
**GLAM4GOOD
FOUNDATION, INC.
(A Not-For-Profit Corporation)**

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

For the Year Ended December 31, 2022

MATHESON & ASSOCIATES, LLC

110 S. Jefferson Road
Whippany, NJ 07981
Phone 973-428-8885

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
GLAM4GOOD Foundation

We have audited the accompanying financial statements of GLAM4GOOD Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

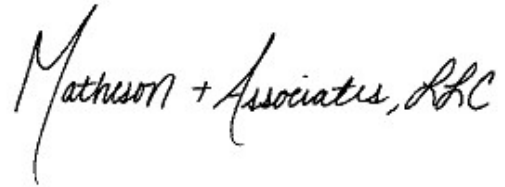
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GLAM4GOOD Foundation, Inc. as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Matheson + Associates, LLC". The signature is written in a cursive, flowing style.

CERTIFIED PUBLIC ACCOUNTANTS

Whippany, NJ 07981
August 10, 2023

**GLAM4GOOD
FOUNDATION, INC.**

December 31, 2022

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**GLAM4GOOD FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022**

ASSETS

	<u>2022</u>
CURRENT ASSETS	
Cash	\$ 1,139,209
Inventory	<u>878,060</u>
TOTAL CURRENT ASSETS:	<u>2,017,269</u>
OTHER ASSETS:	
Security deposit	<u>4,400</u>
TOTAL OTHER ASSETS	<u>4,400</u>
TOTAL ASSETS:	<u><u>\$ 2,021,669</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Credit cards payable	<u>\$ 29</u>
TOTAL CURRENT LIABILITIES:	<u>29</u>
NET ASSETS	
Unrestricted	\$ 1,143,580
Temporarily restricted	<u>878,060</u>
TOTAL NET ASSETS:	<u>2,021,640</u>
TOTAL LIABILITIES AND NET ASSETS:	<u><u>\$ 2,021,669</u></u>

GLAM4GOOD FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Unrestricted	Temporarily Restricted	Totals
SUPPORT, REVENUE AND RELEASES			
Contributions	\$ 949,175	\$ -	\$ 949,175
In-Kind contributions	-	4,356,738	4,356,738
Interest income	101	-	101
Net assets released from restriction	3,850,111	(3,850,111)	-
TOTAL SUPPORT, REVENUE AND RELEASES:	4,799,387	506,627	5,306,014
EXPENSES			
Program service expenses	3,912,732	-	3,912,732
General and administrative expenses	479,546	-	479,546
Fundraising expenses	3,240	-	3,240
TOTAL EXPENSES:	4,395,518	-	4,395,518
 CHANGE IN NET ASSETS	 403,869	 506,627	 910,496
BEGINNING NET ASSETS	739,711	371,433	1,111,144
ENDING NET ASSETS	\$ 1,143,580	\$ 878,060	\$ 2,021,640

GLAM4GOOD FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
CHANGE IN NET ASSETS:	\$ 910,496
CHANGES IN ASSETS AND LIABILITIES	
Contributions receivable	15,434
Inventory	(506,627)
Credit cards payable	(5,554)
NET CASH PROVIDED BY OPERATING ACTIVITIES:	<u>413,749</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS:	413,749
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR:	725,460
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR:	<u><u>\$1,139,209</u></u>

GLAM4GOOD FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Program</u>	Supporting Services	
		<u>General and Administrative</u>	<u>Fundraising</u>
<u>EXPENSES</u>			
In-kind expenses	\$ 3,850,111	\$ -	\$ -
Consultants and outside labor	-	344,044	-
Rent	-	81,954	-
Advertising	14,651	17,452	2,082
Legal and professional	11,538	9,004	300
Postage and delivery	11,735	-	-
Computer and internet expenses	-	10,800	378
Project expenses	10,953	-	-
Travel and entertainment	8,626	39	-
Office expenses	37	5,964	480
Program expenses	5,081	-	-
Business insurance	-	4,861	-
Bank and merchant fees	-	3,439	-
Utilities	-	1,714	-
Filing fees	-	275	-
<u>TOTAL EXPENSES:</u>	<u>\$ 3,912,732</u>	<u>\$ 479,546</u>	<u>\$ 3,240</u>

GLAM4GOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022

NOTE 1 – ORGANIZATION AND PURPOSE

Founded in 2016, GLAM4GOOD Foundation, Inc. (G4G) is a leading non-profit that repurposes unused merchandise to address clothing & self-care insecurity in America. G4G bolsters self-esteem & empowers dignity while diverting industry excess to create opportunities for people in need. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization's main source of revenue is from contributions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

a. Accrual Basis Financial Statements

The accompanying financial statements have been prepared on the accrual basis and conform to accounting principles generally accepted in the United States of America and in accordance with the principles of not-for-profit accounting.

b. Net Assets

The net assets of the GLAM4GOOD Foundation and changes therein are classified and reported as follows:

- Unrestricted net assets include all resources that are not subject to donor-imposed restrictions of a more specific nature than those that only obligate the Organization to utilize funds in furtherance of its mission.
- Temporarily restricted net assets carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because certain actions are taken by the Organization that fulfill the restrictions or because of the passage of time. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed), are reported as reclassifications between the applicable classes of net assets.

b. Cash and Cash Equivalents

Cash and cash equivalents include checking, savings and money market accounts, and all highly liquid investments with an initial maturity of three months or less.

GLAM4GOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

c. Contributions Receivable

Contributions receivable are recognized as income in the year in which the contribution is pledged. Contributions to be received within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their future estimated cash flows. Conditional promises to give are not included as support until the conditions are substantially met.

d. Contributions

Contributions are recorded as revenue upon receipt of cash or unconditional promises to give (pledges). Contributions are considered available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are not included as support until the conditions are substantially met.

e. Expense Allocations

Direct identifiable expenses are charged to programs and supporting services. General and administrative expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support of the Organization.

f. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from their estimates.

NOTE 3 – CONCENTRATION OF RISK

GLAM4GOOD's banking accounts are maintained at one institution and at times could exceed the federal insured limits for those accounts. On December 31, 2022, the balances were exceeding FDIC insurance of \$250,000.

NOTE 4 – GRANTS & CONTRIBUTIONS RECEIVABLE

The Organization did not receive any contributions during 2023 which had been pledged to G4G during 2022. Therefore, contributions receivable outstanding as of the close of the year ended December 31, 2022, has no balance. Generally, all contributions receivable are deposited as of the end of March of the next year.

GLAM4GOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022

NOTE 5 – INVENTORY / IN-KIND CONTRIBUTIONS

Inventory consists of in-kind donations of clothing, make-up, jewelry, gift cards, and additional accessories provided by various businesses. These items are directly distributed to the public through the performance of programs and events in order to fulfill the mission of G4G. The value of the inventory is mostly provided by the donor, but if a value has not been provided, G4G determines an appropriate value through a detailed process which has been assembled into a written guide for consistency and accuracy. The balance of the inventory as of the close of the year ended December 31, 2022, totaled \$878,060.

NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are from the in-kind contributions (Note 5), which are designated for G4G's programs, events, and initiatives. The balance of \$1,143,580 is unrestricted for other program expenses and general and administrative expenses necessary to operate the Organization. The balance of the temporarily restricted net assets as of the close of the year ended December 31, 2022, totaled \$878,060.

NOTE 7 – OPERATING LEASE

G4G entered an operating lease to rent space beginning in March of 2019. The lease payments of \$7,059 per month cover the rent, utilities, and real estate taxes for the space. The total of all lease payments for this location totaled \$81,954 during 2022.

NOTE 8 – OFFICER COMPENSATION

During 2019, the Organization began compensating the Executive Director/President, Mary Alice Stephenson, and during 2021, the Organization began compensating the Chief Operating Officer, Mary Morgan Kelly, for the various professional services which they perform throughout the year. During 2022, Ms. Stephenson received compensation in the amount of \$200,000 and Mrs. Kelly received compensation of \$72,500. The compensation is entirely categorized to professional fees, which are allocated to the program expenses.

NOTE 9 – SUBSEQUENT EVENTS

There have not been any subsequent events that would materially affect any of the information contained in these financial statements as of the date of this report.