% of the Organization's contribution revenue. For the year ended December 31, 2024, two donors accounted for approximately 84% of the Organization's contribution revenue. For the years ended December 31, 2025 and 2024, one donor accounted for 100% of contributions and grants receivable.

**Cash and cash equivalents** – Cash and cash equivalents are held in a checking account. Cash and cash equivalents have initial maturities at date of purchase of three months or less.

**Contributions and grants receivable** – Contributions and grants receivable are stated at the amount management expects to collect from outstanding balances after reserves for discounts, bad debts, and allowances, taking into account past experience, future conditions, contracts, history, and individuals' and organizations' ability to meet their obligations.

Grants represent uncollateralized obligations relating to AI4ALL's grant contracts. Grants receivable are due under the terms of the grant agreements. Grants receivable are recorded at their net realizable value.

Unconditional promises to give are recorded in the financial statements as contributions receivable, and contribution revenue in the period the promise is received. Unconditional promises to give that are expected to be collected in excess of one year are discounted at rates commensurate with the risks involved. An additional discount is added to the present value of contributions, which represents an additional factor due to market, credit, and other risks in the fair value measurements.

**Allowance for credit losses** – An allowance for credit losses is recorded based on management's analysis of specific accounts and the estimate of additional amounts that may become uncollectible. Accounts are written off against the allowance when they are determined to be uncollectible. As of December 31, 2025 and 2024, management has deemed all contributions and grants receivable to be collectible and has not provided a valuation allowance.

**Revenue recognition** – Contributions, including unconditional promises to give (pledges), are recognized as revenue at the time such commitments are made and confirmed. Contribution revenue is considered without donor restrictions unless a donor-imposed restriction limits the use of such contributions. Contributions with time and/or programmatic restrictions are recorded as revenue with donor restrictions and reclassified as without donor restrictions when time and/or programmatic restrictions are met. 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 statements of activities and changes in net assets as net assets released from restrictions. Corporate sponsorship revenues are considered to be conditional contributions and are recognized as without donor restrictions revenue when the conditions are met.

There were no conditional contributions for the years ended December 31, 2025 and 2024.

## AI4ALL

### Notes to Financial Statements

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**In-kind contributions** – The Organization recognized the value of donated equipment and/or supplies at the fair value for similar items. Donated services are recognized at fair value if the services meet the recognition criteria prescribed by U.S GAAP, which include a) requiring specialized skills, b) being provided by someone with those skills, and c) having to be purchased if they were not donated. The Organization receives contributed legal services and professional services from volunteers. The organization determines the fair value of contributed legal services and professional services based on the estimated time dedicated by volunteers, multiplied by the prevailing market rates for comparable services (i.e., typical salary or fee rates for those roles). The value of these in-kind donations is reflected in the accompanying financial statements. For the year ended December 31, 2025, the organization received \$248,833 from contributed legal services and \$62,797 from professional services from volunteers. For the year ended December 31, 2024, the organization received \$254,740 from contributed legal services and \$55,681 from professional services from volunteers.

**Employee Retention Tax Credit (ERTC) Revenue** – The Organization was eligible for the Employee Retention Tax Credit (ERTC) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), subject to certain criteria. During the years ended December 31, 2025 and 2024, the Organization received \$443,639 and \$0, respectively, of ERTC revenue included on the statements of activities and changes in net assets.

**Grants awarded** – The Organization uses donated funds to issue grants to university and community partners for its programs. Grants are recorded as grant expense when all conditions are met by grantees and approved. The annual budgets at the program level were reviewed and approved by the Board of Directors.

Conditional grants are expensed and considered payable only in the period the conditions are satisfied in accordance with the Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*. For the years ended December 31, 2025 and 2024, there were no conditional grants awarded.

**Functional allocation of expenses** – The costs of providing programs and other activities of AI4ALL have been summarized on a functional basis in the accompanying statements of functional expenses, which includes all operating expenses incurred during the year. Accordingly, certain costs have been allocated among the program and supporting services benefited. Expenses directly related to a program are allocated to that program. Salaries, fringe benefits and taxes, occupancy, and other costs are allocated among program and supporting services benefited based on full-time equivalent ratios.

**Income taxes** – AI4ALL is tax exempt under the provisions of the Internal Revenue Service Code Section 501(c)(3) and the California Franchise Tax Board Section 23701d. Accordingly, no provision for income taxes has been reflected in these financial statements. The Organization is not considered to be a private foundation under the Internal Revenue Service Code and could be subject to tax on unrelated business activities, if any, generated by certain activities.

Management evaluated the Organization's tax positions and concluded that it has maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

# AI4ALL

## Notes to Financial Statements

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**Subsequent events** – Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including any estimates inherent in the process of preparing the financial statements. The Organization’s financial statements do not recognize subsequent events that provide additional evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements are available to be issued.

The Organization has evaluated subsequent events through May 21, 2026, which is the date the financial statements are available to be issued.

### **Note 2 – Liquidity and Funds Availability**

The following table reflects the Organization’s financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid, not convertible to cash within one year, time restricted, or purpose restricted.

Financial assets available to meet cash needs for general expenditures within one year as of December 31:

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash and cash equivalents	\$ 2,740,461	\$ 4,829,447
Contributions and grants receivable	<u>100,100</u>	<u>63,562</u>
Total financial assets	2,840,561	4,893,009
Less those unavailable for general expenditure within one year, due to		
Programmatic restricted net assets	<u>(1,750,103)</u>	<u>(3,316,617)</u>
Financial assets available to meet cash needs for general		
expenditures within one year	<u>\$ 1,090,458</u>	<u>\$ 1,576,392</u>

### **Note 3 – Contributions and Grants Receivable, Net**

Contributions and grants receivable totaled \$100,100 and \$63,562 for the years ended December 31, 2025 and 2024, respectively, all of which were estimated by management to be collected within one year. As such, there was no discount of contributions and grants receivable for the years ended December 31, 2025 and 2024.

## AI4ALL

### Notes to Financial Statements

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#### Note 4 – Net Assets with Donor Restrictions

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

	2025	2024
Program use		
Summer Programs	\$ 33,565	\$ 33,565
Open Learning	-	443,793
College Pathways	-	463,353
Ignite	1,391,538	2,375,906
Salon dinner event	25,000	-
Project 360	300,000	-
	\$ 1,750,103	\$ 3,316,617
Total		

All net assets with donor restrictions are expected to be released from restrictions by December 31, 2026.

#### Note 5 – Net Assets Released From Restrictions

Net assets released from restrictions by the incurrence of expense satisfying the restricted purposes specified by the donors or by the passage of time during the years ended December 31, 2025 and 2024, amounted to:

	2025	2024
Program use		
Summer Programs	\$ -	\$ 5,857
Open Learning	443,793	121,032
College Pathways	463,353	2,005,930
Ignite	1,244,368	-
	\$ 2,151,514	\$ 2,132,819
Total		

#### Note 6 – Retirement Plan

AI4ALL has a SIMPLE IRA plan covering eligible employees. Participants can make an elective deferral for any plan year of their eligible compensation, not to exceed the annual dollar limit as permitted by law. AI4ALL elects to make a matching contribution. During 2025 and 2024, AI4ALL made matching contributions of 3% of the first 100% of a participant's compensation contributed to the plan. For the years ended December 31, 2025 and 2024, AI4ALL contributed \$33,115 and \$17,921, respectively. These amounts are included in payroll and payroll-related expenses in the accompanying statements of functional expenses.

#### Note 7 – Contingencies and Commitments

The Organization did not enter any new leases or commitments for the years ended December 31, 2025 and 2024.

**AI4ALL**  
**Notes to Financial Statements**

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The term of the existing lease is month to month. AI4ALL made an accounting policy election not to apply the recognition requirements of ASC 842 to leases that, at the commencement date, have a lease term of 12 months or less (short-term lease).

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