LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD

REVIEWED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

Rifkin & Company, LLP

Certified Public Accountants

Daniel E. Rifkin, CPA
David H. Aron, CPA
Mitchell L. Gusler, CPA, CVA
Kevin R. Francis, CPA
Steven R. Katz, CPA
Jason C. Lindenbaum, CPA

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees of
LGBT Youth Out Loud, Inc.
d/b/a Live Out Loud
New York, New York

We have reviewed the accompanying financial statements of LGBT Youth Out Loud, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Sincerely,

Rifkin & Company, LLP

Rifkin & Company, LLP

July 23, 2024
Bardonia, NY

445 Route 304 • Bardonia NY 10954 • Tel (845) 623-3884 • Fax (845) 623-4739

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023

Assets

Current Assets		
Cash and Cash Equivalents	$	289,800
Prepaid Expenses		17,222
Contributions Receivable		28,175
Total Current Assets		335,197
Fixed Assets		
Fixed Assets		22,027
Accumulated Depreciation		(22,027)
Total Fixed Assets		-
Other Assets		
Employee Retention Credit Receivable		25,092
Total Other Assets		25,092
Total Assets	$	360,289

Liabilities and Net Assets

Current Liabilities		
Accounts Payable and Accrued Expenses	$	23,663
Current Portion of SBA Loan		3,223
Total Current Liabilities		26,886
Long Term Liabilities		
SBA Economic Injury Disaster Loan		97,798
Total Liabilities		124,684
Net Assets		
Net Assets without Donor Restrictions		225,605
Net Assets with Donor Restrictions		10,000
Total Net Assets		235,605
Total Liabilities and Net Assets	$	360,289

See Independent Accountants’ Review Report and Accompanying Notes.

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
STATEMENT OF ACTIVITES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

Support and Revenue	Without Restrictions	With Donor Restrictions	Total
New York City Programming Fees	$ 247,033	$ -	$ 247,033
Individual Contributions	74,761	10,000	84,761
Fundraising (net of direct expenses)	52,042	-	52,042
Foundation Contributions	48,208	-	48,208
Employee Retention Credit	25,092	-	25,092
Interest	26	-	26
Total Support and Revenue	447,163	10,000	457,163
Functional Expenses			
Program Services			
Educational Programming	261,965	-	261,965
Youth Programs	15,841	-	15,841
Total Program Services	277,806	-	277,806
Supporting Services			
General and Administrative	107,156	-	107,156
Fundraising	45,635	-	45,635
Total Supporting Services	152,791	-	152,791
Total Functional Expenses	430,597	-	430,597
Increase in Net Assets	16,566	10,000	26,566
Net Assets, Beginning of Year	209,040	-	209,040
Net Assets, End of Year	$ 225,606	$ 10,000	$ 235,606

See Independent Accountants' Review Report and Accompanying Notes.

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
STATEMENT OF FUNCTIONAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services			Support Services			Total
	Educational Programming	Youth Programs	Total Revenue	General and Administrative	Fundraising	Total Support	
Support and Revenue							
New York City Programming Fees	$ 247,033	$ -	$ 247,033	$ -	$ -	$ -	$ 247,033
Individual Contributions	84,761	-	84,761	-	-	-	84,761
Fundraising (net of direct expenses)	$ -	$ -	-	$ -	52,042	52,042	52,042
Foundation Contributions	-	-	-	-	48,208	48,208	48,208
Employee Retention Credit	-	-	-	25,092	-	25,092	25,092
Interest	-	-	-	26	-	26	26
Total Support and Revenue	$ 331,794	$ -	$ 331,794	$ 25,118	$ 100,250	$ 125,368	$ 457,162

See Independent Accountants' Review Report and Accompanying Notes.

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services			Support Services			Total
	Educational Programming	Youth Programs	Total Expenses	General and Administrative	Fundraising	Total Support Services	
Salaries	$ 194,770	$ 1,273	$ 196,043	$ 5,150	$ -	$ 5,150	$ 201,193
Executive Salary	12,586	-	12,586	35,659	35,659	71,318	83,904
Employee Benefits	26,166	241	26,407	6,751	6,750	13,501	39,908
Payroll taxes	14,230	115	14,345	3,225	3,226	6,451	20,796
Professional services	2,563	2,563	5,126	14,225	-	14,225	19,351
Advertising	5,680	5,680	11,360	-	-	-	11,360
Office expense	-	-	-	13,435	-	13,435	13,435
Travel, Meals & Entertainmer	3,894	3,894	7,788	6,074	-	6,074	13,862
Computer and Internet	-	-	-	8,595	-	8,595	8,595
Depreciation	-	-	-	5,528	-	5,528	5,528
Interest	-	-	-	4,161	-	4,161	4,161
Insurance	1,570	1,569	3,139	475	-	475	3,614
Bank Fees	-	-	-	2,838	-	2,838	2,838
Telephone	-	-	-	1,040	-	1,040	1,040
Web Design	506	506	1,012	-	-	-	1,012
Total Expenses	$ 261,965	$ 15,841	$ 277,806	$ 107,156	$ 45,635	$ 152,791	$ 430,597

See Independent Accountants' Review Report and Accompanying Notes.

LGBT YOUTH OUT LOUD, INC. d/b/a LIVE OUT LOUD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash Flows from Operating Activities:		
Increase in Net Assets	$	26,565
Adjustments to Reconcile Increase in Net Assets to Net Cash provided by (used in) Operating Activities:		
Depreciation		5,528
(Increase) Decrease in operating assets:		
Employee Retention Credit Receivable		(25,092)
Contributions Receivable		85,157
Prepaid Expenses		(16,527)
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses		(2,986)
Long Term Liabilities		(43,007)
Net Cash provided by (used in) Operating Activities		29,638
Increase (Decrease) in Cash		29,638
Cash, Beginning of the Year		260,162
Cash, End of the Year	$	289,800

See Independent Accountants' Review Report and Accompanying Notes.

Note 1: **Organization:**

LGBT Youth Out Loud, Inc. d/b/a Live Out Loud ("the Organization") was founded in New York on September 7, 2003, as a not-for-profit organization. The mission of the Organization is to empower, energize, and enable lesbian, gay, bisexual, and transgender youth to live the life of their dreams through the celebration of the richness and diversity of shared experience, visibility of role models, and dissemination of information. The Organization provides programs for gay youth on topical issues, professions, and coming out experiences at New York High Schools. The Organization also provides scholarships to students who are taking charge of their own lives, and who have demonstrated a strong capacity to "Live Out Loud" themselves and make strides in the LGBT community.

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

A summary of the Organization's significant accounting policies follows:

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the board of trustees (the Board) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board could designate a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the Organization's long-term financial viability.

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and /or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Some assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature).

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

Contributions, Gifts, and Grants

The Organization follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards, *Accounting for Contributions Received and Contributions Made*. This financial accounting standard requires that contributions be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Contributions may include gifts of cash, collection items, or promises to give.

Cash and Cash Equivalents

The Organization considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase. Excluded from this definition of cash equivalents are such amounts that represent funds that have been designated by the Board for investment. Money market deposits maintained in checking and saving accounts which are available for current operations.

Furniture and Equipment

Furniture and equipment are stated at cost, or, if donated, at fair market value at date of receipt. Maintenance, repairs, and minor renewals are expensed as incurred and major renewals are capitalized. The Organization's policy is to capitalize costs over $1,000. Depreciation is computed using the straight-line method over the estimated useful lives of three to seven years.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Organization's management to make estimates and assumptions. These 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 and assumptions.

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the condition on which they depend have been met.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, program expenses are directly allocated to the related activity wherever possible. Salaries are allocated based on the time spent on the various functions. Occupancy expenses are based on the square footage of the space used and all office and administrative expenses, though used throughout the

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

various functions, have been allocated to general and administrative for ease of financial presentation.

Income Tax Status

The Organization is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code except on net income derived from unrelated business activities. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509 (a)(1). The Organization is also exempt from New York taxes under the provision of Section 7A and the EPTL Section 8-13.4 of the New York State Department of Law Charities Bureau.

However, the Organization remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption.

Note 3: **Fixed Assets:**

At December 31, 2023, fixed assets consisted of the following:

Furniture and Equipment	$ 13,522
Software	8,505
Less: Accumulated Depreciation	(22,027)
Net Furniture and Equipment	$ -

Note 4: **Concentrations of Risk:**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. Management reduces exposure to cash credit risk by placing cash deposits with high credit quality financial institutions. At times, such amounts may exceed federally insured limits.

The Organization receives its funding primarily from individual and corporate contributions, foundation, as well as agreements with the City of New York which require the continued delivery of programming within New York City schools.

Note 5: **Economic Injury Disaster Loan ("EDIL"):**

On June 14, 2020, the Organization borrowed $150,000 from Small Business Administration. The loan carries an interest rate of 2.75% for thirty years with monthly payments of $641 deferred until June 14, 2022, twenty-four months from the signing of the promissory note. The balance of the loan is due in full on June 14, 2050. The loan is an Economic Injury Disaster Loan designed to provide economic relief to small businesses that

Note 5: **Economic Injury Disaster Loan ("EDIL") (continued):**

are experiencing a temporary loss of revenue due to COVID-19. and as such the loan has restrictions on the use of proceeds which the Organization believes it has fulfilled. The Organization's business assets are collateral on the loan. This loan was paid in full on May 31, 2024.

Maturities of the EIDL are as follows:

2024	3,223
2025	3,325
2026	3,430
2027	3,538
Thereafter	87,505
Total debt	101,021
Less: current portion	3,223
Long-term debt	$ 97,798

Note 6: **Liquidity and Funds Available:**

The following table reflects the Organization's financial assets as of December 31, 2023, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the Board has set aside the funds for specific reserve or long-term investments as Board designated. Board designations could be drawn upon if the Board approves that action.

Financial Assets:	
Cash and cash equivalent	$ 289,900
Prepaid Expenses	17,222
Contributions Receivable	28,175
Financial assets, at year-end	335,197
Less those unavailable for general expenditure within one year due to:	
Board Designated	-
Restricted	-
Financial assets available to meet cash needs for general expenditures within one year	$ 335,197

Note 7: **Employee Retention Credit:**

The Employee Retention Credit (ERC) was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020 and subsequently extended and modified by subsequent legislation, including the Consolidated Appropriations Act, 2021, and the American Rescue Plan Act of 2021. The ERC is designed to encourage employers to retain employees during periods of economic uncertainty caused by the COVID-19 pandemic.

Note 7: **Employee Retention Credit (continued):**

During the year ended December 31, 2023, the Organization claimed a $25,092 ERC based on qualified wages paid to eligible employees during the periods specified by IRS guidelines. On September 14, 2023, the IRS announced a moratorium on processing new claims submitted on or after this date. The Organization is treating the ERC as a Noncurrent Asset because the probability of collecting the ERC within 12 months is indefinite.

Management has assessed the recognition of the ERC in accordance with applicable accounting standards and believes the amounts recognized are appropriate based on the Organization’s eligibility and compliance with the ERC program requirements.

Note 8: **Date of Management’s Review:**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 23, 2024, the date which the financial statements were available to be issued.