



# SOCIAL IMPACT · FUND ·

**FINANCIAL REPORT  
DECEMBER 31, 2025**

# **SOCIAL IMPACT FUND**

## **TABLE OF CONTENTS**

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	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 – 2
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position	3
Statements of Activities	4 – 5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8 – 13

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Social Impact Fund

### **Opinion**

We have audited the financial statements of Social Impact Fund (the Organization), which comprise the statements of financial position as of December 31, 2025 and 2024, 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, 2025 and 2024, 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 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 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 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 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 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.

*Singer Lewak LLP*

May 13, 2026

**SOCIAL IMPACT FUND**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2025 and 2024**

**ASSETS**

	2025	2024
Cash and cash equivalents	\$ 10,572,069	\$ 7,521,375
Grants and contributions receivable	780,000	2,175,000
Investments	6,170,247	5,563,654
Prepaid expenses and other assets	183,864	60,153
<b>Total assets</b>	<b>\$ 17,706,180</b>	<b>\$ 15,320,182</b>

**LIABILITIES AND NET ASSETS**

**Liabilities**

Accounts payable and accrued expenses	\$ 643,582	\$ 416,358
Grants payable	405,000	9,529
Deferred revenue	10,000	-
Total liabilities	1,058,582	425,887

**Net assets**

Without donor restrictions		
Undesignated	1,789,003	1,518,401
Donor-advised funds	893,327	888,759
Board-designated operating reserve	500,000	400,000
Total without donor restrictions	3,182,330	2,807,160
With donor restrictions	13,465,268	12,087,135
Total net assets	16,647,598	14,894,295
<b>Total liabilities and net assets</b>	<b>\$ 17,706,180</b>	<b>\$ 15,320,182</b>

See notes to financial statements.

**SOCIAL IMPACT FUND**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, support, and gains</b>			
Grants and contributions	\$ 331,280	\$ 15,044,854	\$ 15,376,134
Donated goods	-	1,740	1,740
Management fees and retainers	775,907	-	775,907
Net investment return	630,016	-	630,016
Interest	204,989	-	204,989
Net assets released from restrictions	13,668,461	(13,668,461)	-
Total revenue, support, and gains	15,610,653	1,378,133	16,988,786
<b>Expenses</b>			
Program services	14,040,167	-	14,040,167
Management and general	1,060,582	-	1,060,582
Fundraising	134,734	-	134,734
Total expenses	15,235,483	-	15,235,483
<b>Change in net assets</b>	375,170	1,378,133	1,753,303
<b>Net assets, beginning</b>	2,807,160	12,087,135	14,894,295
<b>Net assets, ending</b>	<b>\$ 3,182,330</b>	<b>\$ 13,465,268</b>	<b>\$ 16,647,598</b>

See notes to financial statements.

**SOCIAL IMPACT FUND**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, support, and gains</b>			
Grants and contributions	\$ 671,214	\$ 21,524,477	\$ 22,195,691
Government grants and contracts	-	62,500	62,500
Donated goods	147,538	21,005	168,543
Management fees and retainers	946,418	-	946,418
Net investment return	631,632	-	631,632
Interest	204,030	-	204,030
Other	86	-	86
Net assets released from restrictions	15,408,778	(15,408,778)	-
Total revenue, support, and gains	18,009,696	6,199,204	24,208,900
<b>Expenses</b>			
Program services	16,049,585	-	16,049,585
Management and general	683,893	-	683,893
Fundraising	51,846	-	51,846
Total expenses	16,785,324	-	16,785,324
<b>Change in net assets</b>	1,224,372	6,199,204	7,423,576
<b>Net assets, beginning</b>	1,582,788	5,887,931	7,470,719
<b>Net assets, ending</b>	<b>\$ 2,807,160</b>	<b>\$ 12,087,135</b>	<b>\$ 14,894,295</b>

See notes to financial statements.

**SOCIAL IMPACT FUND**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years Ended December 31, 2025 and 2024**

<b>2025</b>					
	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total	
Grants paid	\$ 6,367,447	\$ -	\$ -	\$ -	\$ 6,367,447
Program and management services	4,604,309	-	-	-	4,604,309
Professional fees and services	1,940,574	457,971	133,546	591,517	2,532,091
Salaries, taxes, and benefits	-	459,641	-	459,641	459,641
Programmatic costs	832,224	-	-	-	832,224
Conferences and travel	198,602	50,011	-	50,011	248,613
Other	97,011	92,959	1,188	94,147	191,158
<b>Total expenses by function</b>	<b><u>\$ 14,040,167</u></b>	<b><u>\$ 1,060,582</u></b>	<b><u>\$ 134,734</u></b>	<b><u>\$ 1,195,316</u></b>	<b><u>\$ 15,235,483</u></b>

<b>2024</b>					
	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total	
Grants paid	\$ 5,401,513	\$ -	\$ -	\$ -	\$ 5,401,513
Program and management services	4,867,334	-	-	-	4,867,334
Professional fees and services	3,668,958	262,093	51,846	201,439	3,982,897
Salaries, taxes, and benefits	-	309,520	-	309,520	309,520
Programmatic costs	1,479,117	-	-	112,500	1,479,117
Conferences and travel	446,993	23,184	-	23,184	470,177
Other	185,670	89,096	-	89,096	274,766
<b>Total expenses by function</b>	<b><u>\$ 16,049,585</u></b>	<b><u>\$ 683,893</u></b>	<b><u>\$ 51,846</u></b>	<b><u>\$ 735,739</u></b>	<b><u>\$ 16,785,324</u></b>

See notes to financial statements.

**SOCIAL IMPACT FUND**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 2025 and 2024**

	2025	2024
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,753,303	\$ 7,423,576
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized/realized gains on investments	(496,289)	(456,327)
Changes in operating assets and liabilities:		
Grants and contributions receivable	1,395,000	(1,398,152)
Prepaid expenses and other assets	(123,711)	(5,027)
Accounts payable and accrued expenses	227,224	296,282
Grants payable	395,471	(105,471)
Deferred revenue	10,000	-
Net cash provided by operating activities	3,160,998	5,754,881
<b>Cash flows from investing activities</b>		
Purchases of investments	(103,252)	(351,152)
Proceeds from sales of investments	(7,052)	73,897
Net cash used in investing activities	(110,304)	(277,255)
<b>Net change in cash and cash equivalents</b>	3,050,694	5,477,626
<b>Cash and cash equivalents, beginning</b>	7,521,375	2,043,749
<b>Cash and cash equivalents, ending</b>	<b>\$ 10,572,069</b>	<b>\$ 7,521,375</b>

See notes to financial statements.

# SOCIAL IMPACT FUND

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 – ORGANIZATION

Social Impact Fund (Organization) is a California nonprofit public benefit corporation, founded in 2013 with its principal office in the state of California. The Organization seeks to inspire efficient and accessible philanthropy by providing a legal structure under which charitable programs may operate or acts as a fiscal sponsor for groups awaiting IRS 501(c)(3) determination. The Organization engages with change-making leaders in the entertainment and creative communities, and beyond, to accelerate their social impact.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

#### Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America (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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments purchased with maturities of three months or less, which are neither held for, nor restricted by, donors for long-term purposes, to be cash and cash equivalents.

#### Grants and Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. Based on management's assessment at December 31, 2025 and 2024, no allowance has been recorded.

#### Investments

Investments are recorded at cost, and thereafter, are measured at fair value in the statements of financial position. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, and realized and unrealized capital gains and losses, less investment expenses.

#### Grants Payable

Grants payable are recognized in the period the grant is approved, provided the grant is not subject to significant future conditions. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee substantially meets the terms of the conditions. There were no conditional grants as of December 31, 2025 and 2024. As of December 31, 2025 and 2024, all grants are payable within the next year.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, investments, grants and contributions receivable. At times, amounts on deposit may exceed insured limits, or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. The Organization has developed long-term relationships with many of its grantors and continually evaluates their financial position to determine the risk of uncollectible receivables.

Although the fair values of investments are subject to fluctuations on a year-to-year basis, the Organization believes its policies and guidelines are prudent for the long-term welfare of the organization.

Net Assets

Net assets and revenue, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.
- *Net assets with donor restrictions* – Net assets subject to donor- or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. The Organization recognizes all revenues received for its sponsored programs as with donor restrictions.

Revenue and Revenue Recognition

The Organization recognizes management fees and retainers when the performance obligations of services are provided to sponsored organizations. Fees are charged based on funds raised or earned by the sponsored organization and are recognized on a monthly basis as a percentage of those funds raised. The performance obligation of raising funds is simultaneously received and consumed by the sponsored organizations; therefore, the revenue is recognized ratably over the period services are provided.

The Organization recognizes revenue from ticket sales at the time of the event. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received.

# SOCIAL IMPACT FUND

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue and Revenue Recognition (Continued)

Conditional promises to give, that is, those with a measurable performance or other barrier and right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional grants and contributions are reported as net assets without donor restrictions when the condition and restriction are both met in the same reporting period. As of December 31, 2025, there were no conditional promises to give. As of December 31, 2024, there was one conditional promise to give of \$1,600,000 which was recognized during the year ended December 31, 2025, when the condition was met.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

#### Donor Advised Funds

Individuals may establish donor advised funds, whereby each fund and its related earnings may be distributed to charities recommended by the donor, subject to the approval of the Board of Directors. Donor advised funds are classified as net assets without donor restrictions.

#### Donated Goods

Donated goods are recognized based on the retail value that would be paid for purchasing similar goods on the date of donation and amounted to \$1,740 and \$168,543 for the years ended December 31, 2025 and 2024, respectively.

#### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses are identified with a specific program or supporting service and are charged directly to the related program or service.

#### Income Taxes

The Organization is a not-for-profit organization exempt from income tax under provisions of Internal Revenue Code §501(c)(3). Management has analyzed the tax positions taken by the Organization, and has concluded that, as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### Reclassifications

Certain prior-year amounts have been reclassified to conform to the current-year presentation of net assets without donor restrictions.

**SOCIAL IMPACT FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Subsequent Events

The Organization has evaluated subsequent events through May 13, 2026, the date on which the financial statements were available to be issued.

**NOTE 3 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year, comprise the following:

	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 10,572,069	\$ 7,521,375
Grants and contributions receivable	780,000	2,175,000
Investments	6,170,247	5,563,654
Total financial assets	17,522,316	15,260,029
Less board-designated operating reserve	(500,000)	(400,000)
	<b><u>\$ 17,022,316</u></b>	<b><u>\$ 14,860,029</u></b>

The Organization receives significant contributions with donor restrictions to be used in accordance with the associated purpose, and considers contributions restricted for programs which are ongoing, major, and central to the annual operations to be available to meet cash needs for general expenditures. As part of the Organization'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. Upon approval by the Board, the Organization may utilize the board-designated operating reserves of \$500,000 as of December 31, 2025, and \$400,000 as of December 31, 2024.

**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS**

The Organization reports certain assets and liabilities at fair value in the financial statements. U.S. GAAP defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability, based on the best information available.

**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)**

A three-tier hierarchy categorizes the inputs as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.
- Level 2 – Inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.
- Level 3 – Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

The fair value hierarchy also requires an entity to maximize the use of observable inputs, and minimize the use of unobservable inputs, when measuring fair value, which is the Organization's policy. For the years ended December 31, 2025 and 2024, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

- *Corporate and foreign bonds* – The fair value of corporate and foreign bonds are valued at amortized cost, which approximates fair value. They are classified within Level 2 of the fair value hierarchy.
- *Government bonds* – The fair value of corporate and foreign bonds are valued at amortized cost, which approximates fair value. They are classified within Level 2 of the fair value hierarchy.
- *Corporate stocks* – The fair value of corporate stocks are based on prices quoted in active markets. They are classified within Level 1 of the fair value hierarchy.
- *Mutual funds and exchange traded funds (ETFs)* – The fair value of mutual funds and ETFs are based on prices quoted in active markets. They are classified within Level 1 of the fair value hierarchy.

**SOCIAL IMPACT FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)**

As of December 31, 2025, the Organization’s investments were categorized as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Corporate and foreign bonds	\$ -	\$ 1,300,168	\$ 1,300,168
Government bonds	-	287,806	287,806
Corporate stocks	2,602,601	-	2,602,601
Mutual funds and ETFs	<u>1,979,672</u>	<u>-</u>	<u>1,979,672</u>
	<b><u>\$ 4,582,273</u></b>	<b><u>\$ 1,587,974</u></b>	<b><u>\$ 6,170,247</u></b>

As of December 31, 2024, the Organization’s investments were categorized as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Corporate and foreign bonds	\$ -	\$ 1,177,735	\$ 1,177,735
Government bonds	-	282,429	282,429
Corporate stocks	2,217,164	-	2,217,164
Mutual funds and ETFs	<u>1,886,326</u>	<u>-</u>	<u>1,886,326</u>
	<b><u>\$ 4,103,490</u></b>	<b><u>\$ 1,460,164</u></b>	<b><u>\$ 5,563,654</u></b>

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2025 and 2024, net assets with donor restrictions are subject to expenditure for a specified purpose or project.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose, project, or other events specified by the donors. For the years ended December 31, 2025 and 2024, net assets of \$13,668,461 and \$15,408,778, respectively, were released from restrictions.