

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

**Financial Statements
and Independent Auditor's Report**

December 31, 2025 and 2024

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

Index

	PAGE
Independent Auditors' Report	2
Financial Statements	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	7
Statements of Cash Flows	9
Notes to Financial Statements	10

Independent Auditor's Report

To the Board of Directors
Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Opinion

We have audited the financial statements of Funders for Lesbian and Gay Issues, Inc. (dba Funders for LGBTQ Issues), which comprise the statements of financial position as of December 31, 2025 and 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of Funders for Lesbian and Gay Issues, Inc. (dba Funders for LGBTQ Issues), as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Funders for Lesbian and Gay Issues, Inc. (dba Funders for LGBTQ Issues) 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 Funders for Lesbian and Gay Issues, Inc.'s (dba Funders for LGBTQ Issues) ability to continue as a going concern for 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 Funders for Lesbian and Gay Issues, Inc.'s (dba Funders for LGBTQ Issues) 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 Funders for Lesbian and Gay Issues, Inc.'s (dba Funders for LGBTQ Issues) 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 audits.



Los Angeles, California
July 29, 2026

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

**Statements of Financial Position
December 31, 2025 and 2024**

	<u>Assets</u>	
	2025	2024
Assets		
Cash and cash equivalents	\$ 1,314,859	\$ 508,502
Investments	3,847,690	3,616,170
Contributions and grants receivable, net	1,116,150	1,180,250
Prepaid expenses	23,598	332,213
Fixed assets, net	1,486	1,486
Other assets	-	28,072
Total assets	<u>\$ 6,303,783</u>	<u>\$ 5,666,693</u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued expenses	\$ 311,723	\$ 361,731
Deferred revenue	52,500	82,503
Total liabilities	<u>364,223</u>	<u>444,234</u>
Net assets		
Without donor restrictions		
Operating fund	3,389,560	2,977,459
Board-designated reserve fund	1,550,000	1,550,000
	4,939,560	4,527,459
With donor restrictions	1,000,000	695,000
Total net assets	<u>5,939,560</u>	<u>5,222,459</u>
Total liabilities and net assets	<u>\$ 6,303,783</u>	<u>\$ 5,666,693</u>

See Notes to Financial Statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Statement of Activities
Year Ended December 31, 2025

	2025		
	Without donor restrictions	With donor restrictions	Total
Support and revenue			
Foundation grants and sponsorships	\$ 1,483,500	\$ 1,925,000	\$ 3,408,500
Institutional memberships and donations	653,318	-	653,318
Individual memberships and donations	3,242	-	3,242
Program fees	227,662	-	227,662
Investment income, net	380,160	-	380,160
Net assets released from restrictions	1,620,000	(1,620,000)	-
Total support and revenue	4,367,882	305,000	4,672,882
Expenses			
Program services	3,314,436	-	3,314,436
Management and general	407,146	-	407,146
Fundraising	234,199	-	234,199
Total expenses	3,955,781	-	3,955,781
Change in net assets	412,101	305,000	717,101
Net assets, beginning of year	4,527,459	695,000	5,222,459
Net assets, end of year	\$ 4,939,560	\$ 1,000,000	\$ 5,939,560

See Notes to Financial Statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Statement of Activities
Year Ended December 31, 2024

	2024		
	Without donor restrictions	With donor restrictions	Total
Support and revenue			
Foundation grants and sponsorships	\$ 1,644,000	\$ 1,901,000	\$ 3,545,000
Institutional memberships and donations	676,984	-	676,984
Individual memberships and donations	51,757	-	51,757
Program fees	49,223	-	49,223
Investment income, net	323,438	-	323,438
Net assets released from restrictions	2,217,834	(2,217,834)	-
Total support and revenue	4,963,236	(316,834)	4,646,402
Expenses			
Program services	2,990,554	-	2,990,554
Management and general	357,586	-	357,586
Fundraising	384,593	-	384,593
Total expenses	3,732,733	-	3,732,733
Change in net assets	1,230,503	(316,834)	913,669
Net assets, beginning of year	3,296,956	1,011,834	4,308,790
Net assets, end of year	\$ 4,527,459	\$ 695,000	\$ 5,222,459

See Notes to Financial Statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Statement of Functional Expenses
Year Ended December 31, 2025

	2025			
	Program services	Management and general	Fundraising	Total
Personnel expenses				
Salaries	\$ 1,322,267	\$ 78,550	\$ 149,054	\$ 1,549,871
Payroll taxes and benefits	312,732	123,942	31,022	467,696
Total personnel expenses	1,634,999	202,492	180,076	2,017,567
Other expenses				
Grants	678,600	-	-	678,600
Printing and design	2,194	6	117	2,317
Travel	143,166	50,609	13,810	207,585
Meetings and conferences	358,820	5,851	20,923	385,594
Professional and consulting fees	399,069	96,342	13,623	509,034
Occupancy	4,959	375	2,655	7,989
Office expenses	69,395	45,924	738	116,057
Telephone	14,262	3,243	1,413	18,918
Postage and mailing	1,398	515	150	2,063
Other	7,574	1,789	694	10,057
Total expenses	<u>\$ 3,314,436</u>	<u>\$ 407,146</u>	<u>\$ 234,199</u>	<u>\$ 3,955,781</u>

See Notes to Financial Statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Statement of Functional Expenses
Year Ended December 31, 2024

	2024			
	Program services	Management and general	Fundraising	Total
Personnel expenses				
Salaries	\$ 1,226,703	\$ 107,956	\$ 187,950	\$ 1,522,609
Payroll taxes and benefits	446,751	29,657	44,734	521,142
Total personnel expenses	1,673,454	137,613	232,684	2,043,751
Other expenses				
Grants	650,000	-	-	650,000
Printing and design	8,055	368	917	9,340
Travel	193,472	49,078	27,834	270,384
Meetings and conferences	20,549	18,263	78,940	117,752
Professional and consulting fees	356,364	146,130	32,973	535,467
Occupancy	17,725	1,186	3,730	22,641
Office expenses	18,801	913	1,636	21,350
Telephone	14,801	1,149	1,734	17,684
Postage and mailing	1,550	116	175	1,841
Marketing	7,464	413	623	8,500
Other	28,319	2,357	3,347	34,023
Total expenses	<u>\$ 2,990,554</u>	<u>\$ 357,586</u>	<u>\$ 384,593</u>	<u>\$ 3,732,733</u>

See Notes to Financial Statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	\$ 717,101	\$ 913,669
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized gains on investments	(267,695)	(242,187)
Changes in operating assets and liabilities		
Contributions and grants receivable, net	64,100	(703,300)
Prepaid expenses	308,615	(332,213)
Other assets	28,072	(26,336)
Accounts payable and accrued expenses	(50,008)	96,194
Deferred revenue	(30,003)	(97,497)
Net cash provided by (used in) operating activities	770,182	(391,670)
Cash flows from investing activities		
Purchases of fixed assets	-	(1,486)
Purchases of investments	(117,453)	(352,410)
Proceeds from sales of investments	153,628	587,179
Net cash provided by investing activities	36,175	233,283
Net increase (decrease) in cash and cash equivalents	806,357	(158,387)
Cash and cash equivalents, beginning	508,502	666,889
Cash and cash equivalents, end	\$ 1,314,859	\$ 508,502

See Notes to Financial Statements.

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

**Notes to Financial Statements
December 31, 2025 and 2024**

Note 1 - Organization

Funders for Lesbian and Gay Issues, Inc. ("Funders for LGBTQ Issues") was founded in 1982 as "The Working Group on Lesbian and Gay Issues" under fiscal sponsorship of the National Network of Grantmakers. In 2000, Funders for LGBTQ Issues was organized under Internal Revenue Code Section 501(c)(3) as a nonprofit entity and was established to increase the scale and impact of philanthropic resources aimed at enhancing the well-being of lesbian, gay, bisexual, transgender and queer communities, promoting equity, and advancing racial, economic and gender justice.

Funders for LGBTQ Issues accomplishes its goals through three core sets of activities:

Research: We produce an annual tracking report and other special reports to monitor the character of LGBTQ funding and identify trends, gaps, and opportunities. Our reports on domestic and global LGBTQ funding are considered the field's most reliable and useful source of data on resource flows to LGBTQ communities. Our reports have been cited by academic journals, think tanks, nongovernmental organizations, government agencies, newspapers, blogs, and other media.

Training and Support Services: We collaborate with funders to help them identify how LGBTQ issues intersect with a range of grantmaking priorities. We connect with allies in foundations not yet funding LGBTQ issues and support them in building institutions that are more inclusive and responsive to LGBTQ communities.

Convening and Collective Action: Funders for LGBTQ Issues regularly convenes grantmakers committed to LGBTQ issues so that they may connect with one another, learn from each other, coordinate their efforts, and maximize their impact. We host working groups and initiatives on specific topics to help funders shape funding strategies and leverage opportunities for new philanthropic partnerships. Through participation in other philanthropic conferences and partnerships with other funder networks, we also broaden our reach and ensure LGBTQ voices are present in vital funding conversations.

Note 2 - Summary of significant accounting policies

Basis of presentation

The financial statements of Funders for LGBTQ Issues have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Financial statement presentation

Funders for LGBTQ Issues is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions, which are described as follows:

Net assets without donor restrictions - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets may be designated for specific purposes by action of the Board.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

Net assets with donor restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits. Funders for LGBTQ Issues considers all highly-liquid investments with a maturity at date of purchase of three months or less to be cash equivalents.

Contributions, foundation grants, and sponsorships

Contributions, foundation grants, and sponsorships received are recorded as support with donor restrictions or support without donor restrictions depending on the existence or nature of any donor-imposed restrictions. Contributions, foundation grants, and sponsorships for which donors have imposed restrictions that limit the use of the donated assets are reported as support with donor restrictions if the restrictions are not met in the same reporting period. When such donor-imposed restrictions are satisfied in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Contributions of assets that donors have stipulated must be maintained in perpetuity, with only the income earned thereon available for current use, are classified as net assets with donor restrictions. Contributions, foundation grants, and sponsorships for which donors have not stipulated restrictions are reported as support without donor restrictions.

Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, shall be recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional. At December 31, 2025, Funders for LGBTQ Issues did not have any conditional contributions.

Funders for LGBTQ Issues reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, Funders for LGBTQ Issues reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Membership revenue

Funders for LGBTQ Issues recognizes membership revenue over the membership period. The membership period is from January to December of each calendar year.

Program fees revenue

Funders for LGBTQ Issues recognizes program fees as revenue without donor restrictions on the date the program occurs.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

Investments

Investments are reported at their fair value in the statement of financial position. Investment sales and purchases are recorded on a trade-date basis. The realized and unrealized gains and losses are included in investment income or loss, net of any investment fees in the statements of activities. Dividend income is recorded based upon the ex-dividend date and interest income is recorded as earned on an accrual basis.

Funders for LGBTQ Issues invests in a diversified portfolio, consisting primarily of fixed income and equity securities, which may reflect varying rates of return. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. 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, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in the statements of activities and investment portfolio on the statements of financial position.

Fair value measurements

Funders for LGBTQ Issues values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Contributions and grants receivable

Contributions and grants receivable are stated at unpaid balances, less an allowance for uncollectible accounts and a discount on those contributions and grants receivable due in greater than one year using a discount rate of 5%. Funders for LGBTQ Issues provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of donors to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is Funders for LGBTQ Issues' policy to charge off uncollectible receivables when management determines the receivable will not be collected. Funders for LGBTQ Issues had \$1,116,150 and \$1,180,250 in contributions and grants receivable on December 31, 2025 and 2024, respectively. During 2025 and 2024, Funders for LGBTQ Issues recorded no write-offs of uncollectible pledges.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and disclosure of contingent 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.

Property and equipment

Computers, furniture and equipment are stated at cost, less accumulated depreciation computed on the straight-line method. Funders for LGBTQ Issues capitalizes property and equipment expenditures that exceed its capitalization threshold and have estimated useful lives greater than one year. Computers, furniture and equipment are depreciated over their estimated useful lives of three years. Expenditures for major renewals and improvements that extend the useful lives of fixed assets are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

Deferred revenue

Deferred revenue represents membership payments and sponsorship payments received in advance of the applicable membership period or related event. Revenue is recognized over the membership term or when the related event occurs and the related sponsorship activities have occurred. Membership revenue includes both membership benefits and contribution elements associated with membership programs. Because the value of member benefits is insignificant in relation to the overall membership fee, Funders for LGBTQ Issues does not separately allocate membership fees between exchange and contribution components. Funders for LGBTQ Issues had deferred revenue of \$52,500, \$82,503, and \$0 as of December 31, 2025, 2024, and 2023, respectively.

Functional allocation of expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services. Salaries, payroll taxes, and benefits are allocated based on estimates of employee time and effort. Other shared costs are allocated based on usage of resources or other reasonable allocation methodologies determined by management.

Income taxes

Funders for LGBTQ Issues is tax-exempt under Internal Revenue Code Section 501(c)(3) and is required to operate in conformity with the Internal Revenue Code to maintain this qualification. Funders for LGBTQ Issues has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service or other applicable taxing authorities. Management has analyzed the tax positions taken by Funders for LGBTQ Issues and has determined that as of December 31, 2025, there were no material uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

Generally, tax years from December 31, 2022 through the current year remain open to examination by the Internal Revenue Service. Funders for LGBTQ Issues does not believe that the results from any examination of these open years would have a material adverse effect on the organization.

Reclassifications

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

Subsequent events

Funders for LGBTQ Issues evaluated the impact of subsequent events through July 29, 2026, which is the date the financial statements were available to be issued.

Note 3 - Liquidity and availability

Funders for LGBTQ Issues regularly monitors liquidity required to meet its operating needs and other contractual commitments. Funders for LGBTQ Issues has various sources of liquidity at its disposal, including cash and cash equivalents, receivables and investments.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Funders for LGBTQ Issues considers all expenditures related to its ongoing activities and the pattern of income from grants, fundraising, and investments. The Board meets regularly to review all financial aspects of Funders for LGBTQ Issues and with its financial advisors to review investment results, assess risk, and make recommendations for changes as needed.

At December 31, 2025 and 2024, Funders for LGBTQ Issues has the following financial assets and liquidity resources available over the next 12 months:

	2025	2024
Cash and cash equivalents	\$ 1,314,859	\$ 508,502
Investments	3,847,690	3,616,170
Contributions and grants receivable, net	1,116,150	1,180,250
	6,278,699	5,304,922
Less deferred revenue	(52,500)	(82,503)
Less net assets with donor restrictions	(1,000,000)	(695,000)
Less board designated reserve fund	(1,550,000)	(1,550,000)
	\$ 3,676,199	\$ 2,977,419

Note 4 - Concentrations

Financial instruments which potentially subject Funders for LGBTQ Issues to concentrations of credit risk consist primarily of cash and cash equivalents, investments, and contributions and grants receivable. Funders for LGBTQ Issues maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits.

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

**Notes to Financial Statements
December 31, 2025 and 2024**

Funders for LGBTQ Issues' investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to Funders for LGBTQ Issues' financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes.

At December 31, 2025, four donors accounted for approximately 78% of Funders for LGBTQ Issues' total contributions and grants receivable. For the year ended December 31, 2025, one donor accounted for approximately 11% of Funders for LGBTQ Issues' total support and revenue.

At December 31, 2024, three donors accounted for approximately 76% of Funders for LGBTQ Issues' total contributions and grants receivable. For the year ended December 31, 2024, one donor accounted for approximately 17% of Funders for LGBTQ Issues' total support and revenue.

Note 5 - Investments

Investments consisted of the following as of December 31, 2025:

	2025	2024
Equities	\$ 2,270,080	\$ 2,149,392
Fixed income	1,577,610	1,466,778
Total	<u>\$ 3,847,690</u>	<u>\$ 3,616,170</u>

Note 6 - Fair value measurements

Financial assets carried at fair value at December 31, 2025, are classified in the table below in one of the three categories described in Note 2:

	Level 1	Level 2	Level 3	Total
Equities				
Exchange traded funds	\$ 2,270,080	\$ -	\$ -	\$ 2,270,080
Fixed income				
Mutual funds	1,577,610	-	-	1,577,610
Total	<u>\$ 3,847,690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,847,690</u>

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

Financial assets carried at fair value at December 31, 2024, are classified in the table below in one of the three categories described in Note 2:

	Level 1	Level 2	Level 3	Total
Equities				
Exchange traded funds	\$ 1,670,401	\$ -	\$ -	\$ 1,670,401
Common stock	478,991	-	-	478,991
Fixed income				
Mutual funds	1,466,778	-	-	1,466,778
Total	<u>\$ 3,616,170</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,616,170</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets, and are valued on a recurring basis.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Funders for LGBTQ Issues believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. Funders for LGBTQ Issues' policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstances that caused the transfer. For the years ended December 31, 2025 and 2024, there have been no changes in the valuation methodologies, and there have been no transfers between levels 1 and 2 and no transfers in or out of Level 3.

Note 7 - Reserve fund

A reserve fund was designated by the Board of Directors in 2002 to support long-term financial sustainability of Funders for LGBTQ Issues. As of December 31, 2025 and 2024, reserve fund balances were \$1,550,000 and \$1,550,000, respectively. Disbursements from the reserve fund are subject to authorization by the Executive Committee.

Note 8 - Contributions and grants receivable

Contributions and grants receivable consist of the following as of December 31:

	2025	2024
Receivable in one year or less	\$ 920,900	\$ 945,000
Receivable in one to two years	200,000	240,000
	1,120,900	1,185,000
Less discount	(4,750)	(4,750)
	<u>\$ 1,116,150</u>	<u>\$ 1,180,250</u>

Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)

Notes to Financial Statements
December 31, 2025 and 2024

At December 31, 2025 and 2024, Funders for LGBTQ Issues has not provided for an allowance for uncollectible contributions and grants as all amounts are considered fully collectible.

Note 9 - Property and equipment

Property and equipment consist of the following at December 31:

	2025	2024
Computer and software	\$ 58,801	\$ 58,801
Furniture, fixtures and equipment	10,436	10,436
	69,237	69,237
Less accumulated depreciation	(67,751)	(67,751)
	<u>\$ 1,486</u>	<u>\$ 1,486</u>

Note 10 - Net assets with donor restrictions

Net assets with donor restrictions were available for the following purposes or time periods:

	December 31, 2024	Additions	Releases	December 31, 2025
Out in the South Initiative	\$ 600,000	\$ 1,240,000	\$ (990,000)	\$ 850,000
Grantmakers United for Trans Communities	-	320,000	(320,000)	-
Democracy and Trans Justice	-	20,000	(20,000)	-
Other	-	120,000	(120,000)	-
General support (time restricted)	95,000	225,000	(170,000)	150,000
Total	<u>\$ 695,000</u>	<u>\$ 1,925,000</u>	<u>\$ (1,620,000)</u>	<u>\$ 1,000,000</u>

	December 31, 2023	Additions	Releases	December 31, 2024
Out in the South Initiative	\$ 428,500	\$ 1,781,000	\$ (1,609,500)	\$ 600,000
Grantmakers United for Trans Communities	175,000	30,000	(205,000)	-
Small Project Grants	10,000	-	(10,000)	-
Democracy and Trans Justice	-	80,000	(80,000)	-
General support (time restricted)	398,334	10,000	(313,334)	95,000
Total	<u>\$ 1,011,834</u>	<u>\$ 1,901,000</u>	<u>\$ (2,217,834)</u>	<u>\$ 695,000</u>

**Funders for Lesbian and Gay Issues, Inc.
(dba Funders for LGBTQ Issues)**

**Notes to Financial Statements
December 31, 2025 and 2024**

Note 11 - Employee benefit plan

Funders for LGBTQ Issues has a defined contribution 401(k) plan (the "Plan") covering all eligible employees. Employees may make contributions to the Plan up to the maximum amount allowed by the Internal Revenue Code. Funders for LGBTQ Issues matches all enrolled employees' annual contributions up to 2%. In addition, Funders for LGBTQ Issues has a "Safe Harbor" plan. This plan requires Funders for LGBTQ Issues to make an annual, automatic contribution to all employees eligible for the contribution regardless of whether the employee has contributed to the plan. The contribution is equal to 4% of each eligible employee's compensation for the quarter and is made at the end of every quarter. Employer contributions amounted to \$70,726 and \$70,661 for the years ended December 31, 2025 and 2024, respectively.

Note 12 - Line of credit

In August 2022, Funders for LGBTQ Issues entered into a line of credit agreement with a bank with a maximum borrowing limit of \$250,000 which matures in December 2026. This line of credit agreement was entered into to allow Funders for LGBTQ Issues flexibility to support program agility and programmatic opportunities. As of December 31, 2025, there have been no borrowings on the line of credit.



Independent Member of Nexia

cohnreznick.com