THE LOVELAND FOUNDATION INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

The Loveland Foundation Inc.
December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Loveland Foundation Inc.

Opinion

We have audited the accompanying financial statements of The Loveland Foundation Inc. ("Loveland"), 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 financial statements referred to above present fairly, in all material respects, the financial position of Loveland as of December 31, 2025, 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 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 Loveland 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 Loveland'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 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 Loveland'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 Loveland'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 Loveland's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 5, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Zeleke Dasho, CPA, P.C.

New York, New York
October 6, 2026

The Loveland Foundation Inc.
STATEMENT OF FINANCIAL POSITION
December 31, 2025
(With Comparative Figures for 2024)

ASSETS

	2025	2024
Current assets:		
Cash and cash equivalents	$ 1,055,456	$ 4,881,296
Short-term investments	19,680,755	16,803,685
Accrued interest receivable	32,648	-
Prepaid expenses	19,609	61,472
Due from Flipcause, Inc., net	-	1,409,354
Grants and contributions receivable	84,779	378,576
Other receivables	10,517	21,577
Total assets	$ 20,883,764	$ 23,555,960

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	$ 166,060	$ 171,523
Total liabilities	166,060	171,523
Net Assets:		
Without donor restrictions	20,717,704	23,384,437
With donor restrictions	-	-
Total net assets	20,717,704	23,384,437
Total liabilities and net assets	$ 20,883,764	$ 23,555,960

See accompanying notes to financial statements.

The Loveland Foundation Inc.
STATEMENT OF ACTIVITIES
Year ended December 31, 2025
(With Comparative Totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
REVENUES, GAINS, AND OTHER SUPPORT:				
Grants and contributions of cash and other financial assets	$ 1,921,129	$ 839,415	$ 2,760,544	$ 3,173,495
Contributions of nonfinancial assets	30,268	-	30,268	-
Program service revenue	41,131	-	41,131	-
Investment return, net	1,156,948	-	1,156,948	726,057
Net assets released from restrictions:				
Satisfaction of purpose restrictions	839,415	(839,415)	-	-
Total revenues, gains, and other support	3,988,891	-	3,988,891	3,899,552
EXPENSES AND LOSSES:				
Program services:				
Therapy fund	4,965,414	-	4,965,414	3,266,029
Total program services	4,965,414	-	4,965,414	3,266,029
Supporting services:				
Management and general	1,420,148	-	1,420,148	976,117
Fundraising	270,062	-	270,062	101,516
Total supporting services	1,690,210	-	1,690,210	1,077,633
Total expenses and losses	6,655,624	-	6,655,624	4,343,662
Change in net assets	(2,666,733)	-	(2,666,733)	(444,110)
Net assets at beginning of year	23,384,437	-	23,384,437	23,828,547
Net assets at end of year	$ 20,717,704	$ -	$ 20,717,704	$ 23,384,437

See accompanying notes to financial statements.

The Loveland Foundation Inc.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2025
(With Comparative Totals for 2024)

	Program Services	Supporting Services			
	Therapy Fund	Management and General	Fundraising	2025 Total	2024 Total
Salaries	$ 663,481	$ 89,773	$ 161,258	$ 914,512	$ 693,679
Payroll taxes and fringe benefits	121,136	18,184	30,249	169,569	127,545
Therapists	3,616,784	-	-	3,616,784	2,346,660
Consultants	454,880	54,185	78,555	587,620	303,022
Professional fees	66,000	302,038	-	368,038	368,108
Bank charges and fees	35,454	80,750	-	116,204	89,745
Supplies	-	34,788	-	34,788	9,552
Travel	269	40,211	-	40,480	93,033
Payroll processing fees	-	2,906	-	2,906	2,684
Printing and postage	-	2,315	-	2,315	1,157
Dues and subscriptions	527	44,349	-	44,876	30,126
Occupancy	-	33,130	-	33,130	51,781
Insurance	-	3,297	-	3,297	3,555
Refreshments and meals	-	9,041	-	9,041	37,411
Advertising	-	745	-	745	774
Bad debt expense	-	701,406	-	701,406	-
Miscellaneous	6,883	2,650	-	9,533	953
Website development	-	380	-	380	183,877
Total expenses	$ 4,965,414	$1,420,148	$ 270,062	$ 6,655,624	$ 4,343,662

See accompanying notes to financial statements.

The Loveland Foundation Inc.
STATEMENT OF CASH FLOWS
Year ended December 31, 2025
(With Comparative Figures for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	($ 2,666,733)	($ 444,110)
Adjustments to reconcile change in net assets to net cash (used) in operating activities:		
Bad debt expense	701,406	-
(Gain) on sale of investments	(313,161)	(396)
Unrealized (gain) on investments	(296,757)	(25,728)
(Increase) in accrued interest receivable	(32,648)	-
Decrease/(increase) in prepaid expenses	41,863	(25,991)
Decrease/(increase) in due from Flipcause, Inc.	707,948	(503,423)
Decrease in grants and contributions receivable	293,797	43,961
Decrease in other receivables	11,060	263,932
(Decrease)/increase in accounts payable and accrued expenses	(5,463)	6,512
Net cash (used) in operating activities	(1,558,688)	(685,243)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments (including reinvestment of investment income)	(2,267,152)	(707,562)
Net cash (used) in investing activities	(2,267,152)	(707,562)
Net (decrease) in cash and cash equivalents	(3,825,840)	(1,392,805)
Cash and cash equivalents at beginning of year	4,881,296	6,274,101
Cash and cash equivalents at end of year	$ 1,055,456	$ 4,881,296

See accompanying notes to financial statements.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 1. ORGANIZATION:

The Loveland Foundation Inc. ("Loveland") was formed under the laws of New York on February 1, 2019 for the purpose of showing up for communities of color in unique and powerful ways, with a particular focus on Black women and girls. The resources and initiatives are collaborative and they prioritize opportunity, access, validation, and healing. Loveland's main goal is to bring opportunity and healing to communities of color, and especially to Black women and girls.

Loveland is tax-exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as a publicly supported organization as described in Section 509(a)(1) and 170 (b)(1)(A)(vi).

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Loveland have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America for nonprofit organizations. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Recently Adopted Accounting Standards

In June 2016, FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). The new ASU replaces the incurred loss impairment methodology in current 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 update requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. Credit losses relating to available-for-sale debt securities should be recorded through an allowance for credit losses.

Loveland evaluated the effect of this new guidance and determined it had no effect on the financial statements and related disclosures.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Cash and Cash Equivalents

Loveland considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Grants and contributions receivable

Loveland records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Loveland determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Grants and contributions receivable are written off when deemed uncollectable.

Investments

Loveland records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Significant additions extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Depreciation is computed by using the straight-line method over the estimated useful lives.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases

Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-02, Leases, requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. Loveland made an accounting policy election available under the ASU to not recognize the right-of-use ("ROU") assets and lease liabilities for leases with a term of 12 months or less. At December 31, 2025 and 2024, Loveland did not hold any long-term leases that were material to the financial statements.

Net Assets

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

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor-imposed 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 donors, and grantors. Other donor-imposed restrictions are perpetual in nature, where the donors, and grantors stipulates that resources be maintained in perpetuity. Loveland reports contributions restricted by donors, and grantors as increases in net assets with donor restrictions 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.

Grants and contributions

Loveland recognizes grants and contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Donated Services and Goods

Donated services and goods are recognized in circumstances where those services or goods create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of services that assist Loveland. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

Program Service Revenue

Program service income is recognized in accordance with Financial Accounting standards Board ("FASB") Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with customers, Accounting Standards Codification ("ASC") 606, which requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance requires an entity to follow a five-step model to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies performance obligations.

As the program services are completed, program service revenue is recognized and then the five-step process is completed.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and Effort
Payroll taxes and fringe benefits	Time and Effort
Consultants	Time and Effort
Professional fees	Time and Effort
Other	Time and Effort

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Advertising

The cost of advertising is expensed as incurred.

Uncertainty in Income Taxes

Loveland applies the provision of FASB ASC 740, Income Taxes. Management has considered possible areas of uncertain tax positions and possible areas of risk to its tax-exempt status. Management has concluded that Loveland has no uncertain tax positions and that its tax exempt status would be sustained upon examination.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires making estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

Cash and cash equivalents that potentially subject Loveland to a concentration of credit risk include accounts with banks that exceeds the Federal Deposit Insurance Corporation ("FDIC") insurance limits by approximately $557,000 and $4,631,000 as of December 31, 2025 and 2024, respectively. Management believes that credit risk related to these accounts is minimal. Loveland has not experienced, nor does it anticipate any losses with respect to such balances.

Credit risk associated with grants and contributions is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from contributors supportive of Loveland's mission.

Comparative Financial Information

The accompanying 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 (GAAP). Accordingly, such information should be read in conjunction with the audited financial statements for the year ended December 31, 2024, from which the summarized information was derived.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 3. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

Loveland reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that Loveland can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, Loveland develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 3. INVESTMENTS AND FAIR VALUE MEASUREMENTS: (Continued)

All investment assets are classified within Level 1 because they comprise open-end mutual funds, exchange traded products, stocks, bonds and others with readily determinable fair values based on daily redemption values.

The following table sets forth by level and type as of December 31, 2025 the investments within the fair value hierarchy:

	Level 1
Mutual funds	$ 7,513,632
Exchange traded products	4,516,255
Stocks	4,188,744
Bonds	3,390,111
Other	72,013
	$ 19,680,755

The composition of the 2025 investment return was as follows:

	Total
Dividends and interest	$ 707,246
Realized gain on investments	313,161
Unrealized gain on investments	296,757
Commissions and fees	(160,216)
	$1,156,948

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 3. INVESTMENTS AND FAIR VALUE MEASUREMENTS: (Continued)

The following table sets forth by level and type as of December 31, 2024 the investments within the fair value hierarchy:

	Level 1
Mutual funds	$ 1,242,591
Exchange traded products	15,425,505
Stocks	135,589
	$ 16,803,685

The composition of the 2024 investment return was as follows:

	Total
Dividends and interest	$ 832,865
Realized gain on investments	396
Unrealized gain on investments	25,728
Commissions and fees	(132,932)
	$ 726,057

NOTE 4. DUE FROM FLIPCAUSE, INC.:

Loveland has an agreement with Flipcause, Inc., a fundraising and donor management company, to provide donation processing services. During 2025 and 2024, Flipcause processed Loveland's credit and debit card transactions. As of December 31, 2025 and 2024, $701,406 and $1,409,354, respectively, in donor contributions remained due to Loveland and held in a merchant account established by Flipcause on Loveland's behalf. Flipcause filed for Chapter 11 bankruptcy on December 19, 2025. Accordingly, the $701,406 balance outstanding at December 31, 2025 was fully reserved.

The Loveland Foundation Inc.
NOTES TO FINANCIAL STATEMENTS
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NOTE 5. OTHER RECEIVABLES:

Loveland utilizes a third-party bill payment service provider to process certain payments to therapists. As of December 31, 2025 and 2024, $10,517 and $21,577, respectively, had been transferred to the service provider but had not yet been disbursed to the therapists.

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are available for the therapy fund totaling $ - and $ - at December 31, 2025 and 2024, respectively.

NOTE 7. NET ASSETS RELEASED FROM RESTRICTIONS:

During the years ended December 31, 2025 and 2024, net assets with donor restrictions were released for the therapy fund totaling $839,415 and $1,584,097, respectively.

NOTE 8. CONTRIBUTIONS OF NON-FINANCIAL ASSETS

In 2025, Loveland recognized contributed nonfinancial assets within revenue, including contributed supplies of $30,268 which were valued at the amount paid if purchased by consumers. The contributed nonfinancial assets did not have donor-imposed restrictions. The supplies were utilized for management and general purposes.

NOTE 9. AVAILABILITY AND LIQUIDITY:

Loveland has $20,883,764 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash and cash equivalents of $1,055,456, short-term investments of $19,680,755, accrued interest receivable of $32,648, prepaid expenses of $19,609, grants and contributions receivable of $84,779 and other receivables of $10,517. Loveland has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 10. SUBSEQUENT EVENTS:

Loveland has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through October 6, 2026, the date the financial statements were available to be issued. Loveland is not aware of any subsequent events that would require recognition or disclosure in the financial statements.