GiveMN

Financial Statements
Together with
Independent Auditors' Report

June 30, 2024

GIVEMN

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
GiveMN
Minneapolis, Minnesota

Opinion

We have audited the accompanying financial statements of GiveMN (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and 2023, and 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 financial statements referred to above present fairly, in all material respects, the financial position of GiveMN as of June 30, 2024 and 2023, 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. Our responsibilities under those standards are further described in Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GiveMN 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 Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 GiveMN's ability to continue as a going concern with one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GiveMN'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 GiveMN'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.

Olsen Thielen & Co., Ltd

Eden Prairie, Minnesota
December 9, 2024

GIVEMN

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS:		
Cash	$ 79,742	$ 423,852
Contributions Receivable	30,458	178,712
Donation Processing Fee Receivable	7,977	16,398
Other Receivables	1,629	1,901
Prepaid Expenses and Other Assets	5,207	8,291
Total Current Assets	125,013	629,154
PROPERTY AND EQUIPMENT:		
Leasehold Improvements	–	34,395
Furniture and Equipment	29,809	85,735
Less Accumulated Depreciation	(23,925)	(103,190)
Net Property and Equipment	5,884	16,940
TOTAL ASSETS	$ 130,897	$ 646,094

LIABILITIES AND NET ASSETS

	2024	2023
CURRENT LIABILITIES:		
Accounts Payable	$ 13,543	$ 31,366
Payroll Liabilities	81,339	75,868
Accrued Interest	19,000	–
Total Current Liabilities	113,882	107,234
NOTES PAYABLE	400,000	–
NET ASSETS (DEFICIT):		
Without Donor Restrictions	(563,285)	158,860
With Donor Restrictions	180,300	380,000
Total Net Assets (Deficit)	(382,985)	538,860
TOTAL LIABILITIES AND NET ASSETS	$ 130,897	$ 646,094

The accompanying notes are an integral part of the financial statements

GIVEMN

STATEMENT OF ACTIVITIES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023		
	Net Assets (Deficit) Without Donor Restriction	**Net Assets With Donor Restriction**	**Total**	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
REVENUES AND SUPPORT:						
Contributions and Grants	**$ 429,625**	**$ 170,300**	**$ 599,925**	$ 45,019	$ 833,352	$ 878,371
Donation Processing Fees	**500,657**	**–**	**500,657**	515,159	–	515,159
Contracting Services	**71,028**	**–**	**71,028**	52,247	–	52,247
Other Income	**4,663**	**–**	**4,663**	1,657	–	1,657
Net Assets Released from Restrictions	**370,000**	**(370,000)**	**–**	771,026	(771,026)	–
Total Support and Revenue	**1,375,973**	**(199,700)**	**1,176,273**	1,385,108	62,326	1,447,434
EXPENSES:						
Program Services	**1,401,787**	**–**	**1,401,787**	1,444,997	–	1,444,997
General and Administrative	**535,660**	**–**	**535,660**	325,223	–	325,223
Fundraising	**160,671**	**–**	**160,671**	159,655	–	159,655
Total Expenses	**2,098,118**	**–**	**2,098,118**	1,929,875	–	1,929,875
CHANGE IN NET ASSETS	**(722,145)**	**(199,700)**	**(921,845)**	(544,767)	62,326	(482,441)
NET ASSETS at Beginning of Year	**158,860**	**380,000**	**538,860**	703,627	317,674	1,021,301
NET ASSETS (DEFICIT) at End of Year	**$ (563,285)**	**$ 180,300**	**$ (382,985)**	$ 158,860	$ 380,000	$ 538,860

The accompanying notes are an integral part of the financial statements

GIVEMN

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	2024			
	Program Services	General and Administrative	Fundraising	Total Expense
Salaries, Taxes and Benefits	$ 875,524	$ 439,108	$ 145,945	$ 1,460,577
Grants and Prizes	211,039	–	–	211,039
Advertising and Promotion	94,932	648	1,650	97,230
Professional Services	50,148	32,815	3,683	86,646
Supplies and Software	65,513	128	–	65,641
Meetings, Events and Travel	55,632	5,284	1,689	62,605
Occupancy	25,340	12,670	4,223	42,233
Utilities and Telephone	12,281	6,143	2,047	20,471
Interest Expense	–	19,000	–	19,000
Loss on Disposal of Assets	–	13,640	–	13,640
Insurance	6,619	3,233	1,095	10,947
Miscellaneous	1,901	2,267	97	4,265
Depreciation	1,450	724	242	2,416
Equipment Rental	1,408	–	–	1,408
Total Functional Expense	$ 1,401,787	$ 535,660	$ 160,671	$ 2,098,118

The accompanying notes are an integral part of the financial statements

GIVEMN

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	2023			
	Program Services	General and Administrative	Fundraising	Total Expense
Salaries, Taxes and Benefits	$ 871,038	$ 245,353	$ 136,820	$ 1,253,211
Grants and Prizes	200,988	–	1,545	202,533
Supplies and Software	111,904	92	423	112,419
Professional Services	53,088	46,792	7,473	107,353
Advertising and Promotion	95,714	474	42	96,230
Occupancy	34,304	11,509	5,187	51,000
Meetings, Events and Travel	39,028	2,979	3,531	45,538
Utilities and Telephone	18,186	4,786	1,944	24,916
Depreciation	14,311	4,281	1,930	20,522
Insurance	5,155	1,649	743	7,547
Equipment Rental	–	4,364	–	4,364
Miscellaneous	1,281	2,944	17	4,242
Total Functional Expense	$ 1,444,997	$ 325,223	$ 159,655	$ 1,929,875

The accompanying notes are an integral part of the financial statements

GIVEMN

STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change In Net Assets	$ (921,845)	$ (482,441)
Adjustments To Reconcile Change In Net Assets To Net Cash Flows From Operating Activities:		
Depreciation	2,416	20,522
Loss on Disposal of Assets	13,640	–
Changes in Assets and Liabilities:		
Contributions Receivable	148,254	(158,107)
Donation Processing Fee Receivable	8,421	27,981
Other Receivables	272	(1,901)
Prepaid Expenses and Other Assets	3,084	(2,099)
Accounts Payable	(17,823)	415
Payroll Liabilities	5,471	(54,518)
Accrued Interest	19,000	–
Deferred Rent	–	(12,808)
Net Cash Flows From Operating Activities	(739,110)	(662,956)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property and Equipment	(5,000)	(7,248)
Net Cash Flows From Investing Activities	(5,000)	(7,248)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issuance of Long-Term Debt	400,000	–
Net Cash Flows From Financing Activities	400,000	–
NET CHANGE IN CASH	(344,110)	(670,204)
CASH at Beginning of Period	423,852	1,094,056
CASH at End of Period	$ 79,742	$ 423,852

The accompanying notes are an integral part of the financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

GiveMN (the Organization) is a collaborative nonprofit venture, transforming philanthropy in Minnesota by igniting generosity and growing giving. The promise of GiveMN's technology platform, training and outreach initiatives, and annual Give to the Max celebration is to provide every Minnesota organization and every Minnesota donor with the opportunity to make a difference in their community.

The GiveMN.org donor engagement platform is powered by Mightycause Corporation and Mightycause Charitable Foundation, which together provide online giving and donor engagement tools to Minnesota organizations, allowing these organizations to connect with new and existing donors through safe and secure donation and disbursement processes.

GiveMN launched its RaiseMN program in 2015 to provide additional resources to Minnesota organizations, offering professional consultation and group learning to help nonprofits grow their fundraising strategy and infrastructure.

GiveMN remains best known for Give to the Max, Minnesota's annual giving holiday that has grown to be one of the largest digital giving events in the country. This program combines the tools of the GiveMN.org platform with GiveMN's capacity-building expertise and media engagement, empowering Minnesota organizations to connect with their donors and celebrate philanthropy across the state.

Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles. Revenue, expenses, gains and losses, and net assets are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the Organization and related changes are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets without donor restrictions are resources available to support operations over which the Board of Directors has discretionary control.

Net Assets with Donor Restrictions - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

Accounting Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

In preparing these financial statements, the Organization has evaluated for recognition or disclosure the events or transactions that occurred through December 9, 2024, the date the financial statements were available to be issued. There were no subsequent events that required recognition or disclosure in the financial statements.

Accounts Receivable and Credit Losses

Receivables are stated at the amounts the Organization expects to collect from outstanding balances. The majority of the Organization’s trade receivables are from donation processing fees. The Organization recognizes an allowance for losses for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial instrument. The expected credit losses on trade receivables are estimated based on historical credit loss experience, aging analysis, and management’s assessment of current conditions and reasonable and supportable expectation of future conditions. The company assesses collectability by pooling receivables where similar characteristics exist and evaluate receivables individually when specific customer balances no longer share those risk characteristics and are considered at risk or uncollectible. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. The Organization has not established an allowance for credit losses at June 30, 2024 and 2023.

Pledges Receivable and Allowance for Pledges Receivable Losses

Contributions receivable consist of unconditional promises to give and are recognized as revenue in the period made. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted using present value of future cash flows. Amortization of discounts is recorded as additional contribution revenue.

Pledges receivable are assessed individually for collectability based on the surrounding facts and circumstances and past history.

The Organization monitors the credit quality of its pledges receivable balance. Pledges are reviewed periodically, and collectability of pledge balances is assessed. Losses in prior years have been insignificant.

Property Equipment and Depreciation

Property and equipment are carried at cost or, if donated, at the approximated fair value at the date of donation. Additions, improvements or major renewals exceeding $3,000 are capitalized. If items of property are sold, retired or otherwise disposed of, they are removed from the asset and accumulated depreciation accounts and any gain or loss thereon is reflected in the statement of activities.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets of three years.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Rent

GiveMN accounted for rent expense evenly over the term of the lease using the straight-line method until the lease was terminated. At June 30, 2023, deferred rent was fully amortized.

Revenue Recognition

Contribution and Grant Revenue

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions is reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Donation Processing Fees Revenue

Donation processing fees are recognized in accordance with the underlying contracts and agreements. Revenue is earned based on donations facilitated by GiveMN. Revenue is recognized over a period of time.

Contracting Service Revenue

Contracting service revenue consists of revenue generated from providing professional consultation and group learning to help nonprofits grow their fundraising strategy and infrastructure. Contracting service revenue is recognized over a period of time as the services have been performed.

As a practical expedient, the Organization groups similar contracts or similar performance obligations together into portfolios of contracts if doing so does not result in a significant difference from applying this accounting standard to the individual contracts.

The Organization's revenues disaggregated by the timing of such revenue recognized during the years ended June 30, 2024 and 2023 are as follows:

	2024	2023
Point in Time	$ 576,348	$ 569,063
Contributions and Grant Revenue (Not Subject to ASC 606)	599,925	878,371
Ending Balance	$ 1,176,273	$ 1,447,434

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The Organization's receivables from contracts with customers as of the years ended June 30, 2024 and 2023 are as follows:

	2024	2023
Accounts Receivable - Beginning	$ 16,398	$ 44,379
Accounts Receivable - Ending	7,977	16,398

There are no significant contract assets or liabilities recognized on the financial statements under the standard.

Functional Allocation of Expense

The costs of providing various programs and services are summarized on a functional basis on the statement of activities. Accordingly, certain costs were allocated among the programs or services benefited based on best estimates by management.

Income Tax

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code therefore, the statements do not include a provision for income taxes. The Organization has no unrelated business income tax in 2024 and 2023.

The Organization reviews income tax positions taken or expected to be taken in income tax returns to determine if there are any income tax uncertainties. This includes positions that the entity is exempt from income taxes or not subject to income taxes on unrelated business income. The Organization recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on the technical merits of the positions. The Organization has identified no significant income tax uncertainties. The Organization files information returns as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the Internal Revenue Service.

Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash. The Organization places its cash investments with high credit quality financial institutions. As of June 30, 2024, the Organization had no significant concentrations of credit risk.

Advertising

Advertising costs are expensed as incurred. Total advertising expenses were $13,429 and $13,794 for the years ended June 30, 2024 and 2023, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

Adoption of FASB ASU 2016-13 and Related Standards

Effective July 1, 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Statements,* as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization's financial statements but did change how the allowance for credit losses is determined.

Reclassifications

Certain amounts in the 2023 financial statements and notes have been reclassified to conform with the 2024 presentation. These reclassifications had no effect on change in net assets or net assets for either period.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization receives significant revenues from processing fees, contributions and contracting services. Available cash and an increase in net assets is generally adequate to meet all current obligations of the Organization.

The following table reflects the Organization's financial assets as of June 30, 2024 and 2023 that are available to meet general expenditures within the next year.

	2024	2023
Available for General Expenditures:		
Cash	$ 79,742	$ 423,852
Contributions Receivable	30,458	178,712
Donation Processing Fee Receivable	7,977	16,398
Other Receivables	1,629	1,901
Total	119,806	620,863
Less Financial Assets Held to Meet Donor Restrictions:		
Purpose Restricted-Net Assets	170,300	220,000
Total Financial Assets Available for General Expenditure within One Year	$ (50,494)	$ 400,863

The above table reflects donor-restricted funds as unavailable because it is the Organization's intention to invest those resources for the long-term support of the Organization.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

The Organization's current financial condition, as of June 30, 2024, reflects a liquidity shortfall as the Organization does not have sufficient financial assets available to meet general expenditures within one year. The Organization has encountered conditions that raise substantial doubt about its ability to continue as a going concern. This situation is primarily attributed to the Organization's operational cash flow challenges and the need for additional funding to support its ongoing program activities and strategic initiatives.

In view of these matters, continuation as a going concern is dependent upon continued operations of the Organization, which in turn is dependent upon the Organization’s ability to meet its financial requirements, raise additional and maintain existing funding through grants and contributions, increase its donation processing revenues and reduce expenditures. The financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Organization not continue as a going concern.

In response to these conditions and in accordance with its responsibility to mitigate the going concern uncertainty, management has implemented a plan designed to ensure the Organization’s continued operational and financial stability. The key elements of this plan include:

1) Securing Financial Support: The Organization has successfully secured a line of credit up to $500,000, see Note 4. This line of credit is intended to provide immediate liquidity, addressing short-term cash flow shortages.
2) Cost Reduction Measures: Management has taken decisive actions to reduce operational expenditures, with a significant focus on salary reductions. These measures have been carefully implemented to preserve the Organization's core operations and minimize the impact on its workforce.
3) Revenue Enhancement Strategies: The Organization has introduced a new service charge on its platform-based services, anticipated to generate additional income. This strategy aims to enhance the Organization's revenue streams and contribute to its financial resilience.

These actions undertaken by management are designed to address the going concern uncertainty and support the Organization's ability to continue its operations. While the implementation of these measures is expected to improve the Organization's financial position, there can be no assurance that these initiatives will be sufficient to mitigate the going concern doubt fully. Management continues to monitor the Organization's financial situation closely and is prepared to take further actions as necessary.

NOTE 3 - NOTES PAYABLE

The Organization has a promissory note payable to Community Benefit Financial Company, LLC, a wholly owned subsidiary of Otto Bremer Trust. Based on the terms of the agreement, the Organization is required to make interest only payments for the first two years of the loan and beginning in 2026 the Organization will begin paying annual principal and interest. The note carries an interest rate of 4.75% and will be fully repaid in 2030.

Principal payments required during the next five years are: 2025 - $0; 2026 - $75,000; 2027 - $75,000; 2028 - $75,000; and 2029 - $75,000.

Cash payments for interest were $0 during the years ended June 30, 2024 and 2023.

NOTE 4 - LINE OF CREDIT

In June 2024, the Organization entered into a line of credit agreement with Propel Nonprofits for $500,000 that expires on June 16, 2025, and carries an 8% interest rate. There were no borrowings on the line of credit at June 30, 2024.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

	2024	2023
Purpose Restrictions:		
RaiseMN Coaching Grants	**$ 70,300**	$ 120,000
Give to the Max Day Grant	**100,000**	100,000
Time Restrictions:		
General Operating Support	**10,000**	160,000
Total	**$ 180,300**	$ 380,000

Net assets released from restriction were $370,000 and $771,026 during the years ended June 30, 2024 and 2023. Net assets with donor restriction were released from restriction due to satisfaction of program and time restrictions.

NOTE 6 - MAJOR CUSTOMER

The Organization derived approximately 82% and 74% of its revenues from three donors for the years ended June 30, 2024 and 2023, respectively.

NOTE 7 - RETIREMENT PLAN

The Organization has a 401(k) plan in effect for its employees. The Organization contributions to the plan based on the safe harbor matching 100% of deferrals up to 4% and an annual discretionary profit sharing contribution determined by the board. Plan expense was $48,963 and $73,007 during the years ended June 30, 2024 and 2023, respectively.