

Hood & Strong

Advisory, Tax
and Assurance

Philanthropic Ventures Foundation

December 31, 2024

Financial Statements

Four light blue wavy lines that sweep across the bottom of the page, creating a sense of movement and design.

Philanthropic Ventures Foundation

Table of Contents

Independent Auditors' Report	1 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 18

Independent Auditors' Report

THE BOARD OF DIRECTORS
PHILANTHROPIC VENTURES FOUNDATION
San Francisco, California

Opinion

We have audited the financial statements of the **PHILANTHROPIC VENTURES FOUNDATION (the Foundation)** which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Foundation as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; and for this 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 for one year from the date of this report.

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 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.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 6, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hecel & Strong LLP

San Francisco, California
September 19, 2025

Philanthropic Ventures Foundation

Statement of Financial Position

<i>Year Ended December 31, 2024 (with comparative totals for 2023)</i>	2024	2023
Assets:		
Cash and cash equivalents	\$ 7,369,290	\$ 3,648,060
Grant and contributions receivable	2,480,000	5,137,303
Investments	79,077,370	72,316,990
Program-related investments	500,000	500,000
Prepaid expenses and other assets	3,560	3,560
Total assets	\$ 89,430,220	\$ 81,605,913
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 11,277	\$ 11,344
Accrued employee related expenses	43,601	35,524
Total liabilities	54,878	46,868
Net Assets:		
Without donor restrictions:		
Undesignated	4,520,221	1,081,944
Donor-advised funds	55,051,354	48,857,659
Total without donor restrictions	59,571,575	49,939,603
With donor restrictions	29,803,767	31,619,442
Total net assets	89,375,342	81,559,045
Total liabilities and net assets	\$ 89,430,220	\$ 81,605,913

See accompanying notes to the financial statements.

Philanthropic Ventures Foundation

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2024 (with comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	Total	2023 Total
Revenue and Support:				
Grants and contributions	\$ 5,981,972	\$ 45,805,191	\$ 51,787,163	\$ 36,733,161
Investment income, net	6,660,027	1,036,031	7,696,058	3,873,358
In-kind contributions	150,000		150,000	150,000
Net assets released from restrictions	43,906,897	(43,906,897)	-	-
Total revenue and support	56,698,896	2,934,325	59,633,221	40,756,519
Expenses:				
Program services:				
Fiscal sponsor program	42,923,281		42,923,281	13,773,958
Grant program	5,487,241		5,487,241	10,549,697
Supporting services:				
Management and general	280,318		280,318	198,270
Fundraising	124,758		124,758	122,051
Total expenses	48,815,598	-	48,815,598	24,643,976
Change in Net Assets Before Other Changes	7,883,298	2,934,325	10,817,623	16,112,543
Other Changes in Net Assets:				
Loss on uncollectible contributions receivable		(125,000)	(125,000)	-
Net assets transferred out (Note 2)	(92,136)	(4,625,000)	(4,717,136)	-
Net assets transferred in (Note 2)	1,840,810		1,840,810	32,357,416
Changes in Net Assets	9,631,972	(1,815,675)	7,816,297	48,469,959
Net Assets, beginning of year	49,939,603	31,619,442	81,559,045	33,089,086
Net Assets, end of year	\$ 59,571,575	\$ 29,803,767	\$ 89,375,342	\$ 81,559,045

See accompanying notes to the financial statements.

Philanthropic Ventures Foundation

Statement of Functional Expenses

Year Ended December 31, 2024 (with comparative totals for 2023)

	Fiscal Sponsor Program				PVF Operational				2024 Total	2023 Total
	Program Services	Management and General	Fundraising	Subtotal	Grant Program	Management and General	Fundraising	Subtotal		
Salaries and wages	\$ 4,540,095	\$ 1,135,024		\$ 5,675,119	\$ 558,896	\$ 67,131	\$ 90,687	\$ 716,714	\$ 6,391,833	\$ 4,426,312
Employee benefits and taxes				-	85,945	10,322	13,946	110,213	110,213	106,275
Grants awarded	35,007,743			35,007,743	4,724,270			4,724,270	39,732,013	16,490,983
Insurance				-		12,128		12,128	12,128	11,710
Marketing and communication	215,690	3,205	\$ 1,597,605	1,816,500			13,098	13,098	1,829,598	2,276,165
Occupancy				-	36,809	4,422	5,972	47,203	47,203	55,103
Office expenses		251,327		251,327	20,188	15,054	1,055	36,297	287,624	732,925
Professional services		163,772		163,772	41,878	148,475		190,353	354,125	499,707
Travel and meetings				-	11,660			11,660	11,660	12,048
Other		8,820		8,820	7,595	22,786		30,381	39,201	32,748
	\$ 39,763,528	\$ 1,562,148	\$ 1,597,605	\$ 42,923,281	\$ 5,487,241	\$ 280,318	\$ 124,758	\$ 5,892,317	\$ 48,815,598	\$ 24,643,976

See accompanying notes to the financial statements.

Philanthropic Ventures Foundation

Statement of Cash Flows

<i>Year Ended December 31, 2024 (with comparative totals for 2023)</i>	2024	2023
Cash Flows from Operating Activities:		
Change in net assets	\$ 7,816,297	\$ 48,469,959
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gains on investments	(4,691,073)	(2,993,465)
Loss on uncollectible contributions receivable	125,000	444,765
Net assets transferred out (Note 2)	3,400,000	(31,512,651)
Changes in assets and liabilities:		
Grant and contributions receivable	(867,697)	(4,107,303)
Accounts payable and accrued expenses	(67)	10,779
Accrued employee related expenses	8,077	(2,367)
Net cash provided by operating activities	5,790,537	9,467,327
Cash Flows from Investing Activities:		
Purchases of investments	(65,863,763)	(10,892,884)
Sales of investments	63,794,456	(100,000)
Net cash used in investing activities	(2,069,307)	(10,992,884)
Net Change in Cash and Cash Equivalents	3,721,230	(1,525,557)
Cash and Cash Equivalents, beginning of year	3,648,060	5,173,617
Cash and Cash Equivalents, end of year	\$ 7,369,290	\$ 3,648,060

See accompanying notes to the financial statements.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Note 1 - Organization:

Philanthropic Ventures Foundation (the Foundation) is a non-profit public benefit corporation organized in 1991. The Foundation's mission is to engage creative donors and community partners in grassroots philanthropy via radical collaboration. The Foundation brings a unique perspective to philanthropy and the way it is carried out to maximize impact, providing a valuable voice to the philanthropic sector. The Foundation's approach and vision for philanthropy has been broadcast widely through public speaking engagements, teaching, the book *Grassroots Philanthropy*, publications and social media. The Foundation has built up long-term relationships with donors, helped share their charitable giving, and is regarded as a trusted philanthropic advisor.

The Foundation's staff is in regular communication with its grantees to act as an advocate in helping them succeed in their work. In addition to administering donor-advised funds, the Foundation administers a number of immediate response grant programs supported by Foundation grants.

The Foundation also administers awards and scholarship programs and serves as a fiscal sponsor for charitable programs. The Foundation derives its revenue and support from donations from the general public, grants from other organizations, and earnings on its investment portfolio.

The Foundation currently sponsors over 75 projects based in the San Francisco Bay Area, nation-wide, and in over 20 countries. The projects represent nonprofit activities in all areas of the nonprofit sector, with current projects active in arts, capacity building, community development, education, environment and wildlife, health and wellness, networks and alliances, philanthropy, social justice, workforce and youth development. Projects may be of limited duration, incubating nonprofit organizations, public/private partnerships, or multiple funder collaborations.

Note 2 - Summary of Significant Accounting Policies:

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to not-for-profit organizations. Accordingly, the Foundation presents information regarding its net assets and activities according to two classes of net assets.

Net Assets Without Donor Restrictions:

The portion of net assets not subject to time or donor-imposed restrictions may be expended for any purpose in performing the primary objective of the Foundation. Net assets without donor restrictions may be designated for use by management or the Board of Trustees (the Board). This category also includes donor-advised funds to support the philanthropic goals of the Foundation. The Foundation has variance power over these funds.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Net Assets With Donor Restrictions:

The portion of net assets whose use by the Foundation is limited by donor-imposed stipulations that will either expire by passage of time or can be fulfilled and removed by specified actions of the Foundation. Net assets with donor restrictions include restricted contributions that are unconditionally promised for receipt in the future, purpose-restricted grants, and donor-restricted endowment funds.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with an original maturity of three months or less when purchased, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

Grants and Contributions Receivable

Grants and contributions receivable consist primarily of unconditional commitments received from individuals and foundations. Long-term receivables are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the interest rate applicable in the year in which those promises were received.

The Foundation uses the allowance method to account for uncollectible grants receivable. The reserve against contributions receivable is based on historical experience and an evaluation of the outstanding receivables at year end.

At December 31, 2024, grants and contributions receivable totaled \$2,480,000 and are expected to be collected in less than one year.

Investments

Investments are reported at fair value. Changes in fair values as well as realized gains and losses are reflected in the Statement of Activities and Changes in Net Assets. Dividend and interest income are accrued when earned and investment expenses are reported as a reduction of investment income.

Fair Value Measurements

The Foundation carries certain assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation classifies its financial assets and liabilities according to three levels and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

Level 1 - inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly, such as quoted prices for similar securities and quoted prices in inactive markets.

Level 3 - inputs are unobservable and reflect the Foundation's determination of assumptions that market participants might reasonably use in valuing the securities.

Program-Related Investments

Program-related investments are investments that would not be made were it not for the relationship of the investment to the Foundation's programmatic mission. Although the underlying investment may or may not have a profit motive, that is not the primary focus of the investment by the Foundation.

The Foundation records notes receivable at cost less an estimate for expected credit losses, based upon a review of all outstanding amounts on a regular basis. Management determines the allowance for credit losses by considering historical experience, an evaluation of specific notes receivables, an organization's financial condition and current economic conditions, and current forecasts of future economic conditions. Over the time horizon the Foundation is exposed to credit risk, and payment terms or conditions that may materially affect future forecasts. Notes receivables are written off when deemed uncollectible. Recoveries of notes receivables previously written off are recorded as income when received.

Revenue Recognition

Grants and contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Grants and contributions received for a specific fiscally-sponsored project are reported with donor restrictions. The Foundation reports contributions that are restricted by the donor as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. As of December 31, 2024, the Foundation had five conditional grants totaling \$39,076,500, for which future payments are contingent upon meeting specific milestones.

Contributed services are recognized as in-kind revenues at their estimated fair value if they require a specialized skill that would need to be purchased if they are not donated. Contributed goods are recognized as in-kind contributions at their estimated fair value. For the year ended December 31, 2024, the Foundation recorded \$150,000 for in-kind salary donated by its Chief Executive Officer. This was valued using comparable market rates for similar services in the area and was utilized in programmatic and administrative areas.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Fiscal Sponsorship Projects

All the financial activity of the Foundation's fiscally-sponsored projects ("FSPs") is aggregated for financial statement purposes. The related funds, however, are kept strictly segregated in individual fund accounts. The majority of FSPs (those in a comprehensive fiscal sponsorship relationship) are legally a part of the Foundation. A handful of projects are in a "pre-approved grant" fiscal sponsorship relationship and those projects are separate legal entities.

It is the nature of the fiscal sponsorship business to have a variable portfolio. The Foundations' project roster can fluctuate regularly with time-limited projects completing, maturing nonprofits spinning off into their own 501(c)(3) organizations, and new start-ups signing up throughout each year.

In the event that an existing FSP is incorporated into the Foundation's portfolio, any assets transferred in are recorded at fair value on the Statement of Activities and Changes in Net Assets. For the year ended December 31, 2024, there was one existing Donor-Advised Fund that transferred its net assets of \$1,840,810 from another Foundation. The Foundation transferred \$92,126 of cash for one existing Donor-Advised Fund to another nonprofit organization. The Foundation transferred one existing FSP to another nonprofit organization, which included \$3,625,000 of grants and contributions receivable and \$1,000,000 of cash.

In situations where a sponsored project attains status as an independent entity and ends the fiscal sponsorship relationship with the Foundation, the respective project's funds are recognized as a grant to a newly-created entity.

Grants and Grants Payable

Grants are made to tax-exempt organizations with objectives consistent with the mission of the Foundation and fiscally sponsored projects. Grant expense is recorded when the Foundation or fiscally sponsored projects make an unconditional promise to give and a signed agreement is received. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition. During the year ended December 31, 2024, the Foundation or fiscally sponsored projects did not have any conditional grants. Grant cancellations or unspent funds are recorded in the year cancelled or the funds are returned. As of December 31, 2024, the Foundation did not have grants payable.

Endowment Funds

The Foundation follows the guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-205 *Endowments of Not-for-Profit Organizations – Net Assets Classification of Funds Subject to Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA)*, and *Enhanced Disclosures for All Endowment Funds*. The State of California adopted a version of UPMIFA as its State Prudent Management of Institutional Funds Act (SPMIFA).

Philanthropic Ventures Foundation

Notes to the Financial Statements

Interpretation of Relevant Law

The Board has determined that the Foundation holds net assets that meet the definition of endowment funds under SPMIFA.

The corpus value of funds subject to SPMIFA represents the fair value of the original gift as of the gift date and the original value of subsequent gifts and is classified as with donor restriction in cases where the donor indicated that a portion of the fund be retained permanently. The excess balance is classified as with donor restrictions until appropriated, at which time the appropriation is reclassified to net assets without donor restrictions.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the Foundation and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the investment policies of the Foundation.

Investment and Spending Policies

The Foundation implements a long-term investment strategy based on broad asset class diversification including the use of liquid assets, equities, and fixed income. The Foundation has long-term investment policy targets and permitted ranges for each asset class within the portfolio.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The current long-term return objective is to earn the spending policy percentage plus inflation, net of investment fees. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Foundation has a policy of appropriating for distribution each year an amount of 3.5% of its endowment portfolio. The Board of Directors may request all, a portion, or none of the appropriation be distributed in accordance with the endowment fund's purpose as defined by the endowment agreement or applicable Board resolution. Any portion of the appropriation not distributed by the Board of Directors shall be kept in the endowment fund, to be governed by the endowment investment policy, and be available for future distributions in accordance with the distribution policy.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Allocation of Functional Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets. The Statement of Functional Expenses presents the natural and functional classification detail of expenses. Certain costs have been allocated among the programs and supporting services benefited. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits and taxes, occupancy, office expenses, and other, which are allocated on the basis of estimates of time and effort.

Income Tax Status

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and California franchise and/or income taxes under Section 23701d of the California Revenue and Taxation Code.

As of December 31, 2024, management evaluated the Foundation's tax positions and concluded that Foundation had maintained its tax-exempt status and had taken no uncertain tax positions that required adjustment to the financial statements.

Comparative Financial Statements

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Recent Accounting Pronouncements

Pronouncements effective in the future

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets*. ASU 2023-08 requires that an entity measure crypto assets at fair value in the statement of financial position each reporting period and recognize changes from remeasurement in net income. The ASU also requires that an entity provide enhanced disclosures for annual reporting periods to provide relevant information to analyze and assess the exposure and risk of significant individual crypto asset holdings. This ASU is effective for the Foundation beginning on January 1, 2025. The Foundation is currently evaluating the impact of this new guidance on its financial statements.

Subsequent Events

The Foundation evaluated subsequent events with respect to the financial statements for the year ended December 31, 2024 through September 19, 2025, the date these financial statements were available to be issued, and has determined that there were no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require, except as discussed in Note 4.

Note 3 - Investments and Fair Value Measurement:

Investments consisted of the following at December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Cash and cash equivalents	\$ 2,997,697		\$ 2,997,697
U.S. Treasury bills	12,744,441		12,744,441
Equities	35,980,859		35,980,859
Mutual funds:			
Fixed income	5,212,280		5,212,280
Equity	5,740,869		5,740,869
Corporate debt		\$ 9,069,774	9,069,774
Assets measured at fair value	62,676,146	9,069,774	71,745,920
Certificates of deposit			7,331,450
Total	\$ 62,676,146	\$ 9,069,774	\$ 79,077,370

Philanthropic Ventures Foundation

Notes to the Financial Statements

The fair value schedule above does not include certificates of deposit. Certificates of deposit are excluded from fair value measurements as they do not meet the definition of an equity security.

Investment income consisted of the following for the year ended December 31, 2024:

Realized and unrealized gains	\$ 4,691,073
Dividends and interest	3,407,571
Management fees	(402,586)
Investment income, net	\$ 7,696,058

Investments, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Note 4 - Program-related Investments:

Program related investments consisted of the following at December 31, 2024:

	Outstanding Balance	# of Loans	Interest Rates	Collections within One Year	Collections within Two - Five Years
Program related investment notes receivable	\$ 500,000	1	2.0%		\$ 500,000

The Foundation's Program-related Investments include a promissory note to an organization that provides short-term bridge loans to social impact organizations.

Subsequent to year end, the promissory note was paid in full.

Philanthropic Ventures Foundation

Notes to the Financial Statements

Note 5 - Endowment:

Endowment net assets as of December 31, 2024 and changes during the year then ended are presented below:

	<u>With Donor Restrictions</u>		
	<u>Earnings</u>	<u>Corpus</u>	<u>Total</u>
Endowment assets, beginning of year	\$ 1,506,265	\$ 4,650,000	\$ 6,156,265
Investment return:			
Investment income	167,348		167,348
Investment fees	(44,754)		(44,754)
Net appreciation (realized and unrealized)	500,481		500,481
Total investment return	623,075	-	623,075
Endowment spending and appropriation	(230,143)		(230,143)
Endowment assets, end of year	\$ 1,899,197	\$ 4,650,000	\$ 6,549,197

Note 6 - Net Assets With Donor Restrictions:

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2024:

Time and purpose restricted:	
Endowment earnings	\$ 1,899,197
Arts	1,797,673
Community Development	3,458,346
Education	4,543,056
Environment	324,826
Health	2,116,439
Safety Net	659,064
Scientific Research	6,804,145
Social Justice	2,768,105
Workforce Development	782,916
Perpetual restrictions:	
Endowment corpus	4,650,000
Total	\$ 29,803,767

Philanthropic Ventures Foundation

Notes to the Financial Statements

Net Assets were released from donor restrictions by incurring expenses satisfying the purposes specified by donors as follows during the year ended December 31, 2024:

Arts	\$ 1,459,574
Community Development	25,859,267
Education	4,760,156
Environment	1,344,364
Health	2,279,177
Safety Net	406,609
Scientific Research	291,211
Social Justice	5,054,617
Workforce Development	2,221,779
Endowment spending and appropriation	230,143
Total	\$ 43,906,897

Note 7 - Liquidity and Availability:

Financial assets available to meet cash needs for general expenditures within one year of the financial statement date were as follows as of December 31, 2024:

Cash and cash equivalents	\$ 7,369,290
Grant and contributions receivable	2,480,000
Investments	79,077,370
Total financial assets	88,926,660
Less those unavailable for general expenditures within one year due to:	
Net assets with donor restrictions	(29,803,767)
Donor-advised funds	(55,051,354)
Add net assets with purpose and time restrictions to be met in less than one year	8,410,047
	(76,445,074)
Financial assets available to meet cash needs for general expenditures within one year	\$ 12,481,586

Philanthropic Ventures Foundation

Notes to the Financial Statements

The Foundation maintains cash in its checking account to meet at least 90 days of normal operation expenses. Grants are paid from the checking account or directly from the investment account, which maintains sufficient cash and investments to cover future grant payments. Certain financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the date of the financial statements. The amount of net assets with restrictions to be met in less than one year is the Foundation's estimate that is subject to change based on need.

Note 8 - Retirement Plan:

The Foundation has a noncontributory defined contribution pension plan covering all full-time employees with one or more years of eligible service. The Foundation may contribute up to 10% of each eligible employee's gross salary. Contribution expense for the year ended December 31, 2024 was \$41,481.

Note 9 - Concentration of Credit Risk:

Financial instruments which potentially subject the Foundation to credit risk consist primarily of cash and cash equivalents and contributions receivable.

The Foundation maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts, and management believes the Foundation is not exposed to any significant credit risk related to cash.

Grants and contributions receivable at year end consisted primarily of unsecured amounts due from five foundations representing approximately 80% of the grants receivable balance.

Contributions are received primarily from foundations. The Foundation received contributions from one contributor that represented approximately 44% of the Foundation's total contributions for the year ended December 31, 2024.

Note 10 - Contingencies:

Certain grants received require the fulfillment of certain conditions set forth in the terms of the grant. Failure by the Foundation to fulfill those conditions could result in the return of the funds to the grantors. The Foundation deems this contingency remote because each of the grants and the embedded terms are consistent with the objectives of the Foundation and align with the Foundation's activities. The Foundation's management is of the opinion that the Foundation has complied with the terms of all grants.

The Foundation maintains a diverse investment portfolio, without any concentration of risk in any particular industry sector. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements.