

FINANCIAL STATEMENTS



ULTRAVIOLET EDUCATION FUND

**FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2021**

ULTRAVIOLET EDUCATION FUND

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
UltraViolet Education Fund
Washington, D.C.

Opinion

We have audited the accompanying financial statements of UltraViolet Education Fund (UVEF), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UVEF as of December 31, 2022, and the change in its 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of UVEF 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 UVEF'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.

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UVEF'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 UVEF'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 UVEF's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



May 22, 2023

ULTRAVIOLET EDUCATION FUND
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,773,132	\$ 1,333,913
Accounts receivable	49,436	3,443
Grants receivable	285,000	715,000
Due from related parties	150,029	110,347
Prepaid expenses	<u>115,191</u>	<u>62,148</u>
TOTAL ASSETS	<u>\$ 2,372,788</u>	<u>\$ 2,224,851</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 76,687	\$ 74,490
Accrued salaries and related benefits	<u>367,036</u>	<u>283,433</u>
Total liabilities	<u>443,723</u>	<u>357,923</u>

NET ASSETS

Without donor restrictions	1,065,848	1,026,541
With donor restrictions	<u>863,217</u>	<u>840,387</u>
Total net assets	<u>1,929,065</u>	<u>1,866,928</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,372,788</u>	<u>\$ 2,224,851</u>

ULTRAVIOLET EDUCATION FUND

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions and grants	\$ 1,089,154	\$ 1,685,750	\$ 2,774,904	\$ 2,613,611
Special event revenue, net of expenses of \$164,485 in 2022	48,926	-	48,926	-
Other revenue	1,643	-	1,643	7,058
Net assets released from donor restrictions	<u>1,662,920</u>	<u>(1,662,920)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>2,802,643</u>	<u>22,830</u>	<u>2,825,473</u>	<u>2,620,669</u>
EXPENSES				
Program Services	<u>2,289,543</u>	<u>-</u>	<u>2,289,543</u>	<u>2,199,256</u>
Supporting Services:				
Management and General	285,778	-	285,778	214,748
Fundraising	<u>188,015</u>	<u>-</u>	<u>188,015</u>	<u>128,896</u>
Total supporting services	<u>473,793</u>	<u>-</u>	<u>473,793</u>	<u>343,644</u>
Total expenses	<u>2,763,336</u>	<u>-</u>	<u>2,763,336</u>	<u>2,542,900</u>
Change in net assets before other item	39,307	22,830	62,137	77,769
OTHER ITEM				
Extinguishment of debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>624,500</u>
Change in net assets	39,307	22,830	62,137	702,269
Net assets at beginning of year	<u>1,026,541</u>	<u>840,387</u>	<u>1,866,928</u>	<u>1,164,659</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,065,848</u>	<u>\$ 863,217</u>	<u>\$ 1,929,065</u>	<u>\$ 1,866,928</u>

ULTRAVIOLET EDUCATION FUND

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	2022				2021	
	Supporting Services					
	Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses	Total Expenses
Salaries	\$ 1,052,210	\$ 39,362	\$ 66,143	\$ 105,505	\$ 1,157,715	\$ 1,183,105
Consulting	561,482	124,230	20,450	144,680	706,162	438,704
Payroll taxes and benefits	355,529	12,603	19,968	32,571	388,100	402,976
Special event	391	193	163,901	164,094	164,485	-
Professional fees	68,004	23,543	37,305	60,848	128,852	121,999
Technology	70,791	11,213	18,409	29,622	100,413	116,857
Advertising	91,431	477	-	477	91,908	115,585
Subscription	56,579	5,869	5,473	11,342	67,921	56,440
Travel and meetings	611	56,610	434	57,044	57,655	14,810
Contributions	22,500	5,000	-	5,000	27,500	44,398
Miscellaneous	-	-	15,205	15,205	15,205	11,821
Insurance	6,646	2,145	3,549	5,694	12,340	9,255
Supplies	2,748	895	869	1,764	4,512	9,639
Postage and printing	50	2,777	25	2,802	2,852	3,280
Telephone and internet	962	1,054	185	1,239	2,201	11,373
Interest expense	-	-	-	-	-	2,658
Subtotal	2,289,934	285,971	351,916	637,887	2,927,821	2,542,900
Less: Special event expenses	(391)	(193)	(163,901)	(164,094)	(164,485)	-
TOTAL	\$ 2,289,543	\$ 285,778	\$ 188,015	\$ 473,793	\$ 2,763,336	\$ 2,542,900

See accompanying notes to financial statements.

ULTRAVIOLET EDUCATION FUND

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 62,137	\$ 702,269
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Extinguishment of debt	-	(624,500)
Receipt of contributed securities	(5,066)	(15,615)
Proceeds from the sale of contributed securities	5,066	15,615
(Increase) decrease in:		
Accounts receivable	(45,993)	(1,872)
Grants receivable	430,000	(465,000)
Due from related parties	(39,682)	(37,259)
Prepaid expenses	(53,043)	(30,957)
Increase (decrease) in:		
Accounts payable and accrued liabilities	2,197	57,530
Accrued salaries and related benefits	<u>83,603</u>	<u>116,615</u>
Net cash provided (used) by operating activities	<u>439,219</u>	<u>(283,174)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable	<u>-</u>	<u>307,500</u>
Net cash provided by financing activities	<u>-</u>	<u>307,500</u>
Net increase in cash and cash equivalents	439,219	24,326
Cash and cash equivalents at beginning of year	<u>1,333,913</u>	<u>1,309,587</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,773,132</u>	<u>\$ 1,333,913</u>

ULTRAVIOLET EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The UltraViolet Education Fund (UVEF), a non-profit organization, was incorporated on April 2, 2014, under the laws of the District of Columbia. UVEF was established to work on a range of issues including health care, economic security, violence, reproductive rights, racial justice, and immigration by putting the voices of all women, especially women of color and LGBTQ women, front and center. UVEF is a powerful and rapidly growing community of people from all walks of life mobilized to fight sexism and expand women's rights, from politics and government to media and pop culture. UVEF's activities are funded primarily through grants and contributions revenue.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with UVEF's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Cash and cash equivalents -

UVEF considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, UVEF maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

ULTRAVIOLET EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Receivables -

Receivables are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectable within one year. Accordingly, an allowance for doubtful accounts has not been established.

Income taxes -

UVEF is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. UVEF is not a private foundation.

Uncertain tax positions -

For the year ended December 31, 2022, UVEF has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Support and revenue -

UVEF receives contributions and grants, including unconditional promises to give, from many sources. Contributions and grants are recognized in the appropriate category of net assets in the period received. UVEF performs an analysis of the individual contribution or grant to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction, depending upon whether the transaction is deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For contributions and grants qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions and grants qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Contributions and grants qualifying as conditional contributions contain a right of return and a barrier. Funds received in advance of the incurrence of qualifying expenditures are recorded as deferred revenue. UVEF did not have any unrecognized conditional awards as of December 31, 2022.

Special events revenue, classified as an exchange transaction, follows ASU 2014-09, *Revenue from Contracts With Customers* and is recorded as revenue when performance obligations are met, which is when the applicable event has occurred. UVEF has elected to opt out of all (or certain) disclosures not required for nonpublic entities. Transaction price is based on price. Funding received in advance of satisfying performance obligations are recorded as deferred revenue.

ULTRAVIOLET EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Support and revenue (continued) -

UVEF did not have any receivables or deferred revenue from contracts with customers at December 31, 2022.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Advertising -

UVEF expenses advertising costs as incurred. Advertising expense was \$91,908 for the year ended December 31, 2022.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses directly attributed to a specific functional area of UVEF are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

New accounting pronouncement not yet adopted -

Accounting Standard Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The ASU is effective for UVEF for the year ending December 31, 2023. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach.

UVEF plans to adopt the new ASU at the required implementation date, and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying financial statements.

ULTRAVIOLET EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2022:

Subject to expenditure for specified purpose:	
Reproductive Rights	\$ 180,506
Disinformation	218,550
Misogyny	179,161
Subject to passage of time	<u>285,000</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	\$ <u>863,217</u>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Purpose restrictions accomplished:	
Reproductive Rights	\$ 219,881
Disinformation	382,200
Mysogyny	<u>210,839</u>
Subtotal program restricted	812,920
Timing restrictions accomplished	<u>850,000</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ <u>1,662,920</u>

3. RETIREMENT PLAN

UVEF has a retirement plan under Internal Revenue Code (IRC) Section 401(k) covering both full-time and part-time employees who meet certain eligibility requirements. As approved by the Board, UVEF is required to make a 5% contribution to each eligible employee for the Plan year. Total contributions made to the Plan were \$56,772 for the year ended December 31, 2022.

4. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 1,773,132
Accounts receivable	49,436
Grants receivable	285,000
Due from related parties	<u>150,029</u>
Subtotal	2,257,597
Less: Donor restricted funds	<u>(578,217)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	\$ <u>1,679,380</u>

ULTRAVIOLET EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

4. LIQUIDITY AND AVAILABILITY (Continued)

UVEF has a policy to structure its financial assets to be available and liquid as its obligations become due. In general, cash is available to meet the upcoming year's needs for general expenditures.

5. RELATED PARTY

UVEF and Ultraviolet Action (UVA) entered into a service agreement whereby UVEF provides programmatic and supporting services to UVA under a cost-sharing arrangement. Under the terms of the agreement, UVA reimburses UVEF for employee and other administrative expenses.

Although UVEF and UVA are related entities, their financial statements do not require consolidation as neither of the entities has both an economic interest and control over the other entity.

UVEF charged salary and other administrative expenses to UVA totaling \$1,719,200 for the year ended December 31, 2022. UVA reimbursed \$1,659,113 to UVEF for the year ended December 31, 2022. As of December 31, 2022, UVEF had net receivables from UVA totaling \$150,029.

6. SUBSEQUENT EVENTS

In preparing these financial statements, UVEF has evaluated events and transactions for potential recognition or disclosure through May 22, 2023, the date the financial statements were issued.