

RILEY'S WAY FOUNDATION, INC.
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(with summarized comparative information for the year ended December 31, 2022)

RILEY'S WAY FOUNDATION, INC.
FOR THE YEAR ENDED DECEMBER 31, 2023
(with summarized comparative information for the year ended December 31, 2022)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Riley's Way Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Riley's Way Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years 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 Riley's Way Foundation, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Riley's Way Foundation, Inc. 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 Riley's Way Foundation, Inc.'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 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 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.

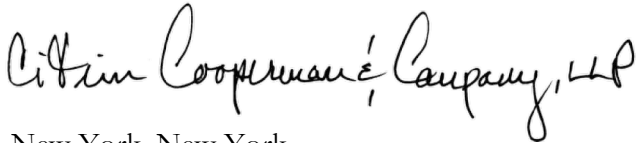
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 Riley's Way Foundation, Inc.'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 Riley's Way Foundation, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Riley's Way Foundation, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.



New York, New York
November 4, 2024

RILEY'S WAY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023
(with summarized comparative information as of December 31, 2022)

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash and cash equivalents		\$ 2,534,909	\$ 2,327,581
Investments		2,824,736	3,238,859
Prepaid expenses		<u>61,800</u>	<u>-</u>
TOTAL ASSETS		<u>\$ 5,421,445</u>	<u>\$ 5,566,440</u>
<u>LIABILITIES AND NET ASSETS</u>			
Liabilities:			
Accounts payable and accrued expenses		\$ 26,562	\$ 32,773
Commitments and contingencies (Notes 3 and 6)			
Net assets without donor restrictions		<u>5,394,883</u>	<u>5,533,667</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 5,421,445</u>	<u>\$ 5,566,440</u>

See accompanying notes to financial statements.

RILEY'S WAY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023
(with summarized comparative information for the year ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Support and revenue:		
Contributions	\$ <u>868,335</u>	\$ <u>997,759</u>
Revenue from special events:		
Special events income	365,910	330,845
Less: cost of direct benefits to donors	<u>16,500</u>	<u>6,000</u>
Net revenue from special events	<u>349,410</u>	<u>324,845</u>
Total support and revenue	<u>1,217,745</u>	<u>1,322,604</u>
Expenses:		
Program services	<u>1,397,711</u>	<u>1,018,625</u>
Supporting services:		
Management and general	183,716	212,469
Fundraising	<u>98,953</u>	<u>95,618</u>
Total supporting services	<u>282,669</u>	<u>308,087</u>
Total expenses	<u>1,680,380</u>	<u>1,326,712</u>
Change in net assets without donor restrictions before other income/(expense)	<u>(462,635)</u>	<u>(4,108)</u>
Other income/(expense):		
Interest income	91,664	26,688
Unrealized gain/(loss) on investments	<u>232,187</u>	<u>(299,576)</u>
Total other income/(expense), net	<u>323,851</u>	<u>(272,888)</u>
Change in net assets without donor restrictions	(138,784)	(276,996)
Net assets without donor restrictions - beginning	<u>5,533,667</u>	<u>5,810,663</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS - ENDING	<u>\$ 5,394,883</u>	<u>\$ 5,533,667</u>

See accompanying notes to financial statements.

RILEY'S WAY FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(with summarized comparative information for the year ended December 31, 2022)

	<u>2023</u>						<u>2022</u>
	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Cost of Direct Benefits to Donors</u>	<u>Total</u>	<u>Total Expenses</u>
<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>					
Consulting fees	\$ 22,333	\$ 5,583	\$ 41,198	\$ 46,781	\$ -	\$ 69,114	\$ 30,534
Grants	119,486	-	-	-	-	119,486	80,606
Media	47,118	-	-	-	-	47,118	36,264
Technology	16,559	-	-	-	-	16,559	11,486
Supplies	17,890	-	-	-	-	17,890	17,354
Programming costs	21,439	-	-	-	-	21,439	12,078
Student stipends	4,284	-	-	-	-	4,284	2,877
Employee health insurance	90,476	8,320	5,200	13,520	-	103,996	83,397
Employee wages	802,341	73,778	46,112	119,890	-	922,231	794,931
Events	-	-	-	-	6,000	6,000	6,000
Insurance	-	1,791	-	1,791	-	1,791	753
Retreats	173,690	-	-	-	-	173,690	68,267
External conferences	6,538	-	-	-	-	6,538	322
Office expenses	-	69,128	1,150	70,278	500	70,778	93,619
Payroll service	-	17,703	-	17,703	-	17,703	16,372
Payroll taxes	61,477	5,653	3,533	9,186	-	70,663	61,852
Raffle winner payouts	-	-	-	-	10,000	10,000	-
Rent	<u>14,080</u>	<u>1,760</u>	<u>1,760</u>	<u>3,520</u>	<u>-</u>	<u>17,600</u>	<u>16,000</u>
	1,397,711	183,716	98,953	282,669	16,500	1,696,880	1,332,712
Less: expenses included with revenues on the statement of activities:							
Cost of direct benefits to donors	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,500)</u>	<u>(16,500)</u>	<u>(6,000)</u>
TOTAL EXPENSES							
REPORTED BY FUNCTION	<u>\$ 1,397,711</u>	<u>\$ 183,716</u>	<u>\$ 98,953</u>	<u>\$ 282,669</u>	<u>\$ -</u>	<u>\$ 1,680,380</u>	<u>\$ 1,326,712</u>

See accompanying notes to financial statements.

RILEY'S WAY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(with summarized comparative information for the year ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Cash (used in) provided by operating activities:		
Change in net assets without donor restrictions	\$ (138,784)	\$ (276,996)
Adjustments to reconcile change in net assets without donor restrictions to net cash (used in) provided by operating activities:		
Unrealized gain/(loss) on investments	(232,187)	299,576
Changes in operating assets and liabilities:		
Prepaid expenses	(61,800)	-
Accounts payable	<u>(6,211)</u>	<u>11,221</u>
Net cash (used in) provided by operating activities	(438,982)	33,801
Cash used in investing activities:		
Purchase of investments	(408,541)	(570,788)
Redemption of investments	<u>1,054,851</u>	<u>-</u>
Net cash (used in) provided by investing activities	<u>646,310</u>	<u>(570,788)</u>
Net increase (decrease) in cash and cash equivalents	207,328	(536,987)
Cash and cash equivalents - beginning	<u>2,327,581</u>	<u>2,864,568</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 2,534,909</u>	<u>\$ 2,327,581</u>

See accompanying notes to financial statements.

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 1. ORGANIZATION

The Riley's Way Foundation, Inc. (the "Foundation") was established on August 19, 2014. The Foundation is a non-profit organization in New York City building kind leaders for a better tomorrow. The Foundation works with educators and youth to empower empathy and kindness in teens, and provide them with the infrastructure and support to become change-makers and create lasting connections in their communities.

Riley's Way Call for Kindness: This national flagship program gives young changemakers the skills, connections, and funding they need to run social impact projects – tackling anything from big social or environmental justice issues to creating inclusive communities. The Call For Kindness comprises a start-up grant and a 12-month Leadership Development Fellowship with skill-building, networking, project support and expert coaching, peer mentoring, an in-person Retreat, and a community of other young people making a difference in the world.

Riley's Way Councils and Chapters: Councils connect public and private high schools in New York to inspire teens to lead with empathy and kindness. Young leaders create social justice projects around issues they care about and partner with community-based organizations. With Riley's Way staff and teacher support, they drive positive change in their schools and communities, build bridges, and practice leading with kindness. Chapters bring together a group of young changemakers within one high school, college, or community group, creating opportunities for them to practice and model leading with empathy and kindness. Riley's Way Chapters are independently run and operated across the country, with support from Riley's Way staff and peer leaders.

Riley's Way Youth Leadership Retreats: Youth Leadership Retreats bring diverse communities of young changemakers together from across the country to learn from each other and experts, build meaningful connections, and grow as leaders and friends. Through Retreats, the Foundation builds a dynamic community of young leaders. The connections between them influence their individual changemaking journeys for years to come.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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 revenues and expenses during the reporting period.

Revenue recognition

Support and revenue are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from donor restrictions.

Contributions of cash and other assets are presented as restricted support 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 statement of activities as net assets released from restrictions.

Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as contributions without donor restrictions. Special events revenue is recorded when cash is received, at the time in which an event is held.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give, that is, those with a measurable performance or other barrier, are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Foundation recognizes special events revenue equal to the fair value of the direct benefits to donors when the special event takes place. The contribution element of special event revenue is recognized immediately, unless there is a right of return if the special event does not take place.

Net assets

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

Net Assets with Donor Restrictions - Net assets subject to donor-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. There were no net assets with donor restrictions at December 31, 2023 and 2022.

Cash and cash equivalents

The Foundation classifies highly liquid investments purchased with original maturity dates of three months or less as cash equivalents.

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investment in private investment companies is valued, as a practical expedient, utilizing the net asset valuation provided by the underlying private investment company, without adjustment, when the net asset valuation of the investment is calculated in a manner consistent with U.S. GAAP for investment companies. The Foundation applies the practical expedient to its investment in a private investment company on an investment-by-investment basis and consistent with the Foundation's entire position in a particular investment, unless it is probable that the Foundation will sell a portion of an investment at an amount different from the net asset valuation. If it is probable that the Foundation will sell an investment at an amount different from the net asset valuation or in other situations where the practical expedient is not available, the Foundation considers other factors in addition to the net asset valuation, such as features of the investment, including subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

The Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration risk

The Foundation maintains cash and cash equivalents with a financial institution with accounts that at times may be in excess of federally insured amounts. The Foundation has not experienced any losses in these accounts.

The Foundation's investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could be material.

Contributed services

A substantial number of volunteers have donated significant amounts of their time in the Foundation's program services, administration and fundraising. No amounts have been reflected in the accompanying financial statements for these donations, since these services do not meet the criteria for recognition.

Functional allocation of expenses

The costs of providing the various program and supporting services activities have been summarized on a functional basis in the accompanying statement of functional expenses. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services in reasonable amounts and ratios determined by management.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Employee wages	Time and effort
Payroll taxes	Time and effort
Employee health insurance	Time and effort
Consulting fees	Time and effort
Rent	Head count

Income taxes

The Foundation qualifies as a charitable foundation as defined by Internal Revenue Code Section 501(c)(3) and applicable New York State tax laws. Accordingly, the Foundation is exempt from federal and state income taxes.

The Foundation recognizes and measures its unrecognized tax benefits by assessing the likelihood based upon their technical merit, that tax positions will be sustained upon examination, based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change.

The Foundation files tax returns in the U.S. federal jurisdiction and in the state of New York.

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified to conform to the current presentation. These reclassification adjustments had no effect on the Foundation's previously reported change in net assets without donor restrictions.

Prior-Year Summarized Comparative Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset or functional expense classifications. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2022, from which this summarized information was derived.

Subsequent events

In accordance with FASB ASC 855, *Subsequent Events*, the Foundation has evaluated subsequent events through November 4, 2024, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements, except as disclosed in Note 6.

NOTE 3. INVESTMENTS

Investments in private investment companies measured using net asset value as a practical expedient are not categorized within the fair value hierarchy. As of December 31, 2023, the Foundation has committed approximately \$2.4 million to this venture capital fund with the remaining unfunded commitment of approximately \$847,000 as of December 31, 2023.

Investments, at fair value, at December 31, 2023 and 2022, consisted of the following:

<u>2023 - Description</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Insight Partners XI (2)	\$ 784,549	\$ 486,500	\$ 13,500	None	None
IPPE Cayman LP (3)	514,023	500,000	-	Quarterly 90 days after end	90 days
Lakehouse Ventures (5)	374,686	276,664	473,336	of each fiscal year	90 days
Insight Partners XII (2)	367,056	374,500	125,500	None	None
Insight Partners Opportunities Fund I (4)	321,066	240,375	9,625	None	None
Portal Ventures (6)	228,907	225,000	25,000	None	None
Insight Partners Continuation Fund I (4)	155,192	112,812	12,188	None	None
Insight Partners Opportunities Fund II (4)	71,387	62,000	188,000	None	None
Insight Vision Capital (7)	7,870	147,408	-	Monthly	30 days
TOTAL	<u>\$ 2,824,736</u>	<u>\$ 2,425,259</u>	<u>\$ 847,149</u>		

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 3. INVESTMENTS (CONTINUED)

2022 - Description	Fair Value	Cost	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
RiverNorth SPAC Arbitrage Fund, L.P. (1)	\$ 1,036,838	\$ 1,000,000	\$ -	Monthly	30 days
Insight Partners XI (2)	771,584	486,500	13,500	None	None
IPPE Cayman LP (3)	382,582	500,000	-	Quarterly	90 days
Insight Partners XII (2)	283,107	330,000	170,000	None	None
Insight Partners Opportunities Fund I (4)	243,698	218,750	31,250	None 90 days after end of each fiscal year	None
Lakehouse Ventures (5)	243,728	193,073	556,927	None	90 days
Portal Ventures (6)	143,040	150,000	100,000	None	None
Insight Vision Capital (7)	<u>134,282</u>	<u>110,848</u>	<u>14,152</u>	Monthly	30 days
TOTAL	<u>\$ 3,238,859</u>	<u>\$ 2,989,171</u>	<u>\$ 885,829</u>		

1. The partnership invests in equity and derivative securities.
2. The partnership invests in foreign and domestic equities with a focus on the information technology, software and related service industries.
3. The partnership invests in equity and derivative securities.
4. The partnership invests in domestic equities with a focus on the e-commerce, information technology, software and related service industries.
5. The partnership invests in early stage technology companies, including potential in direct investments in digital assets.
6. The partnership invests in equity, equity-related, crypto and crypto-related investments.
7. The partnership invests in equity and derivative securities.

NOTE 4. LIQUIDITY AND AVAILABILITY

The Foundation considers contributions without donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include management and general expenses and fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- (a) Operating within a prudent range of financial soundness and stability,
- (b) Maintaining adequate liquid assets, and
- (c) Maintaining sufficient reserves to provide reasonable assurance that long-term commitments that support mission fulfillment will be met, which ensures the sustainability of the Foundation.

RILEY'S WAY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(with summarized comparative information as of December 31, 2022)

NOTE 4. LIQUIDITY AND AVAILABILITY (CONTINUED)

The following represents the Foundation's financial assets as of December 31, 2023 and 2022:

Financial assets at year end:	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 2,534,909	\$ 2,327,581
Investments	<u>2,824,736</u>	<u>3,238,859</u>
Total financial assets at year end	5,359,645	5,566,440
Less: amounts not available to be used within one year:		
Investments (non-redeemable)	<u>1,928,157</u>	<u>1,441,429</u>
Total financial assets available to meet cash needs for general expenditures within one year	\$ <u>3,431,488</u>	\$ <u>4,125,011</u>

As part of the Foundation's liquidity management, it has a goal to structure its general expenditures and other obligations based on the availability of its financial assets.

NOTE 5. RELATED-PARTY TRANSACTIONS

During 2023, the Foundation invested in various venture capital funds. An officer of the Foundation serves as an executive of the venture capital and private equity firm through which these investments were purchased.

An officer and two directors of the Foundation made contributions without donor restrictions totaling \$514,023 and \$673,105, respectively, for the years ended December 31, 2023 and 2022.

NOTE 6. COMMITMENTS AND CONTINGENCIES

Lease agreements

The Foundation conducts its operations from a facility that is leased under an operating lease expiring on December 31, 2023. Rent expense totaled \$17,600 and \$16,000 for the years ended December 31, 2023 and 2022, respectively.

Investments in limited partnerships

During 2024, the Foundation purchased additional investments through this venture capital firm in the aggregate of approximately \$363,000. The Foundation has approximately \$462,000 of unfunded commitments.