

Financial Statements and Report of
Independent Certified Public
Accountants

Co-Impact Philanthropic Funds, Inc.

For the year ended December 31, 2023 and for
the period from April 13, 2022 (commencement of
operations) to December 31, 2022

Contents

Page

| | |
|--|---|
| Report of Independent Certified Public Accountants | 3 |
| Financial Statements | |
| Statements of financial position | 5 |
| Statements of activities | 6 |
| Statements of cash flows | 8 |
| Notes to financial statements | 9 |

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Co-Impact Philanthropic Funds, Inc.

Opinion

We have audited the financial statements of Co-Impact Philanthropic Funds, Inc. ("Co-Impact"), which comprise the statements of financial position as of December 31, 2023, and 2022, and the related statements of activities and cash flows for the year ended December 31, 2023 and period from April 13, 2022 (commencement of operations) through December 31, 2022, 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 Co-Impact as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the year ended December 31, 2023 and period from April 13, 2022 (commencement of operations) through December 31, 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 Co-Impact 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 Co-Impact's ability to continue as a going concern for one year after the date 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 US 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 US 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 Co-Impact'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 Co-Impact'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.

Grant Thornton LLP

New York, New York

July 26, 2024

Co-Impact Philanthropic Funds, Inc.
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

| | 2023 | 2022 |
|--|----------------|---------------|
| ASSETS | | |
| Cash | \$ 209,878,279 | \$ 19,753,468 |
| Prepaid expenses and other assets | 599,447 | 47,037 |
| Pledges receivable | 107,770,528 | 12,000,000 |
| Total assets | \$ 318,248,254 | \$ 31,800,505 |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable and accrued expenses | \$ 358,099 | \$ 1,297,210 |
| Deferred revenue | 1,650,000 | - |
| Grants payable | 6,712,875 | 1,460,944 |
| Total liabilities | 8,720,974 | 2,758,154 |
| Net assets | | |
| Without donor restrictions | - | - |
| With donor restrictions: | | |
| Foundational fund | 106,495,940 | 5,613,535 |
| Gender fund | 203,031,340 | 23,428,816 |
| Total net assets with donor restrictions | 309,527,280 | 29,042,351 |
| Total net assets | 309,527,280 | 29,042,351 |
| Total liabilities and net assets | \$ 318,248,254 | \$ 31,800,505 |

The accompanying notes are an integral part of these financial statements.

Co-Impact Philanthropic Funds, Inc.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|---------------------------|
| Revenues and other support | | | |
| Contributions | \$ - | \$ 346,887,933 | \$ 346,887,933 |
| Contributions of nonfinancial assets | 1,897,889 | - | 1,897,889 |
| Interest income | - | 6,030,819 | 6,030,819 |
| Net assets released from restrictions | <u>72,433,823</u> | <u>(72,433,823)</u> | <u>-</u> |
| Total revenues | <u>74,331,712</u> | <u>280,484,929</u> | <u>354,816,641</u> |
| Expenses | | | |
| Program services | | | |
| Grant and related expenses | 63,900,494 | - | 63,900,494 |
| Other program expenses | <u>4,226,780</u> | <u>-</u> | <u>4,226,780</u> |
| Total program services | <u>68,127,274</u> | <u>-</u> | <u>68,127,274</u> |
| Supporting services: | | | |
| Management and general | 6,013,914 | - | 6,013,914 |
| Fundraising | <u>190,524</u> | <u>-</u> | <u>190,524</u> |
| Total supporting services | <u>6,204,438</u> | <u>-</u> | <u>6,204,438</u> |
| Total expenses | <u>74,331,712</u> | <u>-</u> | <u>74,331,712</u> |
| CHANGE IN NET ASSETS | - | 280,484,929 | 280,484,929 |
| Net assets, beginning of period | <u>-</u> | <u>29,042,351</u> | <u>29,042,351</u> |
| Net assets, end of period | <u>\$ -</u> | <u>\$ 309,527,280</u> | <u>\$ 309,527,280</u> |

The accompanying notes are an integral part of this financial statement.

Co-Impact Philanthropic Funds, Inc.

STATEMENT OF ACTIVITIES

For the period from April 13, 2022 (commencement of operations) to December 31, 2022

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|--------------------------|
| Revenues and other support | | | |
| Contributions | \$ - | \$ 75,000,000 | \$ 75,000,000 |
| Contributions of nonfinancial assets | 4,684,454 | - | 4,684,454 |
| Net assets released from restrictions | <u>45,957,649</u> | <u>(45,957,649)</u> | <u>-</u> |
| Total revenues | <u>50,642,103</u> | <u>29,042,351</u> | <u>79,684,454</u> |
| Expenses | | | |
| Program services | | | |
| Grant expense | 45,738,435 | - | 45,738,435 |
| Other program expenses | <u>2,906,031</u> | <u>-</u> | <u>2,906,031</u> |
| Total program services | <u>48,644,466</u> | <u>-</u> | <u>48,644,466</u> |
| Supporting services: | | | |
| Management and general | <u>1,997,637</u> | <u>-</u> | <u>1,997,637</u> |
| Total expenses | <u>50,642,103</u> | <u>-</u> | <u>50,642,103</u> |
| CHANGE IN NET ASSETS | - | 29,042,351 | 29,042,351 |
| Net assets, beginning of period | <u>-</u> | <u>-</u> | <u>-</u> |
| Net assets, end of period | <u>\$ -</u> | <u>\$ 29,042,351</u> | <u>\$ 29,042,351</u> |

The accompanying notes are an integral part of this financial statement.

Co-Impact Philanthropic Funds, Inc.

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------|----------------------|
| Cash flows from operating activities: | | |
| Changes in net assets | \$ 280,484,929 | \$ 29,042,351 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Changes in assets and liabilities: | | |
| Prepaid expenses and other assets | (552,410) | (47,037) |
| Pledges receivable | (95,770,528) | (12,000,000) |
| Deferred revenue | 1,650,000 | - |
| Grants payable | 5,251,931 | 1,460,944 |
| Accounts payable | (939,111) | 1,297,210 |
| | <u>190,124,811</u> | <u>19,753,468</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 190,124,811 | 19,753,468 |
| Cash and cash equivalents, beginning of period | <u>19,753,468</u> | <u>-</u> |
| Cash and cash equivalents, end of period | <u>\$ 209,878,279</u> | <u>\$ 19,753,468</u> |

The accompanying notes are an integral part of these financial statements.

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Co-Impact Philanthropic Funds, Inc. ("Co-Impact") is a global organization focused on improving the lives of millions of people in the Global South through just and inclusive systems change. Co-Impact is a public charity established April 2022 incorporated under the laws of the State of Delaware, as a not-for-profit, non-stock corporation.

From its inception in 2017, Co-Impact initially operated as a fiscally sponsored project of New Venture Fund (NVF), with the spin-off process completed partially in 2022 and finalized in 2023. As part of the spin-off, NVF transferred all remaining contributions to Co-Impact's independent entity in 2022 and 2023, with the bulk of funds transferred in 2023. These funds represented contributions from donors who funded Co-Impact by making grants to NVF over five years from 2017 to 2022 from which funds had not been fully expended by the time of the spin-off.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

The net assets of Co-Impact are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Co-Impact and changes therein are classified and reported as follows:

Without Donor Restrictions - includes net assets that are not subject to donor-imposed stipulations. Co-Impact has no net assets without donor restrictions as of December 31, 2023 and 2022.

With Donor Restrictions - includes net assets resulting from contributions and other inflows of assets whose use by Co-Impact is limited by donor-imposed stipulations that, in some instances, either expire by passage of time or can be fulfilled and removed by actions of Co-Impact, pursuant to those stipulations. When such stipulations end or are fulfilled, such net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions. Restricted contributions, the donor stipulations of which are met in the year of donation, are reported as part of support without donor restrictions. The entirety of Co-Impact's assets as of December 31, 2023 and 2022 are with donor restrictions.

Contributions with donor stipulations that limit the use of the donated assets are reported as net assets with donor restrictions. Unconditional promises to give, with payments due in future year, are reported as net assets with donor restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Cash and Cash Equivalents

Co-Impact considers cash and cash equivalents to include all cash and highly liquid investments with original maturities of three months or less from the date of purchase.

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

Contributions

Revenue from contributions is recognized in accordance with Accounting Standards Update (“ASU”) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (“ASU 2018-08”). Accordingly, Co-Impact evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be a contribution, Co-Impact evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before Co-Impact is entitled to the assets transferred and promised and (2) a right of return of assets or a right of release of a promisor’s obligation to transfer assets. Contributions which are deemed to be unconditional are considered to be available for general purposes (without donor restrictions) unless specifically restricted by the donor.

Contributions, including unconditional promises to give, are reported as revenues in the period received or pledged. Contributions to be received after one year are discounted using an appropriate credit adjusted interest rate, which articulates with the collection period of the respective pledge. Discount factors assigned to individual pledges are not subsequently revised. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any.

Contributions of assets other than cash, including goods and services, are recorded at their estimated fair value at the date of contribution.

Contributions of Nonfinancial Assets

Contributions of nonfinancial assets consisting of professional services are recorded as both revenue and expense. Donated services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Co-Impact records contributions of nonfinancial assets based on the actual cost of such services paid by the donor on behalf of Co-Impact. As contributions of nonfinancial assets solely relate to donated salaries and benefits, such contributions cannot be monetized by Co-Impact.

Grants Payable

Co-Impact follows the principles of ASU 2018-08 as a grantor as well. As such, grant awards by Co-Impact to recipients are recorded as an expense and a liability at the present value of expected future cash flows when unconditionally approved by the Board of Directors, the respective grantee has been selected and notified, and any stipulated barriers in the grant agreement are overcome.

Rescinded grants are recorded as a reduction to grant expense. India-based program partner grants totaling \$9,211,164 were rescinded or cancelled for the year ended December 31, 2023 due to challenges disbursing funds in India. There were no grants rescinded or cancelled for the period of April 13, 2022 through December 31, 2022.

Expenses are recognized by Co-Impact as incurred. The costs of grantmaking, management and general, and fundraising activities have been summarized on a functional basis on the statement of activities. Expenses directly attributable to a specific functional area are reported within that functional area. Indirect expenses that benefit multiple functional areas have been allocated based upon either time spent on each function or full-time equivalent units within each department.

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

Income Taxes

Co-Impact follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

Co-Impact is exempt from federal income tax under the Code Section 501(c)(3) and is classified as a public charity under §509(a), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Co-Impact has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated business 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. Co-Impact has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. In addition, Co-Impact has not recorded a provision for income taxes as it has no material tax liability from unrelated business income activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies 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.

Concentrations of Risk

Financial instruments which potentially subject Co-Impact to concentrations of credit risk consist of cash and cash equivalents. Co-Impact maintains its cash and cash equivalents in a bank deposit account at a high credit quality financial institution that, at times, may exceed federally insured limits. Co-Impact has not experienced, nor does it anticipate, any losses with respect to such account.

Subsequent Events

Co-Impact evaluated its year ended December 31, 2023 financial statements for subsequent events through, July 26, 2024, the date the financial statements were available to be issued and is not aware of any material subsequent events that would require recognition or disclosure in the accompanying financial statements.

NOTE 3 - CONTRIBUTIONS AND RELATED RECEIVABLES

For the year ended December 31, 2023, Co-Impact received contributions and unconditional promises to give from twenty-one donors totaling \$346,887,933. Unconditional promises are recorded as receivables and revenue when received. Co-Impact distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. Pledges are recorded after being discounted to the anticipated net present value of the future cash flows.

One of the twenty-one donors, New Venture Fund (NVF), represented 58% of the 2023 contributions recognized by Co-Impact. This contribution was a result of the conclusion of Co-Impact's spin-off from NVF's fiscal sponsorship platform, which was finalized in 2023 (see Note 1).

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

For the period of April 13, 2022 through December 31, 2022, Co-Impact received contributions from two donors totaling \$75,000,000. 80% of the 2022 contributions recognized by Co-Impact were from NVF. Subsequent to December 31, 2022, Co-Impact received an amended grant agreement with one of its significant donors increasing the total grant by approximately \$27.2 million, which was paid in calendar year 2023.

In addition to financial contributions, one donor provided contributions of nonfinancial assets which totaled \$1,897,889 and \$4,684,454 for the year ended December 31, 2023 and for the period from April 13, 2022 through December 31, 2022, respectively, and related solely to donated salaries and benefits. Such services did not have donor-imposed restrictions. Co-Impact has recorded such contributions on nonfinancial assets as both revenue and expense. Pledges receivable, net, at December 31, 2023 and 2022 are as follows:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-----------------------|----------------------|
| Amounts to be collected in: | | |
| One year or less | \$ 55,461,813 | \$ 3,000,000 |
| Two to five years | <u>59,454,000</u> | <u>9,000,000</u> |
| Total accounts and pledges receivable | 114,915,813 | 12,000,000 |
| Less: PV discount | <u>(7,145,284)</u> | <u>-</u> |
| Net accounts and pledges receivable | <u>\$ 107,770,529</u> | <u>\$ 12,000,000</u> |

For the year ended December 31, 2023, pledge payments extended beyond one year were reflected at the present value of estimated future cash flows using discount rates ranging from 4.38% - 4.75%. The discount rate was derived from U.S. Treasury T-bill rates and will be applied over the life of the pledges.

NOTE 4 - GRANTS PAYABLE

For the year ended December 31, 2023, grant expense amounted to \$62,759,677. Co-Impact had unpaid grants at year ended December 31, 2023, which totaled \$6,712,875, and are expected to be paid in 2024.

As illustrated in the table below, as of the year ended December 31, 2023, Co-Impact's future obligation for conditional grant liability totals \$151,841,331. Conditional grants have not been recognized in the accompanying financial statements.

| | <u>2023</u> | <u>2022</u> |
|-------------------------------|-----------------------|----------------------|
| Payable in less than one year | \$ 66,708,949 | \$ 1,460,944 |
| Payable in one to five years | <u>85,132,382</u> | <u>96,133,558</u> |
| | <u>\$ 151,841,331</u> | <u>\$ 97,594,502</u> |

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

NOTE 5 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes and/or by occurrence of other events specified by the donors for the year ended December 31, 2023 and the period from April 13, 2022 through December 31, 2022, as follows:

| | <u>2023</u> | <u>2022</u> |
|---|--------------------------|--------------------------|
| Foundational Fund | \$ 50,356,743 | \$ 22,731,136 |
| Gender Fund | <u>22,077,080</u> | <u>23,226,513</u> |
| Total net assets released from restrictions | <u>\$ 72,433,823</u> | <u>\$ 45,957,649</u> |

All of Co-Impact's current net assets are with donor restriction at the fund-level. The stipulations of the contributions received by Co-Impact permit non-grant (i.e. operational) expenditures to be funded through revenue received under each fund.

NOTE 6 - FUNCTIONAL EXPENSES

Co-Impact's expenses are summarized below by natural and functional categories for the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022. Certain expenses have been allocated amongst the functional expense categories benefitted.

| | <u>2023</u> | | | |
|-----------------------------|-----------------------------|--------------------------------|-----------------------|--------------------------|
| | <u>Program Services</u> | <u>Supporting Services</u> | <u>Fundraising</u> | <u>Total</u> |
| Grants and related expenses | \$ 63,900,494 | \$ - | \$ - | \$ 63,900,494 |
| Salaries and benefits | 3,358,982 | 4,065,617 | 186,699 | 7,611,298 |
| Professional fees | 44,055 | 580,656 | - | 624,711 |
| Consultants | 504,515 | 426,063 | 3,825 | 934,403 |
| Travel, meetings and events | 306,648 | 309,054 | - | 615,702 |
| Other business expenses | 10,280 | 65,619 | - | 75,899 |
| Insurance | - | 93,494 | - | 93,494 |
| Information technology | <u>2,300</u> | <u>473,411</u> | <u>-</u> | <u>475,711</u> |
| Total | <u>\$ 68,127,274</u> | <u>\$ 6,013,914</u> | <u>\$ 190,524</u> | <u>\$ 74,331,712</u> |

| | <u>2022</u> | | |
|-----------------------------------|-----------------------------|--------------------------------|--------------------------|
| | <u>Program Services</u> | <u>Supporting Services</u> | <u>Total</u> |
| Grants and related expenses | \$ 45,738,435 | \$ - | \$ 45,738,435 |
| Contributed salaries and benefits | 2,790,672 | 1,893,782 | 4,684,454 |
| Professional fees | - | 44,667 | 44,667 |
| Consultants | 115,359 | 6,667 | 122,026 |
| Insurance | - | 40,221 | 40,221 |
| Information technology | <u>-</u> | <u>12,300</u> | <u>12,300</u> |
| Total | <u>\$ 48,644,466</u> | <u>\$ 1,997,637</u> | <u>\$ 50,642,103</u> |

Co-Impact Philanthropic Funds, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2023 and for the period from April 13, 2022 (commencement of operations) to December 31, 2022

NOTE 7 - AVAILABILITY OF FINANCIAL ASSETS

Co-Impact regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As of December 31, 2023 and 2022, Co-Impact's sources of liquidity include cash and cash equivalents, which total \$209,878,279, as well as the portion of pledges receivable expected to be paid in 2024, which total \$55,461,813. While all of Co-Impact's net assets are with donor restrictions, donors that have provided funds to either the Gender Fund or the Foundational Fund allow for a certain portion of those contributions to be utilized for the administration of those funds. Co-Impact budgets its administrative costs such that the allowable portion of those restricted contributions will satisfy such administrative costs.

Due to the nature of much of the grants awarded by Co-Impact, which start with one-year "design" grants with the potential for significant longer-term follow-on grants, Co-Impact holds significant funds in reserve to be able to fund the implementation stage of such grants to recipients currently in the design phase. These funds are sufficient to offset the grants payable balance (see Note 4), as well as the amount of conditional commitments made, and are maintained in accordance with a grant liability policy which ultimately leads to the appearance of a high cash balance.

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-----------------------|----------------------|
| Financial assets at year end | | |
| Cash and cash equivalents | \$ 209,575,203 | \$ 19,753,468 |
| Accounts and Pledges receivable | 55,461,813 | 3,000,000 |
| | <u>265,037,016</u> | <u>22,753,468</u> |
| Total financial assets | | |
| | 265,037,016 | 22,753,468 |
| Less financial assets limited to use: | | |
| Collateral on credit card account | <u>303,076</u> | <u>-</u> |
| | <u>\$ 264,733,940</u> | <u>\$ 22,753,468</u> |
| Financial assets available | | |