

# **1% for the Planet, Inc.**

Financial Statements  
December 31, 2023 and 2022

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## **Independent Auditor's Report**

To the Board of Directors  
1% for the Planet, Inc.

### **Opinion**

We have audited the financial statements of 1% for the Planet, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, and the changes in its net assets, its functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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.

*Gallagher, Flynn & Company, LLP*

South Burlington, Vermont

July 17, 2024

**1% for the Planet, Inc.**

**Statements of Financial Position  
December 31, 2023 and 2022**

	2023	2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 2,840,743	\$ 5,653,391
Investments	2,961,376	-
Accounts receivable	135,291	152,049
Pledges receivable	87,644	25,044
Prepaid expenses and other current assets	339,327	187,841
Restricted cash	3,712,149	5,509,965
<b>Total current assets</b>	<b>10,076,530</b>	11,528,290
Property and equipment	56,730	80,996
Software	142,136	152,630
Other assets	32,663	49,252
<b>Total assets</b>	<b>\$ 10,308,059</b>	\$ 11,811,168
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 117,170	\$ 99,210
Accrued expenses	409,929	496,356
Deferred revenues	666,231	484,088
Funds held for others	3,707,841	5,510,010
<b>Total current liabilities</b>	<b>4,901,171</b>	6,589,664
Long-term debt	150,000	149,259
Other liabilities	32,499	25,392
<b>Total liabilities</b>	<b>5,083,670</b>	6,764,315
Net assets:		
Without donor restrictions	5,006,745	4,988,607
With donor restrictions	217,644	58,246
<b>Total net assets</b>	<b>5,224,389</b>	5,046,853
<b>Total liabilities and net assets</b>	<b>\$ 10,308,059</b>	\$ 11,811,168

**1% for the Planet, Inc.**

**Statement of Activities  
Year Ended December 31, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenues:			
Program services:			
Corporate memberships	\$ 4,307,491	\$ -	\$ 4,307,491
Summit registration	159,379	-	159,379
Contributions:			
Cash and other financial assets	2,305,461	217,644	2,523,105
Nonfinancial assets	137,879	-	137,879
Corporate sponsorships	297,762	-	297,762
Net assets released from restrictions	58,246	(58,246)	-
Interest and other income	187,491	-	187,491
<b>Total revenues</b>	<b>7,453,709</b>	<b>159,398</b>	<b>7,613,107</b>
Expenses:			
Program	5,700,284	-	5,700,284
Supporting:			
Fundraising	747,656	-	747,656
Management and general	987,631	-	987,631
<b>Total supporting</b>	<b>1,735,287</b>	<b>-</b>	<b>1,735,287</b>
<b>Total expenses</b>	<b>7,435,571</b>	<b>-</b>	<b>7,435,571</b>
<b>Increase in net assets</b>	<b>18,138</b>	<b>159,398</b>	<b>177,536</b>
Net assets, beginning of year	4,988,607	58,246	5,046,853
Net assets, end of year	\$ 5,006,745	\$ 217,644	\$ 5,224,389

The accompanying notes are an integral part of these statements.

**1% for the Planet, Inc.**

**Statement of Activities  
Year Ended December 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Program services:			
Corporate memberships	\$ 3,594,729	\$ -	\$ 3,594,729
Summit registration	164,300	-	164,300
Contributions:			
Cash and other financial assets	2,436,082	33,246	2,469,328
Nonfinancial assets	265,129	-	265,129
Corporate sponsorships	276,345	-	276,345
Individual memberships	70,029	-	70,029
Net assets released from restrictions	167,018	(167,018)	-
Other	40,880	-	40,880
<b>Total revenues</b>	<b>7,014,512</b>	<b>(133,772)</b>	<b>6,880,740</b>
Expenses:			
Program	4,575,133	-	4,575,133
Supporting:			
Fundraising	595,813	-	595,813
Management and general	757,213	-	757,213
<b>Total supporting</b>	<b>1,353,026</b>	<b>-</b>	<b>1,353,026</b>
<b>Total expenses</b>	<b>5,928,159</b>	<b>-</b>	<b>5,928,159</b>
<b>Increase (decrease) in net assets</b>	<b>1,086,353</b>	<b>(133,772)</b>	<b>952,581</b>
Net assets, beginning of year	3,902,254	192,018	4,094,272
Net assets, end of year	\$ 4,988,607	\$ 58,246	\$ 5,046,853

**1% for the Planet, Inc.**

**Statement of Functional Expenses  
Year Ended December 31, 2023**

	Program Expenses	Supporting Expenses			Total Expenses
		Fundraising	Management and General	Total Supporting	
Salaries and wages	\$ 3,010,415	\$ 440,625	\$ 578,381	\$ 1,019,006	\$ 4,029,421
Employee benefits	859,811	126,106	160,593	286,699	1,146,510
<b>Total personnel</b>	<b>3,870,226</b>	<b>566,731</b>	<b>738,974</b>	<b>1,305,705</b>	<b>5,175,931</b>
Advertising and promotion	334,614	-	-	-	334,614
Bank and other transaction fees	97,473	14,296	18,195	32,491	129,964
Contract services	216,102	18,426	23,452	41,878	257,980
Facilities	230,302	6,886	8,764	15,650	245,952
Information technology	384,084	56,332	71,696	128,028	512,112
Legal and professional	141,634	20,773	61,263	82,036	223,670
Other	31,512	4,622	5,882	10,504	42,016
Travel	378,695	43,948	55,929	99,877	478,572
	<b>5,684,642</b>	<b>732,014</b>	<b>984,155</b>	<b>1,716,169</b>	<b>7,400,811</b>
Depreciation and amortization	15,642	15,642	3,476	19,118	34,760
<b>Total</b>	<b>\$ 5,700,284</b>	<b>\$ 747,656</b>	<b>\$ 987,631</b>	<b>\$ 1,735,287</b>	<b>\$ 7,435,571</b>

The accompanying notes are an integral part of these statements.



**1% for the Planet, Inc.**

**Statement of Functional Expenses  
Year Ended December 31, 2022**

	Program Expenses	Supporting Expenses			Total Expenses
		Fundraising	Management and General	Total Supporting	
Salaries and wages	\$ 2,269,859	\$ 338,234	\$ 420,111	\$ 758,345	\$ 3,028,204
Employee benefits	607,617	90,542	109,986	200,528	808,145
<b>Total personnel</b>	<u>2,877,476</u>	<u>428,776</u>	<u>530,097</u>	<u>958,873</u>	<u>3,836,349</u>
Advertising and promotion	259,977	277	2,217	2,494	262,471
Bank and other transaction fees	67,808	10,104	12,274	22,378	90,186
Contract services	394,208	40,903	49,687	90,590	484,798
Facilities	124,970	5,520	6,705	12,225	137,195
Information technology	282,575	42,107	51,149	93,256	375,831
Legal and professional	151,166	22,525	62,541	85,066	236,232
Other	50,764	7,564	9,189	16,753	67,517
Travel	350,713	22,561	29,915	52,476	403,189
	<u>4,559,657</u>	<u>580,337</u>	<u>753,774</u>	<u>1,334,111</u>	<u>5,893,768</u>
Depreciation and amortization	15,476	15,476	3,439	18,915	34,391
<b>Total</b>	<u>\$ 4,575,133</u>	<u>\$ 595,813</u>	<u>\$ 757,213</u>	<u>\$ 1,353,026</u>	<u>\$ 5,928,159</u>

The accompanying notes are an integral part of these statements.

**1% for the Planet, Inc.**

**Statements of Cash Flows**  
**Years Ended December 31, 2023 and 2022**

	2023	2022
Cash flows from operating activities:		
Increase in net assets	\$ 177,536	\$ 952,581
Noncash items included in increase in net assets:		
Change in allowance for credit losses	91,678	(19,600)
Depreciation and amortization	34,760	34,391
Investment returns	(38,313)	-
Changes in assets and liabilities:		
Accounts receivable	(74,920)	30,511
Pledges receivable	(62,600)	25,000
Prepaid expenses and other current assets	(151,486)	(106,773)
Other assets	16,589	(49,252)
Accounts payable	17,960	25,739
Accrued expenses	(86,427)	128,699
Deferred revenues	182,143	(195,807)
Refundable advances	-	(129,000)
Other liabilities	7,848	25,392
<b>Net cash provided by operating activities</b>	<b>114,768</b>	<b>721,881</b>
Cash flows from investing activities:		
Purchases of property and equipment	-	(40,256)
Software development	-	(102,500)
Purchases of investment securities	(5,095,108)	-
Proceeds from sales of investment securities	2,172,045	-
<b>Net cash used in investing activities</b>	<b>(2,923,063)</b>	<b>(142,756)</b>
Cash flows from financing activities:		
Change in funds held for others	(1,802,169)	(2,839,318)
<b>Net cash used in financing activities</b>	<b>(1,802,169)</b>	<b>(2,839,318)</b>
<b>Net decrease in cash and cash equivalents, and restricted cash</b>	<b>(4,610,464)</b>	<b>(2,260,193)</b>
Cash and cash equivalents, and restricted cash, beginning of year	11,163,356	13,423,549
Cash and cash equivalents, and restricted cash, end of year	<b>\$ 6,552,892</b>	<b>\$ 11,163,356</b>

The accompanying notes are an integral part of these statements.

**Notes to Financial Statements**

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**Note 1. Operations**

1% for the Planet, Inc. (the Organization) is a Vermont nonprofit organization founded in 2001. Its mission is to build and support an alliance of businesses and individuals throughout the world that are financially committed to creating a healthy planet. The Organization carries out this mission by marketing to build visibility and demand for the 1% for the Planet brand, building and maintaining partnerships to create opportunities to extend the Organization's mission, adding new members to the Organization, and providing member services to matriculate and renew membership to the Organization and certify member giving. The Organization's members commit to donating at least 1% of their annual revenues to approved not-for-profit organizations. The Organization licenses its trademarks to corporate and individual members worldwide in accordance with membership agreements, which automatically renew on an annual basis. Total revenues derived from foreign members and donors represent approximately 29% of total revenues in 2023 and 2022.

The Organization works internationally with 1% for the Planet France, an independent chapter in France whose operations are not under the control of the Organization. The separate activities and balances of 1% for the Planet France are not required to be, and are not, consolidated in the Organization's financial statements.

**Note 2. Summary of Significant Accounting Policies**

A summary of the Organization's significant accounting policies applied in the preparation of the accompanying financial statements follows:

**Basis of presentation:** The Organization's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

**Reclassifications:** Certain expenses in the 2022 statement of functional expenses related to the summit conference were reclassified between rows in order to be comparable to the 2023 statement of functional expenses.

**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 management and the Board of Directors (the Board) and include Board-designated funds that may be expended with the approval of the Board.

**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 by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (continued)**

**Cash and cash equivalents, and restricted cash:** Cash equivalents consist of short-term investments that have an original maturity of three months or less. The Organization may have significant amounts of cash and cash equivalents, and restricted cash that are in excess of federally insured limits at any point in time. Although the Organization has not experienced any losses to date and does not anticipate incurring any losses, it cannot be assured that the Organization will not experience losses.

Restricted cash represents amounts required to be reserved in a separate bank account based on an agreement between the Organization and one of its members, which is offset by a corresponding funds held for others liability. Pursuant to this agreement, cash received from the member is required to be maintained in this separate account, unless the member clearly communicates it, in writing, as a contribution to the Organization. Distributions from the account require approval from the member, at which time they are disbursed to designated recipients during the member's fiscal year.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash as reported in the statements of cash flows as of December 31:

	<b>2023</b>	2022
Cash and cash equivalents	<b>\$ 2,840,743</b>	\$ 5,653,391
Restricted cash	<b>3,712,149</b>	5,509,965
	<b><u>\$ 6,552,892</u></b>	<b><u>\$ 11,163,356</u></b>

**Investments:** Investments are recorded at fair value. The Financial Accounting Standards Board's authoritative guidance on fair value measurements establishes a framework for measuring fair value and expands the disclosure about fair value measurements. This guidance enables a reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Under this guidance, assets and liabilities recorded at fair value must be classified and disclosed in one of the following three categories:

**Level 1:** Quoted market prices in active markets for identical assets or liabilities.

**Level 2:** Observable market-based inputs or observable inputs that are corroborated by market data.

**Level 3:** Unobservable inputs that are not corroborated by market data.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are measured and reported on a fair value basis. The fair value of U.S. Treasury securities, which comprise all of the Organization's investments, is based on quoted market rates for similar but not identical assets, and as such, they are classified as Level 2 assets.

## Notes to Financial Statements

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### Note 2. Summary of Significant Accounting Policies (continued)

Purchases and sales of investment securities are recorded on a trade-date basis. Interest is recorded when earned, and dividends are accrued as of the ex-dividend date. Investment returns are not significant and are reported within interest and other income.

**Property and equipment:** The Organization records purchased property and equipment at cost. Donations of property and equipment, if any, are recorded as contributions at their estimated fair value. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable and amortizable assets to activities over their estimated service lives. The straight-line method of depreciation and amortization is followed for substantially all assets.

**Software:** The costs of website and other software development are capitalized during the application development phase, which occurs once management has committed to fund the project and it is probable that the project will be completed for its intended use, and concludes upon the demonstration of technological feasibility. Costs incurred prior to and after the application development phase are charged to expenses as incurred. Capitalized costs are amortized on a straight-line basis over the economic life of the related project.

**Impairment of long-lived assets:** Long-lived assets, such as property and equipment and software, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows. An impairment charge is recognized in the amount by which the carrying amount of the asset exceeds its fair value. No impairment review was necessary in 2023 or 2022.

**Funds held for others:** Pursuant to an agreement with one of its members, the Organization holds certain amounts received from this member in a separate restricted cash account in order to fund the member's annual contributions and other purposes as directed by the member. The funds may be refunded to the member upon request. Changes in the related restricted cash balance upon the receipt of additional cash or due to disbursements authorized by the member are reported as increases and decreases, respectively, in the funds held for others liability.

**Program services revenues:** Transactions in which the member or other resource provider receives commensurate value in exchange for consideration provided to the Organization are considered contracts with customers and are recognized when the promised goods or services are transferred in an amount that reflects the consideration expected to be received in exchange for those goods or services. Related revenues are measured based on the consideration specified in contracts with customers. Revenues related to prepayments and advance billings are reported as deferred revenues until the period in which such amounts are earned.

## Notes to Financial Statements

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### Note 2. Summary of Significant Accounting Policies (continued)

The following are considered to be contracts with customers (exchange transactions):

**Corporate memberships:** Corporate members receive various benefits, including the ability to use the Organization's logo. Corporate membership fees are recorded as revenue on a straight-line basis over the related membership period, which is generally based on the member's fiscal year. Prior to November 1, 2022, the Organization charged new corporate members a standard one-time activation fee, the revenues and expenses of which were recognized at the time of the activation. As the revenues and related expenses substantially offset one another, there is no net impact on the statements of activities. Total recognized activation revenues and related expenses were \$0 in 2023 and approximately \$278,000 in 2022.

**Summit registration:** The Organization holds an annual global summit that offers programming and networking opportunities to members for a separate registration fee. Related registration fees are recognized as revenue when the event takes place.

**Contribution revenues:** Contributions received are composed of transactions in which the Organization receives resources without providing commensurate value to the resource provider and are described more fully below. Contributions received are recognized when the donor or grantor makes an unconditional promise to give to the Organization. Contributions with conditions that have not yet been satisfied are not recorded as revenues until the conditions are substantially met. Advances made to the Organization under conditional contributions are reported as refundable advances. Unconditional contributions that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the year the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions. Contributions are classified as either financial or nonfinancial assets based on the nature of the resources provided to the Organization.

**Cash and other financial assets:** Contributed financial assets include contributions received in the form of grants, pledges, or donations to the Organization through a current or future transfer of monetary funds.

**Contributed nonfinancial assets:** The Organization receives various forms of contributed nonfinancial assets (also referred to as gifts in kind), as described in Note 9. Nonfinancial assets include free or discounted tangible items, such as equipment and supplies, as well as specialized services, voluntary labor, and facilities. These assets are not sold by the Organization to other parties and are distributed only for program or administrative use. The Organization recognizes these contributions at their estimated fair value on the date of receipt and reports related expenses when the assets are utilized. Fair value is determined based on the estimated amount that would be paid to obtain the goods or services in their principal market, which is generally provided by the contributor. Nonspecialized contributed services are not recognized in the financial statements, in accordance with GAAP.

**Corporate sponsorships:** The Organization receives corporate sponsorships primarily to support its annual global summit. As sponsors do not receive commensurate value in exchange for their sponsorships, they are accounted for as contributions and are recognized as increases in unrestricted net assets when the sponsored event takes place.

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (continued)**

**Individual memberships:** Individual members receive de minimis value in exchange for their membership dues, which, therefore, are accounted for as contributions and recognized as increases in unrestricted net assets at the time the annual membership period commences. As of November 2022, the Organization no longer offers individual memberships.

**Accounts receivable:** Accounts receivable are program services customer obligations recorded initially at the transaction price and are generally expected to be collected within three months. The Organization evaluates the collectability of receivables and records an allowance for credit losses representing its best estimate of the expected losses that will result from possible default events over the expected life of the receivable based on an assessment of historical collection activity, differences in current conditions, and reasonable and supportable forecasts. Additions to the allowance for credit losses are made by recording a reduction in membership revenues. Receivables are written off against the allowance for credit losses when the account is deemed to be uncollectible. The Organization's allowance for credit losses was as follows as of and for the years ended December 31, 2023 and 2022:

Balance, December 31, 2021	\$	129,535
Additions to allowance for expected credit losses		32,708
Write-offs charged		(52,308)
Balance, December 31, 2022		109,935
Additions to allowance for expected credit losses		137,573
Write-offs charged		(45,895)
<b>Balance, December 31, 2023</b>	<b>\$</b>	<b>201,613</b>

**Pledges receivable:** Pledges receivable are unconditional promises made by donors and grantors to give contributions to the Organization. Pledges that are expected to be collected within one year are recorded at net realizable value, which comprises all of the outstanding pledges receivable at December 31, 2023 and 2022. There were no write-offs of pledges receivable or allowances for doubtful pledges receivable as of or for the years ended December 31, 2023 or 2022.

**Functional expenses and allocation of shared costs:** Expenses are charged to program and supporting services based on direct expenses incurred and allocations of common expenses. Common costs are allocated to program and supporting expenses based upon the related utilization. Specifically, employee benefits and facility costs are allocated based on relative salaries and wages.

**Income taxes:** The Organization is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income, pursuant to Section 501(a) of the Code. Accordingly, the Organization has not provided for income taxes in these financial statements.

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (continued)**

Each year, management considers whether any material tax position the Organization has taken is more likely than not to be sustained upon examination by the applicable tax authority. Management believes that any positions the Organization has taken are supported by substantial authority and, therefore, do not need to be measured or disclosed in these financial statements. The Organization is subject to income tax examinations by tax authorities for three years following the date of filing.

**Use of estimates:** In preparing financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Evaluation of subsequent events:** In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 17, 2024, the date the financial statements were available to be issued.

**Note 3. Availability and Liquidity**

The following reflects the Organization's financial assets that are estimated to be available to meet general expenditure needs within one year as of December 31:

	<b>2023</b>	2022
Cash and cash equivalents	<b>\$ 2,840,743</b>	\$ 5,653,391
Investments	<b>2,961,376</b>	-
Accounts receivable	<b>135,291</b>	152,049
Pledges receivable due within one year	<b>87,644</b>	25,044
	<b><u>\$ 6,025,054</u></b>	<u>\$ 5,830,484</u>

As part of its liquidity management process, the Organization structures its financial assets to be available as general and program expenditures, liabilities, and other obligations become due.

**Note 4. Concentrations**

The Organization did not recognize 10% or more of its total revenues from any resource provider in 2023. In 2022, the Organization recognized 14% of its total revenues from one company.



## 1% for the Planet, Inc.

### Notes to Financial Statements

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#### Note 5. Property and Equipment

Property and equipment consist of the following at December 31:

	2023	2022
Computers and equipment	\$ 75,827	\$ 78,828
Furniture and fixtures	31,052	31,052
Other	15,410	15,410
	<u>122,289</u>	<u>125,290</u>
Less accumulated depreciation and amortization	65,559	44,294
	<u>\$ 56,730</u>	<u>\$ 80,996</u>

#### Note 6. Software

Software consists of the following at December 31:

	2023	2022
Gross value	\$ 243,917	\$ 243,917
Less accumulated amortization	101,781	91,287
	<u>\$ 142,136</u>	<u>\$ 152,630</u>

The gross value is being amortized over an estimated useful life of 15 years, and annual amortization expense is not significant.

#### Note 7. Long-Term Debt

In May 2020, the Organization received a \$150,000 unsecured loan from the U.S. Small Business Administration (SBA) under the Economic Injury Disaster Loan (EIDL) Assistance program, which was designed to provide economic relief to businesses experiencing a temporary loss in revenue due to the coronavirus pandemic. Proceeds from the loan were required to be used to fund working capital needs caused by the coronavirus. The loan bears interest at 2.75%. In March 2022, the SBA provided for an additional deferral of EIDL loan payments until 30 months after the original loan date. Accordingly, as of December 31, 2023, the loan is payable in monthly installments of \$641 commencing in January 2023, with a final maturity date of July 2053. Payments are to be applied first to accrued interest.

## 1% for the Planet, Inc.

### Notes to Financial Statements

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#### Note 7. Long-Term Debt (continued)

As of December 31, 2023, long-term debt matures as follows:

Years ending December 31:	
2024	\$ -
2025	479
2026	3,646
2027	3,748
2028	3,852
Thereafter	<u>138,275</u>
	<u>\$ 150,000</u>

#### Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
Pledges receivable - operating	\$ 87,644	\$ 25,044
Operating grants restricted for use in future years	<u>130,000</u>	<u>33,202</u>
	<u>\$ 217,644</u>	<u>\$ 58,246</u>

#### Note 9. Contributed Nonfinancial Assets

Contributed nonfinancial assets consist of the following in 2023 and do not have donor-imposed restrictions:

	<u>2023</u>	<u>2022</u>
Professional services	\$ 33,600	\$ 113,400
Promotional items	83,017	96,133
Other	<u>21,262</u>	<u>55,596</u>
	<u>\$ 137,879</u>	<u>\$ 265,129</u>

**1% for the Planet, Inc.**

**Notes to Financial Statements**

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**Note 10. Retirement Plan**

The Organization sponsors a 403(b) retirement plan that covers substantially all of its employees. The Organization matches contributions up to 6% of each employee's eligible salary, as defined. The Organization's contributions to the plan charged to expenses were approximately \$201,000 in 2023 and \$154,000 in 2022.