

MORE IN COMMON, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
More in Common, Inc.

Opinion

We have audited the accompanying financial statements of More in Common, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expense and cash flow for the years 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 More in Common, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flow 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of More in Common, Inc. 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 of More in Common, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 More in Common, Inc.'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 More in Common, Inc.'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.

Lotz + Carr, LLP

New York, New York
October 8, 2025

MORE IN COMMON, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash	\$1,417,675	\$2,889,393
Contributions receivable		
With donor restrictions	100,000	1,850,000
Accounts receivable	18,000	6,151
Prepaid expenses	29,066	17,052
Property and equipment, net of accumulated depreciation and amortization	<u>63,986</u>	<u>4,414</u>
Total Assets	<u><u>\$1,628,727</u></u>	<u><u>\$4,767,010</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 47,665</u>	<u>\$ 710,478</u>
Net Assets		
Without Donor Restrictions		
Undesignated	353,052	1,391,532
Board-designated reserve	<u>300,000</u>	<u>300,000</u>
Total Without Donor Restrictions	<u>653,052</u>	<u>1,691,532</u>
With Donor Restrictions	<u>928,010</u>	<u>2,365,000</u>
Total Net Assets	<u><u>1,581,062</u></u>	<u><u>4,056,532</u></u>
Total Liabilities and Net Assets	<u><u>\$1,628,727</u></u>	<u><u>\$4,767,010</u></u>

See notes to financial statements.

MORE IN COMMON, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Changes in Net Assets						
Revenue and Other Support						
Contributions	\$ 2,012,703	\$ 493,319	\$ 2,506,022	\$ 2,305,009	\$ 2,237,900	\$4,542,909
Consulting fees	133,011	-	133,011	37,951	-	37,951
Other income	610	-	610	1,799	-	1,799
	<u>2,146,324</u>	<u>493,319</u>	<u>2,639,643</u>	<u>2,344,759</u>	<u>2,237,900</u>	<u>4,582,659</u>
Net assets released from restrictions						
Satisfaction of time and program restrictions	<u>1,930,309</u>	<u>(1,930,309)</u>	<u>-</u>	<u>803,050</u>	<u>(803,050)</u>	<u>-</u>
Total Revenue and Other Support	<u>4,076,633</u>	<u>(1,436,990)</u>	<u>2,639,643</u>	<u>3,147,809</u>	<u>1,434,850</u>	<u>4,582,659</u>
Expenses						
Program Services	<u>4,213,492</u>	<u>-</u>	<u>4,213,492</u>	<u>2,914,214</u>	<u>-</u>	<u>2,914,214</u>
Supporting Services						
Management and general	702,970	-	702,970	506,307	-	506,307
Fundraising	198,651	-	198,651	154,573	-	154,573
Total Supporting Services	<u>901,621</u>	<u>-</u>	<u>901,621</u>	<u>660,880</u>	<u>-</u>	<u>660,880</u>
Total Expenses	<u>5,115,113</u>	<u>-</u>	<u>5,115,113</u>	<u>3,575,094</u>	<u>-</u>	<u>3,575,094</u>
Increase (decrease) in net assets	(1,038,480)	(1,436,990)	(2,475,470)	(427,285)	1,434,850	1,007,565
Net assets, beginning of year	<u>1,691,532</u>	<u>2,365,000</u>	<u>4,056,532</u>	<u>2,118,817</u>	<u>930,150</u>	<u>3,048,967</u>
Net Assets, End of Year	<u>\$ 653,052</u>	<u>\$ 928,010</u>	<u>\$ 1,581,062</u>	<u>\$ 1,691,532</u>	<u>\$ 2,365,000</u>	<u>\$4,056,532</u>

See notes to financial statements.

MORE IN COMMON, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022			Total Expenses
	Program Services	Supporting Services Management and General	Fundraising	Program Services	Supporting Services Management and General	Fundraising	
Salaries	\$ 817,734	\$ 201,471	\$ 165,917	\$ 641,488	\$ 158,048	\$ 130,157	\$ 929,693
Payroll taxes and employee benefits	161,336	39,749	32,734	120,334	29,648	24,416	174,398
Grants to More in Common (UK)	1,575,000	-	-	600,000	-	-	600,000
Consultants	1,038,384	-	-	966,414	-	-	966,414
Research and reports	306,300	-	-	477,148	-	-	477,148
Professional fees	-	187,934	-	-	175,432	-	175,432
Travel	106,156	87,854	-	62,823	-	-	62,823
Training	-	14,440	-	-	52,561	-	52,561
Office expenses	592	64,777	-	46,007	-	-	46,007
Facilities	-	52,954	-	-	45,649	-	45,649
Information technology and telecommunications	-	35,784	-	-	28,789	-	28,789
Communications and marketing	-	5,074	-	-	960	-	960
Insurance	-	6,171	-	-	5,490	-	5,490
Event expense	207,990	-	-	-	4,471	-	4,471
Miscellaneous	-	3,940	-	-	3,052	-	3,052
Depreciation	-	2,822	-	-	2,207	-	2,207
Total Expenses	<u>\$4,213,492</u>	<u>\$ 702,970</u>	<u>\$ 198,651</u>	<u>\$2,914,214</u>	<u>\$ 506,307</u>	<u>\$ 154,573</u>	<u>\$3,575,094</u>

See notes to financial statements.

MORE IN COMMON, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$(2,475,470)	\$1,007,565
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	2,822	2,207
(Increase) decrease in:		
Contributions receivable	1,750,000	(1,158,750)
Accounts receivable	(11,849)	(351)
Prepaid expenses	(12,014)	723
Increase (decrease) in accounts payable and accrued expenses	<u>(662,813)</u>	<u>672,482</u>
Net Cash Provided (Used) By Operating Activities	<u>(1,409,324)</u>	<u>523,876</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	<u>(62,394)</u>	<u>(2,763)</u>
Net increase (decrease) in cash	(1,471,718)	521,113
Cash, beginning of year	<u>2,889,393</u>	<u>2,368,280</u>
Cash, End of Year	<u><u>\$ 1,417,675</u></u>	<u><u>\$2,889,393</u></u>

See notes to financial statements.

MORE IN COMMON, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Organization and Summary of Significant Accounting Policies

a - Organization

More In Common, Inc. (the "Organization") is a nonprofit organization incorporated in Delaware, which began operations in 2018. The Organization is a subsidiary of More In Common, a private UK company limited by guarantee under the United Kingdom Companies Act of 2006 (the "Parent"), who shares objectives, strategies and conducts activities on behalf of and in partnership with More In Common, Inc. The Parent has the right to appoint all members of the Board of Directors of the Organization (the "Board") and to remove directors without cause at any time.

The Organization's mission is to protect democratic societies from the threats of polarization and social division. Their goal is to help create communities that are safer, more resilient, and more enjoyable places to live, both for long-time residents and for newcomers, and to counter current threats to such communities from economic insecurity, fear of terrorism, and cultural and demographic changes.

b - Basis of Accounting

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

c - Contributions and Contributions Receivable

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Conditional promises to give, that is, those with a measurable performance-related or other barrier and right of return of assets transferred or release of a promisor's obligation to transfer assets in the future, are not recognized until the conditions on which they depend have been met.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are 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 as net assets released from restrictions.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance, if any, is based on prior year's experience and management's analysis of specific promises made.

d - Property and Equipment

Property and equipment are recorded at cost and are depreciated and amortized using the straight-line method over the estimated useful lives of the assets.

MORE IN COMMON, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

e - Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

f - Revenue Recognition

Consulting fee income is recognized when obligations under the terms of a contract with customers are satisfied. Income is measured as the amount of consideration expected to be received in exchange for providing services. The Organization's contracts generally include standard commercial payment terms. Customer payment terms are typically less than one year and as such, the Organization has applied the practical expedient to exclude consideration of significant financing components from the determination of transaction price. Costs to obtain a contract are generally immaterial, but the Organization has elected the practical expedient to expense these costs as incurred if the amortization period of the capitalized cost would be one year or less.

g - Current Expected Credit Loss

Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The Organization separates accounts receivable into risk pools based on their aging. In determining the amount of the allowance as of the statement of financial position date, the Organization develops a loss rate for each risk pool. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions.

h - Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

MORE IN COMMON, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

i - Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly where applicable or allocated on a reasonable and consistent basis. The expenses that are allocated include salaries and related expenses and travel, which are allocated on the basis of time and effort.

j - Tax Status

More In Common, Inc. is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

k - Subsequent Events

The Organization has evaluated subsequent events through October 8, 2025, the date that the financial statements are considered available to be issued.

l - New Accounting Standard

During 2023, the Organization adopted Accounting Standards Update (“ASU”) No. 2016-13, *Current Expected Credit Losses* (“Topic 326”). The core principles of ASU 2016-13 (the “ASU”) significantly change the way organizations recognize credit losses from the incurred loss model to the expected loss model for most financial assets. The financial assets held by the Organization that are subject to the ASU are accounts receivable. The adoption of the ASU did not have a significant impact to net assets.

Note 2 - Information Regarding Liquidity and Availability

The Organization operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. A substantial portion of annual revenue is comprised of contribution revenue raised during the current year, and revenue from other sources earned during the year. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those services.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations. Management prepares regular cash flow projections to determine liquidity needs, and has a policy to maintain liquid financial assets on an ongoing basis to cover ninety days of general expenditures.

MORE IN COMMON, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 2 - Information Regarding Liquidity and Availability (continued)

The Organization's financial assets as of December 31, 2023 and 2022 available to meet cash needs for general expenditures within one year are summarized as follows:

	<u>2023</u>	<u>2022</u>
Financial Assets at Year End:		
Cash	\$1,417,675	\$2,889,393
Contributions receivable	100,000	1,850,000
Accounts receivable	<u>18,000</u>	<u>6,151</u>
Total Financial Assets	1,535,675	4,745,544
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes	(928,010)	(2,365,000)
Plus: Net assets with donor restrictions expected to be met in less than one year	928,010	2,365,000
Board designated reserve fund	<u>(300,000)</u>	<u>(300,000)</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$1,235,675</u>	<u>\$4,445,544</u>

Note 3 - Net Assets

a - Net Assets Without Donor Restrictions - Board-Designated Reserve

The Board created a board designated fund in the amount of \$300,000 as a reserve for future operations.

b - Net Assets With Donor Restrictions

Net assets with donor restrictions represent contributions received, which are restricted to future programs and periods as follows at December 31:

	<u>2023</u>	<u>2022</u>
Specific research and other projects	\$928,010	\$1,340,000
General operations - future periods	<u>-</u>	<u>1,025,000</u>
Total	<u>\$928,010</u>	<u>\$2,365,000</u>

MORE IN COMMON, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 4 - Concentrations

- a - The Organization maintains its cash and certain of its investment balances in financial institutions located in Massachusetts. The balances, at times, may exceed federally insured limits.
- b - For the years ended December 31, 2023 and 2022, approximately 47% and 40%, respectively, of contributions were from two foundations.
- c - As of December 31, 2023 and 2022, approximately 85% of contributions receivable was due from one foundation (2023) and 67% was due from two foundations (2022).

Note 5 - Contributions Receivable

Contributions receivable are due within a year. Uncollectible contributions receivable are expected to be insignificant.

Note 6 - Property and Equipment

Property and equipment consists of the following at December 31:

	<u>Life</u>	<u>2023</u>	<u>2022</u>
Website	Still in progress	\$57,750	\$ -
Computer equipment	3 years	<u>11,265</u>	<u>6,621</u>
		69,015	6,621
Less: Accumulated depreciation		<u>(5,029)</u>	<u>(2,207)</u>
		<u>\$63,986</u>	<u>\$4,414</u>

Note 7 - Related Party

During the years ended December 31, 2023 and 2022 the Board voted to donate \$1,575,000 and \$600,000, respectively, to the Parent to fund activities which further the objectives and strategies of the More in Common Global Movement.