WASHINGTON BUILDS

Financial Statements

For the Year Ended December 31, 2025

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Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
Washington Builds
Seattle, Washington

Opinion

We have audited the financial statements of Washington Builds (the Organization), 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, 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 the Organization 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

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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 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 the Organization’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Clark Nuber P.S.

Certified Public Accountants
June 23, 2026

WASHINGTON BUILDS

Statements of Financial Position
December 31, 2025

Assets	
Current Assets:	
Cash and cash equivalents	$ 442,119
Prepaid expenses and other current assets	8,563
Total Assets	**$ 450,682**
Liabilities and Net Assets	
Current Liabilities:	
Accounts payable and accrued expenses	$ 18,543
Total Liabilities	**18,543**
Net Assets:	
Without donor restrictions	432,139
Total Net Assets	**432,139**
Total Liabilities and Net Assets	**$ 450,682**

See accompanying notes.

WASHINGTON BUILDS

Statement of Activities
For the Year Ended December 31, 2025

Changes in Net Assets Without Donor Restrictions	
Support, Revenue, and Gains:	
Grants	$ 776,000
Interest income	5,320
Total Support and Revenue	**781,320**
Expenses:	
Program	116,761
General and administrative	215,671
Fundraising	16,749
Total Expenses	**349,181**
Change in Net Assets Without Donor Restrictions	**432,139**
Net assets without donor restrictions, beginning of year	
Net Assets Without Donor Restrictions, End of Year	**$ 432,139**

See accompanying notes.

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

	Total Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total Expenses
Expenses:				
Contract services	$ 86,454	$ 192,838	$ 12,742	$ 292,034
Compensation	20,037	16,029	4,007	40,074
Outreach	8,006			8,006
Occupancy		2,454		2,454
Technology		2,406		2,406
Travel	2,264			2,264
Other		1,943		1,943
Total Expenses	**$ 116,761**	**$ 215,671**	**$ 16,749**	**$ 349,181**

See accompanying notes.

WASHINGTON BUILDS

Statement of Cash Flows
For the Year Ended December 31, 2025

Cash Flows From Operating Activities:	
Change in net assets	$ 432,139
Adjustment to reconcile change in net assets to net cash provided by operating activities from changes in operating assets and liabilities-	
Prepaid expenses and other current assets	(8,563)
Accounts payable and accrued expenses	18,543
Net Cash Provided by Operating Activities	**442,119**
Net Change in Cash and Cash Equivalents	**442,119**
Cash and cash equivalents, beginning of year	
Cash and Cash Equivalents, End of Year	**$ 442,119**

See accompanying notes.

Note 1 - Organization and Significant Accounting Policies

Organization and Activities - Effective May 7, 2026, Washington State Green Bank changed its legal name to Washington Builds. Washington Builds (the Organization) is headquartered in Seattle, Washington. The Organization was formed in 2023, started operations in 2024 and began incurring financial activity during 2025. The Organization was established to utilize innovative funding models to make clean energy projects accessible and affordable. By leveraging public and private capital, the Organization will help fill gaps in traditional financing markets - offering solutions like low-interest loans and credit support that reduce barriers for homeowners, businesses, and communities across Washington.

Basis of Accounting and Presentation - The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. GAAP. Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

> <u>Net Assets Without Donor Restrictions</u> - Net assets that are not subject to donor-imposed stipulations.
>
> <u>Net Assets With Donor Restrictions</u> - Net assets whose use is limited by donor-imposed time and/or purpose restrictions. As of December 31, 2025, the Organization had no net assets with donor restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Cash and Cash Equivalents - The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents held by financial institutions in interest-bearing accounts at times exceed federally insured limits.

Grant Revenue Recognition - Grant revenue is recognized when the donor-imposed conditions, if any, have been met. The Organization's grant revenue is concentrated in a single grant agreement with the Washington State Department of Commerce, the proceeds of which were conditioned upon the fulfillment of certain performance requirements. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Income Taxes - The Organization has been notified by the Internal Revenue Service that it is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code with the exception of income, if any, from activities that are not related to the Organization's tax-exempt purpose.

Functional Expenses - The costs of providing program and supporting service activities of the Organization have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Portions of compensation expenses and contracted labor attributable to more than one functional expense category are allocated based on estimated percentage of employee time and effort.

Note 1 - Continued

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States (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 revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Subsequent Events - The Organization has evaluated subsequent events through June 23, 2026, which is the date the consolidated financial statements were available to be issued.

Note 2 - Contract Services

The Organization entered into a management services agreement with Public Sector Consultants (PSC) to provide full-service staffing support to develop the Organization administration, operations and market presence. Effective October 2025, a previous employee of PSC was hired to be the Executive Director of the Organization. During the year end December 31, 2025, PSC was compensated approximately $275,000 for management services. At December 31, 2025, $2,413 was due to PSC.

Note 3 - Liquidity and Availability of Financial Assets

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of the annual budgeting process the Organization forecasts its cash needs to ensure financial assets are sufficient to meet its obligations based upon budgeted operating results in the coming period. The Organization’s financial assets available for general expenditure within 12 months consist of cash and cash equivalents of $442,119 at December 31, 2025.