

**The One Love Foundation
In Honor of Yeadley Love, Inc.**

Audited Financial Statements

June 30, 2023

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In Honor of Yeardley Love, Inc.**

Audited Financial Statements

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Independent Auditor's Report

To the Board of Directors of
The One Love Foundation in Honor of Yeardley Love, Inc.

Opinion

We have audited the accompanying financial statements of The One Love Foundation in Honor of Yeardley Love, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2023, 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 Foundation as of June 30, 2023, and the changes in net assets 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 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 Foundation 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 Foundation'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 the Foundation'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 Foundation'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 the Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 30, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sax CPAs LLP

New York, NY
July 11, 2024

**The One Love Foundation
In Honor of Yeardeley Love, Inc.**

Statement of Financial Position

At June 30, 2023

(With comparative totals at June 30,2022)

	June 30,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 3,321,340	\$ 7,792,856
Investments	3,699,683	1,465,715
Contributions and grants receivable, net	515,327	1,990,989
Prepaid expenses and other assets	163,420	151,734
Property, plant, and equipment, net	316,086	-
Operating lease right-of-use ("ROU") asset, net	33,754	-
	\$ 8,049,610	\$ 11,401,294
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 554,738	\$ 764,589
Note payable	50,000	-
Operating lease liability	33,754	-
Liabilities	638,492	764,589
NET ASSETS		
Without donor restrictions	6,586,039	8,672,349
With donor restrictions	825,079	1,964,356
Total net assets	7,411,118	10,636,705
TOTAL LIABILITIES AND NET ASSETS	\$ 8,049,610	\$ 11,401,294

The attached notes and auditor's report are an integral part of these financial statements.

**The One Love Foundation
In Honor of Yeardeley Love, Inc.**

Statement of Activities

For the Year Ended June 30, 2023
(With comparative totals for the year ended June 30,2022)

	Without Donor Restrictions	With Donor Restrictions	Total 6/30/23	Total 6/30/22
REVENUE AND SUPPORT				
Contributions	\$ 4,916,927	\$ 1,202,500	\$ 6,119,427	\$ 7,712,506
Government grant - Paycheck Protection Program ("PPP")	-	-	-	704,397
Other government grants	-	-	-	359,026
Special event income (net of expenses with a direct benefit to donors)	1,440,979	-	1,440,979	1,904,437
In-kind contributions	49,222	-	49,222	30,000
Fee for service income	40,475	-	40,475	105,061
Investment income	160,152	-	160,152	-
Other income	26,668	-	26,668	11,398
Net assets released from restrictions	2,341,777	(2,341,777)	-	-
Total revenue and support	8,976,200	(1,139,277)	7,836,923	10,826,825
EXPENSES				
Program services	7,625,253	-	7,625,253	5,992,105
Supporting services:				
Management and general	1,515,639	-	1,515,639	1,133,622
Fundraising	1,921,618	-	1,921,618	1,767,299
Total supporting services	3,437,257	-	3,437,257	2,900,921
Total expenses	11,062,510	-	11,062,510	8,893,026
Change in net assets	(2,086,310)	(1,139,277)	(3,225,587)	1,933,799
NET ASSETS, <i>beginning of year</i>	8,672,349	1,964,356	10,636,705	8,702,906
NET ASSETS, <i>end of year</i>	\$ 6,586,039	\$ 825,079	\$ 7,411,118	\$ 10,636,705

The attached notes and auditor's report are an integral part of these financial statements.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Statement of Functional Expenses

For the Year Ended June 30, 2023
(With comparative totals for the year ended June 30, 2022)

	Supporting Services			Total Supporting Services	Total Expenses 6/30/23	Total Expenses 6/30/22
	Program and Services	Management and General	Fundraising			
Salaries	\$ 4,184,169	\$ 587,162	\$ 936,065	\$ 1,523,227	\$ 5,707,396	\$ 4,516,057
Payroll taxes and employee benefits	946,675	132,845	211,786	344,631	1,291,306	1,036,594
Professionals fees	599,503	372,215	9,609	381,824	981,327	524,328
Media and product development	440,256	1,070	1,300	2,370	442,626	692,063
Marketing and advertising	168,943	20,176	-	20,176	189,119	195,867
Content distribution	464,562	-	134,836	134,836	599,398	296,682
Office expenses	29,302	4,112	6,555	10,667	39,969	29,221
Technology infrastructure and maintenance	237,046	33,264	53,031	86,295	323,341	251,466
Rent and utilities	257,758	36,171	57,665	93,836	351,594	323,450
Printing and mailing	10,412	2,681	74,497	77,178	87,590	50,083
Travel and meetings	212,470	42,195	20,645	62,840	275,310	229,026
Insurance	12,533	1,759	2,804	4,563	17,096	16,449
Special event expenses	-	-	1,084,781	1,084,781	1,084,781	1,086,337
Bank charges	-	65,014	-	65,014	65,014	95,566
Other expenses	57,331	114,320	86,434	200,754	258,085	124,201
Bad debt expense	-	102,052	-	102,052	102,052	-
Depreciation	4,293	603	960	1,563	5,856	-
Total expenses	7,625,253	1,515,639	2,680,968	4,196,607	11,821,860	9,467,390
Less: special event expenses with a direct benefit to donor	-	-	(759,350)	(759,350)	(759,350)	(574,364)
Total expenses for statement of activities	\$ 7,625,253	\$ 1,515,639	\$ 1,921,618	\$ 3,437,257	\$ 11,062,510	\$ 8,893,026

The attached notes and auditor's report are an integral part of these financial statements.

**The One Love Foundation
In Honor of Yeardeley Love, Inc.**

Statement of Cash Flows

For the Year Ended June 30, 2023
(With comparative totals for the year ended June 30,2022)

	June 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (3,225,587)	\$ 1,933,799
Adjustments to reconcile change in net assets to net cash (used for)/provided by in operating activities		
Forgiveness of PPP loan	-	(704,397)
Depreciation	5,856	-
Changes in assets and liabilities:		
Contributions and grants receivable	1,475,662	(86,877)
Prepaid expenses and other assets	(11,686)	80,476
Accounts payable and accrued expenses	(209,851)	69,667
Conditional contributions	50,000	(60,000)
Total adjustments	1,309,981	(701,131)
Net cash flows (used for)/provided by operating activates	(1,915,606)	1,232,668
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvestments of matured certificates of deposits	(7,515,351)	(1,698,315)
Proceeds from matured certificates of deposits	5,281,383	990,000
Purchase of fixed assets	(321,942)	-
Net cash flows used for operating activates	(2,555,910)	(708,315)
Net (decrease)/increase in cash and cash equivalents	(4,471,516)	524,353
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	7,792,856	7,268,503
CASH AND CASH EQUIVALENTS, <i>end of year</i>	\$ 3,321,340	\$ 7,792,856
SUPPLEMENTAL INFORMATION		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

The attached notes and auditor's report are an integral part of these financial statements.

The One Love Foundation In Honor of Yeadley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 1 - Organization

The One Love Foundation in Honor of Yeadley Love, Inc. (the "Foundation") was founded in June 2010 and incorporated as a not-for-profit organization under the laws of the State of Maryland. The mission of the Foundation is to educate young people about the differences between healthy and unhealthy relationships. The Foundation provides young people with tools and resources that educate, empower, and activate the next generation to bring One Love's life-saving prevention education to their communities. The Foundation's primary sources of revenue are from contributions.

The Foundation has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3) and has not been designated as a private foundation.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recording revenue and expenses when earned or incurred, rather than received or paid.

b. Recently Adopted Accounting Standards

Effective July 1, 2022, the Foundation adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Foundation elected transition relief that allows entities, in the period of adoption, to present the current period under FASB's Accounting Standards Codification ("ASC") 842 and the comparative period under FASB ASC 840. It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing FASB ASU No. 2016-02, the Foundation recognized right-of-use ("ROU") assets of \$56,566 and lease liabilities totaling \$56,566 in its statement of financial position as of the July 1, 2022.

c. Basis of Presentation

The financial statements are presented in accordance with the provisions of Topic 958: *Presentation of Financial Statements of Not-For Profit Entities*. Topic 958 requires the Foundation to report information regarding its financial position and activities according to two classes of net assets:

- *Net Assets without Donor Restrictions* - represents all activity without donor-imposed restrictions.
- *Net Assets with Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

d. Revenue Recognition

The Foundation follows the requirements of the FASB ASC 958-605 for recording contributions, which are recorded at the time a contribution becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

Government grants have been evaluated and are considered to be conditional non-reciprocal transactions that fall under the scope of FASB ASC 958-605. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved, and other conditions under the agreements are met. Cash received in advance of the conditions being met is treated as a liability.

Contributions and grants expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

The Foundation follows the requirements of FASB ASC 606 for recognizing revenue from contracts with customers. The Foundation receives fee for service income for providing workshops which fall under FASB ASC 606 and is included in the statement of activities. Revenue from workshops is recognized at the point in time that the workshop takes place, and the performance obligation is complete. Fees that have not been collected at year end are reflected as accounts receivable. Amounts collected in advance are treated as deferred revenue.

Fundraising revenue (Special event income) - Fundraising revenue is comprised of payments received from third parties (individuals and corporations) to support and/or attend fundraising events. Fundraising revenue includes an exchange transaction component for the value of the goods or services received, which follows revenue recognition guidance under ASC Topic 606. The amount paid by individuals and corporations that is above the value of goods or services received is considered a contribution. Revenue is recognized over time at the time the fundraising event occurs. The Foundation's special events revenue and any direct benefit to donors are typically insignificant to consolidated financial statements as a whole.

Receivables are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for doubtful accounts exists as of June 30, 2023.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

e. Cash and Cash Equivalents

The Foundation considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

f. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to a concentration of credit risk consist of cash, money market accounts, and investments, which are placed with financial institutions that management deems to be creditworthy. Investments are subject to market fluctuations. At year end and at various times throughout the year, balances were in excess of insured amounts. However, the Foundation has not suffered any losses due to bank failure.

g. Investments

Investments are recorded at fair value, which refers to the sales price that would be received in an orderly transaction between market participants at the measurement date. Interest income and net gains and losses are recognized as other income on the statement of activities.

h. Property, Plant and Equipment

Property, plant, and equipment that the Foundation retains title to, and which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Property, plant and equipment assets consist of the technology platform, the Foundation's website, leasehold improvements, furniture, equipment, and computers, all of which are depreciated over their estimated useful lives and lease terms using the straight-line method.

<u>Description</u>	<u>Estimated Life (Years)</u>
Technology	3 to 5 years
Computer and office equipment	3 to 5 years
Leasehold improvements	the lesser of lease term or useful life of improvements

i. Leases

The Foundation determines if an arrangement is or contains a lease at inception. Leases are included in ROU assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The change in operating lease ROU asset and liability on the statement of cash flows includes the amortization of the ROU asset and cash payments for leases offset by the accretion of the discounted lease liability. Operating lease expense is recognized on a straight-line basis over the lease term. The Foundation does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

j. In-Kind Services

The Foundation non-financial recognizes contributions of services that create or enhance assets, or require specialized skills, are performed by those who possess those skills, and would typically be purchased, if not donated.

Many volunteers, including board members, provide services in support of the Foundation's mission. Those services have not been recognized on the financial statements because they do not meet the criteria outlined above.

k. Marketing and Advertising

Marketing and advertising costs are expensed as incurred.

l. Management 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

m. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Salaries were allocated using time and effort as the basis. Rent and utilities were allocated using the count of full-time equivalents as the basis.

The following expenses were allocated using salary allocation as the basis:

- Payroll taxes and employee benefits
- Office expenses
- Technology infrastructure and maintenance
- Insurance

All other expenses have been charged directly to the applicable program or supporting services.

n. Accounting for Uncertainty of Income Taxes

The Foundation does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2020 and later are subject to examination by applicable taxing authorities.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

o. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

p. New Accounting Standards

FASB issued ASU 2016-13, *Financial Instruments - Credit Losses* ("Topic 326"): *Measurement of Credit Losses on Financial Instruments*, which becomes effective for the fiscal year ending September 30, 2024. This ASU requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts.

The Foundation is in the process of evaluating the impact this standard will have on future financial statements.

Note 3 - Investments and Fair Value Measurements

Accounting standards establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. That would include data obtained from sources Independent of the Foundation.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 3 - Investments and Fair Value Measurements - Continued

Investments consist of:

	June 30, 2023		
	Level 1	Level 2	Total
Certificate of deposit	\$ -	\$ 2,474,396	\$ 2,474,396
Money funds	1,225,287	-	1,225,287
Total	\$ 1,225,287	\$ 2,474,396	\$ 3,699,683
	June 30, 2022		
	Level 1	Level 2	Total
Certificate of deposit	\$ -	\$ 1,465,715	\$ 1,465,715
Money funds	-	-	-
Total	\$ -	\$ 1,465,715	\$ 1,465,715

Level 1 securities are valued at the closing price reported on the active market they are traded on. Level 2 securities are valued using observable market inputs for securities that are similar to those owned. This method produces a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

Investment income at June 30, 2023 consists entirely of interest income.

Note 4 - Contribution and Grants Receivable, net

Contributions and grants receivable are expected in the following periods:

	June 30,	
	2023	2022
For the years ending:		
June 30, 2023	\$ -	\$ 1,930,989
June 30, 2024	257,000	30,000
June 30, 2025	275,000	30,000
Total payments expected	532,000	1,990,989
Present value discount	(16,673)	-
Total contributions and grants receivable, net	\$ 515,327	\$ 1,990,989

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 5 - Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows:

	June 30,	
	2023	2022
Computers and equipment (3 years)	\$ 23,617	\$ 61,219
Technology (3 years)	1,025,531	730,507
Leasehold improvements (life of lease)	47,575	44,275
	1,096,723	836,001
Less: accumulated depreciation	(780,637)	(836,001)
Total property, plant and equipment, net	\$ 316,086	\$ -

Note 6 - Note Payable

On March 16, 2023 the Foundation entered into a interest free promissory note payable for crisis management services in the principal sum amount of \$50,000. Repayment of the promissory note is due upon demand. As of June 30, 2023, the full promissory note payable was outstanding.

Note 7 - Operating Lease Right-of-Use (“ROU”) Asset and Operating Lease Liability

The Foundation evaluated current contracts to determine which met the criteria of a lease under FASB ASC 842. In August 2022, the Foundation extended its lease agreement for office space in Baltimore, Maryland through August 2024. This lease is considered to be an operating lease.

The ROU asset represents the Foundation’s right to use the underlying asset for the lease term, and the lease liability represents the Foundation’s obligation to make lease payments arising from this lease. The ROU asset and lease liability were calculated based on the present value of future lease payments over the lease terms. The Foundation has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate the lease liability as of June 30, 2023 was 4%. As of June 30, 2023, the weighted average remaining lease term for the Foundation’s operating lease is 2 years.

For the year ended June 30, 2023, total operating lease cost and cash paid for operating leases was both \$24,000. There were no non-cash investing and financing transactions related to leasing other than the ROU asset obtained in exchange for the lease liability recorded at the date of commencement.

Future maturities of lease liabilities are presented in the following table:

Year ending:		
	June 30, 2024	\$ 29,725
	June 30, 2025	4,979
Total lease payments		34,704
Imputed interest		(950)
Total lease obligation		\$ 33,754

The One Love Foundation In Honor of Yeardeley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions can be summarized as follows:

	June 30, 2023			
	Balance 7/1/22	Contributions	Released from Restrictions	Balance 6/30/23
Programs restrictions:				
Curriculum expansion	\$ 1,723,065	\$ 100,000	\$ (1,666,721)	\$ 156,344
Relationship health campaign	144,375	-	(144,375)	-
Volunteer/Team				
One Love Initiative	6,916	-	(6,916)	-
Other program support	-	427,500	(238,765)	188,735
Total program restrictions	1,874,356	527,500	(2,056,777)	345,079
Time restrictions	90,000	675,000	\$ (285,000)	480,000
Total	\$ 1,964,356	\$ 1,202,500	\$ (2,341,777)	\$ 825,079
	June 30, 2022			
	Balance 7/1/21	Contributions	Released from Restrictions	Balance 6/30/22
Programs restrictions:				
Curriculum expansion	\$ 418,072	\$ 3,053,100	\$ (1,748,107)	\$ 1,723,065
Relationship health campaign	270,110	-	(125,735)	144,375
Volunteer/Team				
One Love Initiative	-	145,000	(138,084)	6,916
Total program restrictions	688,182	3,198,100	(2,011,926)	1,874,356
Time restrictions	1,020,000	-	\$ (930,000)	\$ 90,000
Total	\$ 1,708,182	\$ 3,198,100	\$ (2,941,926)	\$ 1,964,356

Note 9 - Special Events

Special events proceeds are summarized as follows:

	June 30,	
	2023	2022
Gross revenue	\$ 2,200,329	\$ 2,478,801
Less: expenses with a direct benefit to donors	(759,350)	(574,364)
Total special event income	1,440,979	1,904,437
Less: other event expenses	(325,431)	(511,973)
Total	\$ 1,115,548	\$ 1,392,464

The One Love Foundation In Honor of Yeardley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 10 - In-Kind Contributions

During the years ended June 30, 2023, and June 30, 2022 the Foundation received in-kind professional fees totaling \$49,222 and \$30,000, respectively, which were allocated to management and general expenses on the statement of activities. The valuation of in-kind contributions is based on fair market value on the basis of recent comparable prices for retaining similar services or purchasing similar goods in the New York City Metropolitan area. There are no associated donor restrictions.

Note 11 - Contingencies

The Foundation is exposed to various risks of loss related to torts, lawsuits, thefts of, damage to and destruction of assets, injuries to employees and natural disasters. These matters are subject to many uncertainties, and outcomes are not predictable with a high degree of assurance. Consequently, the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of June 30, 2023 cannot be ascertained. Management believes that the final outcome of these matters will not have a material impact on the financial statements of the Foundation. The Foundation maintains commercial insurance to help protect itself from such risks.

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursements. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such potential claims.

Note 12 - Retirement Plan

The Foundation maintains a tax deferred 401(k) retirement plan on behalf of participating employees. All employees who are at least 21 years of age may participate by designating a percentage of their salaries, subject to regulatory limits, to be contributed to the plan on a pre-tax basis. The Foundation contributes 2% of employee's compensation for all eligible non-contributing employees and matches contributions up to 4% of eligible employees' compensation. Contributions to the plan are fully vested immediately. Total retirement plan expense incurred during the years ended June 30, 2023 and 2022 was \$46,000 and \$149,000, respectively.

Note 13 - Availability and Liquidity

The Foundation maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, the Foundation operates its programs within a board approved budget and relies on contributions and fee income to fund its operations and program activities.

The One Love Foundation In Honor of Yeardley Love, Inc.

Notes to Financial Statements

June 30, 2023

Note 13 - Availability and Liquidity - Continued

The following reflects the Foundation's financial assets at June 30, 2023 that are available to meet cash needs for general expenditures within one year:

Financial assets, at year end		
Cash and cash equivalents	\$ 3,321,340	
Investments	3,699,683	
Contributions receivable due within one year	<u>257,000</u>	
		\$ 7,278,023
Less amounts not available for general expenditures:		
Donor contributions restricted to specific purposes		<u>(345,079)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 6,932,944</u>

Note 14 - Subsequent Events

Subsequent events have been evaluated through July 11, 2024, the date the financial statements were available to be issued. Disclosures have been made for all material subsequent events that have occurred.

Subsequent to year-end the Board of Directors and senior leadership changed. Management has also engaged an outsourced accounting firm that has implemented monthly closing procedures to ensure timely reconciliations and financial review. Under this new leadership, the Foundation has been streamlined for efficiency while bringing the focus back to One Love's core mission. The steps taken since the end of fiscal year 2023 have allowed the organization to reconnect with old donors while engaging new funding sources.