MOVEMBER FOUNDATION

FINANCIAL REPORT

APRIL 30, 2023 AND 2022

CONTENTS

HBLA
A Division of SingerLewak

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Movember Foundation
Santa Monica, California

Opinion
We have audited the financial statements of Movember Foundation (a nonprofit organization) (the "Foundation"), which comprise the statements of financial position as of April 30, 2023 and 2022, the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements (collectively, the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of April 30, 2023 and 2022, 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 independent of the Foundation, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits, which include relevant ethical requirements in the United States of America. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance 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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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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 the Foundation'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 Foundation'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.

Singer Lewak LLP

September 5, 2023

MOVEMBER FOUNDATION
STATEMENTS OF FINANCIAL POSITION
April 30, 2023 and 2022

ASSETS

	2023	2022
Current Assets		
Cash and cash equivalents	$ 26,932,484	$ 28,853,906
Accounts and other receivables	167,603	585,845
Related party receivables	596,275	169,048
Investments	4,922,196	500,519
Prepaid expenses	400,542	260,620
Total current assets	33,019,100	30,369,938
Equipment and leasehold improvements, net	284,559	219,115
Operating lease right-of use assets	3,441,716	-
Investments	-	512,009
Deposits	137,719	156,169
Total assets	**$ 36,883,094**	**$ 31,257,231**

See notes to financial statements.

LIABILITIES AND NET ASSETS

	2023	2022
Current liabilities		
Accounts payable	$ 111,288	$ 274,368
Accrued expenses	1,105,949	1,437,749
Operating lease liabilities, current	591,074	-
Deferred rent	-	299,361
Total current liabilities	1,808,311	2,011,478
Operating lease liabilities, noncurrent	3,137,549	-
Total liabilities	4,945,860	2,011,478
Net assets		
Without donor restrictions		
Board designated for men's health programs	24,574,477	21,882,996
Undesignated	7,261,232	7,261,232
Total net assets without donor restrictions	31,835,709	29,144,228
With donor restrictions	101,525	101,525
Total net assets	31,937,234	29,245,753
Total liabilities and net assets	**$ 36,883,094**	**$ 31,257,231**

See notes to financial statements.

MOVEMBER FOUNDATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended April 30, 2023 and 2022

	2023	2022
Change in Net Assets Without Donor restrictions		
Support and revenue		
Fundraising contributions received	$ 16,405,924	$ 17,609,587
Government grants	-	632,500
Interest and other income	436,255	455,934
Net assets released from restrictions	-	30,000
Total support and revenue	16,842,179	18,728,021
Expenses		
Program		
Men's Health Programs	5,581,340	5,498,881
Funds donated and program delivery payments	3,871,604	4,640,732
Administration	1,215,777	1,346,624
Fundraising	3,481,977	3,057,172
Total expenses	14,150,698	14,543,409
Change in net assets without donor restrictions	2,691,481	4,184,612
Net assets without donor restrictions, beginning	29,144,228	24,959,616
Net assets without donor restrictions, ending	$ 31,835,709	$ 29,144,228
Change in Net Assets With Donor restrictions		
Fundraising contributions received	-	$ 102,552
Net assets released from restrictions	-	(30,000)
Change in net assets with donor restrictions	-	72,552
Net assets with donor restrictions, beginning	101,525	28,973
Net assets with donor restrictions, ending	$ 101,525	$ 101,525

See notes to financial statements.

MOVEMBER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended April 30, 2023

	Program		Supporting Services		
	Men's Health Program	Funds Donated and Program Delivery Payments	Administration	Fundraising	Total
Donation to Prostate Cancer Foundation	$ -	$ 1,500,000	$ -	$ -	$ 1,500,000
Program delivery payments	-	2,730,887	-	-	2,730,887
Reimbursement of donation to Prostate Cancer Foundation	-	(359,283)	-	-	(359,283)
Administration	24,205	-	110,360	62	134,627
Marketing and promotion	683,325	-	-	682,075	1,365,400
Health education, awareness, and communication	403,780	-	-	403,780	807,560
Professional services	151,882	-	45,603	407,740	605,225
Information and technology	17,039	-	31,202	6,500	54,741
Salaries and related costs	1,810,894	-	-	940,740	2,751,634
Travel	125,949	-	-	64,703	190,652
Entertainment	1,675	-	18,430	2,143	22,248
Rent and utilities	141,127	-	360,650	-	501,777
Foreign exchange loss	-	-	517	-	517
Global services allocations	2,221,464	-	591,333	974,234	3,787,031
Depreciation	-	-	57,682	-	57,682
Total expenses by function	$ 5,581,340	$ 3,871,604	$ 1,215,777	$ 3,481,977	$ 14,150,698

See notes to financial statements.

MOVEMBER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended April 30, 2022

	Program		Supporting Services		
	Men's Health Program	Funds Donated and Program Delivery Payments	Administration	Fundraising	Total
Donation to Prostate Cancer Foundation	$ -	$ 1,384,584	$ -	$ -	$ 1,384,584
Program delivery payments	-	3,256,148	-	-	3,256,148
Administration	7,477	-	68,918	1,015	77,410
Marketing and promotion	649,584	-	-	649,584	1,299,168
Health education, awareness, and communication	258,511	-	-	258,511	517,022
Professional services	460,307	-	38,888	560,041	1,059,236
Information and technology	8,418	-	16,908	1,105	26,431
Salaries and related costs	1,983,142	-	-	876,220	2,859,362
Travel	32,579	-	-	21,800	54,379
Entertainment	996	-	14,951	1,149	17,096
Rent and utilities	204,816	-	543,299	-	748,115
Foreign exchange loss	-	-	20,577	-	20,577
Global services allocations	1,892,854	-	627,537	687,570	3,207,961
Depreciation	197	-	15,546	177	15,920
Total expenses by function	$ 5,498,881	$ 4,640,732	$ 1,346,624	$ 3,057,172	$ 14,543,409

See notes to financial statements.

MOVEMBER FOUNDATION

STATEMENTS OF CASH FLOWS

Years Ended April 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	$ 2,691,481	$ 4,257,164
Adjustments to reconcile increase in net assets		
to net cash provided by operating activities:		
Depreciation	57,692	15,920
Amortization of bond premium	(18,444)	7,733
Deferred rent	-	206,044
Debt forgiveness	-	(632,500)
Operating lease right-of-use assets	707,974	-
Changes in operating assets and liabilities:		
Accounts and other receivables	418,242	(460,466)
Prepaid expenses	(139,922)	(8,812)
Related party receivables	(427,227)	(152,890)
Deposits	18,450	(40,000)
Operating lease liabilities	(720,428)	-
Accounts payable and accrued expenses	(494,880)	(119,226)
Net cash provided by operating activities	2,092,938	3,072,967
Cash flows from investing activities		
Purchases of property and equipment	(123,136)	(215,286)
Held to maturity debt securities		
Maturities	500,000	1,500,000
Purchases	(4,391,224)	-
Net cash provided by (used in) investing activities	(4,014,360)	1,284,714
Net increase (decrease) in cash and cash equivalents	(1,921,422)	4,357,681
Cash and cash equivalents, beginning	28,853,906	24,496,225
Cash and cash equivalents, ending	$ 26,932,484	$ 28,853,906

See notes to financial statements.

NOTE 1 – ORGANIZATION

Movember Foundation (the “Foundation”) (a California non-profit Corporation), with an office in Santa Monica, California, is a not-for-profit organization formed in 2007 to raise funds and awareness for men’s health. It is a global organization that aims to help men live happier, healthier, and longer lives through investing in the key cause areas of mental health and suicide prevention, prostate cancer, and testicular cancer.

While the Foundation is supported through year-round fundraising efforts, the annual Movember campaign held in November is the primary fundraising initiative for the Foundation. During the month, supporters sign up and fundraise by growing a moustache, taking the Move challenge, hosting an event or “Moving their own way” through an idea of their own. Through their actions they seek donations from their networks and, consequently, help spread the Foundation’s health messages to their family, friends, and colleagues.

The Foundation funds and delivers research and health programs covering prostate cancer, testicular cancer, mental health, and suicide prevention. The Foundation funds prostate cancer biomedical research programs both directly and through a partnership with the Prostate Cancer Foundation. The Foundation’s research strategy is focused on supporting translational research and clinical trials with a particular focus on men who are at high risk of, or have already experienced, disease progression.

During the year ended April 30, 2023, the Foundation began planning a new impact strategy which is intended to guide all future programmatic investments. During the planning phase of the impact strategy, all new initiatives were put on hold. The Foundation continued to fund existing programs, listed below, during 2023.

The Foundation’s prostate cancer clinical quality registry and survivorship programs seek to improve the quality of life of men diagnosed and living with prostate or testicular cancer. A large number of hospitals and institutions in the United States participate in the Foundation’s global prostate cancer registries, aimed at men with either localized or advanced prostate cancer. These registries collect clinical data and patient reported outcome data and are aimed at improving the quality of treatment and care. The Foundation’s digital health products, including True North and Nuts&Bolts provide information and support for men living with a prostate cancer or a testicular cancer diagnosis.

The Foundation continues to fund new national prostate cancer biomedical research projects aligned with its Impact Strategy through its partnership with the Prostate Cancer Foundation.

NOTE 1 – ORGANIZATION (Continued)

The Foundation also funds and oversees mental health and suicide prevention programs with a particular focus on prevention and early intervention, and has continued to support the Making Connections program, which supports historically marginalized communities in the United States by focusing on community led approaches for boys and young men. The Foundation intends to work with four projects through to June 2024, in addition to the University of South Florida as the external third-party evaluator for the program. The program is currently in its eighth year and, sharing the knowledge and evidence collected relating to intervention strategies that work for men and boys, has been a major focus of the Making Connections program.

The Foundation continued to invest in building and maintaining interactive digital tools and online resources such as Movember Conversations and Movember Family Man. Movember Conversations is a free interactive digital tool that offers practical guidance on how to have more effective conversations with men who may be struggling with their mental health. Movember Family Man is the world's first online parenting program designed with dads in mind and is aimed at helping fathers engage in the parenting process and improving their parenting confidence and knowledge.

The Foundation continued to support the Veterans and First Responders Mental Health grant funding program in collaboration with The Distinguished Gentleman's Ride. The aim of the program – launched in seven countries including the United States – is to identify promising mental health or suicide prevention strategies and collaborate with those projects to demonstrate their effectiveness through rigorous program evaluation.

In addition to the Prostate Cancer Foundation, the Foundation also provides donations to select organizations such as the University of Michigan, the University of South Florida, the University of Washington, the University of California Los Angeles, Farmington Valley Health District, Kokua Kalihi Valley Comprehensive Family Services, Sinai Health System, and Southern Plans Tribal Health Board.

The Foundation is an affiliate of the Australian-based Movember Group Pty Limited (MGPL), Trustee of the Movember Foundation.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Support and Revenue

The Foundation receives most of its income from contributions. The primary campaign activities occur in the month of November each year. Amounts contributed are recognized when they are received by the Foundation or when there is a written unconditional promise to give by the donor.

The Foundation reports information regarding contributions and support received in its statements of financial position and statements of activities and changes in net assets according to two classes of net assets based upon the existence or absence of donor-imposed restrictions:

> Net Assets Without Donor Restrictions – Contributions that are considered to be available for unrestricted use.
>
> Net Assets With Donor Restrictions – Contributions received that are restricted by donors for a specific time period or purpose. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Income earned on these assets may or may not be restricted, depending upon the donor-imposed restrictions.

When donor restrictions on contributions are satisfied in the same period as the receipt of the contribution, the Foundation reports both the revenue and the related expense in the net assets without donor restrictions category.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation considers cash on hand, cash in demand deposit accounts including money market funds, and instruments with an original maturity date of 90 days or less at date of purchase to be cash and cash equivalents.

Accounts and Other Receivables

Accounts and other receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Foundation provides for losses on accounts receivable using the allowance method. The allowance for doubtful accounts is determined based on past collection experience and consideration of current economic conditions. It is the Foundation's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equipment and Leasehold Improvements

Equipment and leasehold improvements are stated at cost, or fair market value at the date of donation if the property is donated, less accumulated depreciation. Depreciation is accounted for on the straight-line method over the estimated useful life of the asset, which is 5 years for furniture and fixtures and 2.5 years for computer equipment. Leasehold improvements are depreciated over the shorter of the useful life of the improvement or the lease term, including renewal periods that are reasonably assured.

Expenditures for maintenance and repairs are expensed in the period incurred. Expenditures for major improvements are capitalized. Costs of assets sold or retired, and the related amounts of accumulated depreciation, are eliminated from the accounts in the year of sale or retirement.

Investments

Held-to-maturity debt securities

Held-to-maturity securities consist solely of debt securities that the Foundation has the positive intent and ability to hold to maturity and are stated at amortized cost. Premiums and discounts on investments in debt securities are amortized over the contractual lives of those securities, except for mortgage-backed securities for which prepayments are probable and predictable which are amortized over the estimated expected lives of those securities. The method of amortization results in a constant effective yield on those securities (the interest method). Interest on debt securities is recognized in income as earned. Realized gains and losses, including losses from declines in value of specific securities determined by management to be other-than-temporary, are included in income. Realized gains and losses are determined on the basis of the average cost of the securities sold.

The Foundation evaluates securities for other-than-temporary impairment at least on an annual basis, and more frequently when economic or market concerns warrant such evaluation. The Foundation employs a systematic methodology that considers available evidence in evaluating potential impairment of its investments. In the event that the cost of an investment exceeds its fair value, the Foundation evaluates, among other factors, the magnitude and duration of the decline in fair value; the expected cash flows of the securities; the financial health of and business outlook for the issuer; the performance of the underlying assets for interests in securitized assets; and the Foundation's intent and ability to hold the investment. The Foundation assesses whether it intends to sell or it is more likely than not that it will be required to sell a security before recovery of its amortized cost basis. For debt securities that are considered other-than-temporarily impaired and that the Foundation does not intend to sell and will not be required to sell prior to recovery of the amortized cost basis, the Foundation separates the amount of the impairment into the amount that is credit related (credit loss component) and the amount due to all other factors. The credit loss component is recognized in earnings and is the difference between the security's amortized cost basis and the present value of its expected future cash flows discounted at the security's effective yield. The remaining difference between the security's fair value and the present value of future expected cash flows is recognized in other comprehensive income. The Foundation's investment strategy is to hold debt securities to maturity.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes
The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and under Section 23701(d) of the California Revenue and Taxation Code.

Borrowings (PPP Loans)
The Foundation accounted for the loans under the Paycheck Protection Program (PPP) as conditional contributions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605, Not-for-Profit Entities - Revenue Recognition. Under this standard, loan proceeds are deemed a refundable advance until such time as the related conditions are met. In the case of the PPP loans, this included meeting certain employee counts and incurring eligible expenditures.

Leases
The Foundation determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Foundation obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Foundation also considers whether its service arrangements include the right to control the use of an asset.

The Foundation made an accounting policy election available under Topic 842 not to recognize right-of-use (ROU) assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or May 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Foundation made an accounting policy election to utilize the incremental borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Foundation has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Foundation, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principles

The Foundation adopted Topic 842 on May 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the Foundation has applied Topic 842 to reporting periods beginning on May 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Foundation's historical accounting treatment under ASC Topic 840, Leases.

The Foundation elected the "package of practical expedients" under the transition guidance within Topic 842, in which the Foundation does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The Foundation has not elected to adopt the "hindsight" practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on May 1, 2022.

Adoption of Topic 842 resulted in the recording of additional ROU assets and lease liabilities related to the Foundation's operating leases of $4,449,051 at May 1, 2022. The adoption of the new lease standard did not materially impact changes in net assets or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Foundation performs a variety of services, primarily related to salaries, for MGPL, Movember Canada, and other related entities, and charges them for these services. Expense reimbursements received or receivable from MGPL for services provided during the years ended April 30, 2023 and 2022 totaled $893,078 and $1,784,350, respectively. Expense reimbursements payable to (receivable from) Movember Canada totaled ($233,504) and $147,631 for the years ended April 30, 2023 and 2022, respectively.

During the year ended April 30, 2022, the Foundation received donations on behalf of entities outside the US for their fundraising initiatives, for which the funds payable to the non-US entities as of April 30, 2022 totaled $40,001.

Reimbursements received or receivable were netted against the related operating expenses.

MGPL charged the Foundation its share of certain costs for services provided by MGPL through the global services allocation (see Note 10) and for program management.

NOTE 3 – RELATED PARTY TRANSACTIONS (Continued)

Amounts receivable from (payable to) related parties consisted of the following at April 30:

	2023	2022
MGPL	$ 595,985	$ 161,350
Canada	(5,507)	1,200
Europe (Consolidated)	-	6,498
New Zealand	5,797	-
Total	**$ 596,275**	**$ 169,048**

NOTE 4 – EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Equipment and leasehold improvements consisted of the following at April 30:

	2023	2022
Furniture and fixtures	$ 159,056	$ 61,156
Computer equipment	208,290	169,752
Leasehold improvements	227,744	49,863
Construction in process	–	191,192
Total equipment and leasehold improvements	595,090	471,963
Accumulated depreciation	(310,531)	(252,848)
	$ 284,559	**$ 219,115**

NOTE 5 – INVESTMENT IN DEBT SECURITIES

The following is a summary of the Foundation's investment in held-to-maturity debt securities as of April 30, 2023:

	Amortized Cost	Gross Unrealized Losses	Fair Value
US Government and Agencies Obligations	$ 4,418,836	$ (1,287)	$ 4,417,549
Corporate Debt Obligations	503,360	(8,933)	494,427
	$ 4,922,196	**$ (10,220)**	**$ 4,911,976**

The following is a summary of the Foundation's investment in held-to-maturity debt securities as of April 30, 2022:

	Amortized Cost	Gross Unrealized Losses	Fair Value
Corporate Debt Obligations	$ 1,012,528	$ (10,508)	$ 1,002,020
	$ 1,012,528	**$ (10,508)**	**$ 1,002,020**

The amortized cost and fair value of debt securities classified as held-to-maturity, by contractual maturity, as of April 30, 2023, are as follows:

	Amortized Cost	Fair Value
Due within one year	**$ 4,922,196**	**$ 4,911,976**

The amortized cost and fair value of debt securities classified as held-to-maturity, by contractual maturity, as of April 30, 2022, are as follows:

	Amortized Cost	Fair Value
Due within one year	$ 500,519	$ 496,560
Due after one year through five years	512,009	505,460
	$ 1,012,528	**$ 1,002,020**

NOTE 6 – PPP LOAN

On January 25, 2021, the Foundation received a loan under the PPP of $632,500 from Sunwest Bank pursuant to the Paycheck Protection Program (PPP) under Division A, Title I of the CARES Act, which was enacted on March 27, 2020. Under the terms of the PPP, certain amounts of the loan were forgiven if they were used for qualifying expenses as described in the CARES Act. The Foundation used the entire loan amount for qualifying expenses and recognized government grant income of $632,500 in the statements of activities and changes in net assets. The loan was forgiven on July 12, 2022.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

The Foundation received donations totaling $72,552 during the year ended April 30, 2022, restricted for the Mr. Porter Health in Mind Fund, which will go toward men's mental health initiatives in accordance with the Foundation's mental health strategy. A committee comprised of representatives from both the Foundation and Mr. Porter, a retailer that specializes in designer menswear, will decide how the funds are to be used. During the year ended April 30, 2022, the Foundation also received $30,000 restricted for Movember Rooted and Rising, to be used to support stipends to the participants of the pilot program cohort.

NOTE 8 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at April 30:

	2023	2022
Cash	$ 26,932,484	$ 21,353,906
Term deposits	–	7,500,000
Total cash and cash equivalents	**$ 26,932,484**	**$ 28,853,906**

NOTE 9 – FOREIGN EXCHANGE

Included in administration costs are foreign exchange gains and losses, which relate to expenses allocated from MGPL for the Foundation's share of its global expenses (see Note 10). These intercompany allocations are subject to the inherent risks associated with foreign exchange rate movements. Foreign currency denominated assets and liabilities are translated into U.S. dollars at the exchange rate existing at the statement of financial position date, and revenue and expense items are translated at the exchange rate existing at the transaction date. MGPL structures intercompany transactions and settlements to ensure that the majority of foreign exchange gains or losses, representing changes in exchange rates from the transaction date to the settlement date, are borne primarily by MGPL and not by the Foundation. During the years ended April 30, 2023 and 2022, fluctuations in the value of the U.S. dollar caused a net foreign exchange gain of $11,947 and loss of $2,458, respectively.

NOTE 10 – GLOBAL SERVICE ALLOCATION

MGPL, together with local country affiliates (including the Foundation), is a global operation with its head office based in Melbourne, Australia. In order to minimize costs in all countries in which the Foundation operates, MGPL charges the Foundation for its share of certain costs for central services. These services are conducted centrally to ensure consistency over the Movember brand and to achieve economies of scale for Movember's global programs, thereby resulting in lower costs in each country. The services carried out centrally include website development, hosting and maintenance; campaign theme design and related materials; financial and accounting services; human resources services; and general management, including program implementation and beneficiary partner management services. Management of MGPL and the Foundation believe the charge from MGPL is significantly less than if the Foundation were to conduct all of these activities on a stand-alone local basis. The costs are charged on actual consumption or, where this cannot be identified, on an equitable basis that is considered fair to all regions. MGPL does not charge interest or mark up costs. The global services allocation expense for the Foundation was $3,787,030 and $3,207,961 for the years ended April 30, 2023 and 2022, respectively.

NOTE 11 – ALLOCATION OF JOINT COSTS

During the years ended April 30, 2023 and 2022, the Foundation conducted activities that included a campaign and special events and incurred joint costs of $6,931,342 and $6,289,300, respectively. Joint costs were allocated as follows:

	2023	2022
Men's health awareness	$ 3,121,867	$ 2,868,097
Administration	591,333	627,699
Fundraising	3,218,142	2,793,504
	$ 6,931,342	**$ 6,289,300**

NOTE 12 – EMPLOYEE BENEFIT PLAN

The Foundation maintains a 401(k) retirement plan for its employees who are 21 years of age and older. Under the plan, eligible employees may elect to defer up to 80% of their compensation, subject to Internal Revenue Service limits. The Foundation does not make any matching contributions.

NOTE 13 – LEASES

The Foundation has two real estate leases under operating lease agreements, one of which is sublet to a sublessee, that have initial terms of 5 years. The leases include one or more options to renew, generally at the Foundation's sole discretion, with renewal terms that can extend the lease term up to 5 years. In addition, the leases contain termination options, where the rights to terminate are held by either the Foundation, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Foundation will exercise that option. The Foundation's operating leases generally do not contain any material restrictive covenants or residual value guarantees. The sub-lease in which the Foundation acts as the sub-lessor has an initial term of 2.7 years.

Operating lease cost and sub-lease income is recognized on a straight-line basis over the lease term. The components of lease expense are as follows for the year ended April 30, 2023:

Operating lease cost	$ 1,052,891
Sublease rental income	(568,727)
	$ 484,164

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of April 30, 2023:

	Operating Leases
Years ending	
2024	$ 726,650
2025	453,745
2026	468,813
2027	489,550
2028	506,719
Thereafter	1,716,356
Total lease payments	4,361,833
Less imputed interest	(633,210)
Total present value of lease liabilities	**$ 3,728,623**

NOTE 13 – LEASES (Continued)

Future minimum lease commitments, as determined under Topic 840, for all non-cancelable leases are as follows as of April 30, 2022:

	Operating Leases
Years ending	
2023	$ 869,773
2024	726,650
2025	453,745
2026	468,813
2027	489,550
Thereafter	2,223,075
Total minimum lease payments	**$ 5,231,606**

NOTE 14 – AVAILABILITY OF FINANCIAL ASSETS AND LIQUIDITY

The Foundation has $7,942,556 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure, as follows:

	2023	2022
Financial assets at April 30:		
Cash and cash equivalents	$ 26,932,484	$ 28,853,906
Accounts receivable	167,603	585,845
Related party receivables	596,275	169,048
Investments that mature within one year	4,922,196	500,519
Total financial updates	32,618,558	30,109,318
Less those available for general expenditures Within one year, due to:		
Donor restrictions:		
Mr. Porter Health and Mind Fund	(101,525)	-
Board designations:		
Amounts set aside for men's health programs	(24,574,477)	(21,882,996)
Financial assets available to meet cash needs For general expenditures within one year	**$ 7,942,556**	**$ 8,226,322**

NOTE 14 – AVAILABILITY OF FINANCIAL ASSETS AND LIQUIDITY (Continued)

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in certificates of deposit and bond portfolios to use the interest income as a secondary revenue stream.

NOTE 15 – FUNCTIONAL EXPENSES

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Additionally, the financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Those expenses include salaries and wages, facility expenses, and depreciation. The allocations for salaries and wages are made on an individual employee basis, and the percentages used to allocate those employees to the various departments is evaluated on an annual basis during the budget preparation process. Rent, utilities, insurance, and depreciation expense are allocated based on a square footage analysis of the floor plans at the Foundation's various locations.

All donations to Men's Health Partners are included under program expenses in the statements of activities and changes in net assets.

NOTE 16 – CONCENTRATIONS

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, deposits of up to $250,000 at FDIC-insured institutions are covered by FDIC insurance. Deposits are generally in excess of the FDIC insurance limit; however, management does not believe the Foundation is exposed to any significant related credit risk.

One corporate sponsor accounted for 60% and 26% of the accounts and other receivables balance as of April 30, 2023 and 2022, respectively.

NOTE 17 – SUBSEQUENT EVENTS

The Foundations has evaluated subsequent events through September 5, 2023, the date on which the financial statements were available to be issued.