Equality California

Financial Statements

December 31, 2024

(with Comparative Totals for 2023)

WINDES

AUDIT | TAX | ADVISORY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Equality California

Opinion

We have audited the accompanying financial statements of Equality California (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 Equality California (EQCA) 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. 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 EQCA 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 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 EQCA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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 EQCA'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 EQCA'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 Equality California's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 14, 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.

Windes, Inc.

Long Beach, California
August 21, 2025

EQUALITY CALIFORNIA

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	$ 523,023	$ 710,798
Pledges receivable	100,798	20,028
Due from related party	-	252,096
Prepaid expenses and other current assets	68,839	66,524
Total current assets	692,660	1,049,446
PROPERTY AND EQUIPMENT, NET	849	2,352
TOTAL ASSETS	$ 693,509	$ 1,051,798

LIABILITIES AND NET (DEFICIT) ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 102,607	$ 150,521
Accrued expenses and other current liabilities	140,352	148,226
Due to related party	199,108	-
Note payable, current portion	12,955	12,604
Total current liabilities	455,022	311,351
NOTE PAYABLE, net of current portion	453,919	466,875
NET (DEFICIT) ASSETS		
Without donor restrictions		
Undesignated	(523,343)	-
Board designated	307,911	191,318
Total net (deficit) assets without donor restrictions	(215,432)	191,318
With donor restrictions	-	82,254
Total net (deficit) assets	(215,432)	273,572
TOTAL LIABILITIES AND NET (DEFICIT) ASSETS	$ 693,509	$ 1,051,798

The accompanying notes are an integral part of these financial statements.

EQUALITY CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
SUPPORT AND REVENUE				
Individual and other contributions	$ 1,328,992	$ 70,000	$ 1,398,992	$ 460,336
Grants from Equality California Institute	300,000	-	300,000	400,000
Contributed non-financial assets	858,864	-	858,864	457,777
Miscellaneous income	21,239	-	21,239	106,318
Net assets released from restrictions	152,254	(152,254)	-	-
Total support and revenue	2,661,349	(82,254)	2,579,095	1,424,431
SPECIAL EVENTS				
Special event revenue	2,277,702	-	2,277,702	1,897,453
Contributed non-financial assets	28,071	-	28,071	49,156
Special event expense	(1,232,514)	-	(1,232,514)	(932,140)
Total special events	1,073,259	-	1,073,259	1,014,469
TOTAL REVENUE AND SUPPORT	3,734,608	(82,254)	3,652,354	2,438,900
EXPENSES				
Program services	2,758,826	-	2,758,826	1,635,659
Support services:				
Management and general	553,407	-	553,407	546,818
Fundraising	829,125	-	829,125	854,900
Total expenses	4,141,358	-	4,141,358	3,037,377
CHANGE IN NET ASSETS	(406,750)	(82,254)	(489,004)	(598,477)
NET ASSETS, BEGINNING OF YEAR	191,318	82,254	273,572	872,049
NET ASSETS (DEFICIT), END OF YEAR	$ (215,432)	$ -	$ (215,432)	$ 273,572

The accompanying notes are an integral part of these financial statements.

EQUALITY CALIFORNIA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total 2024	Total 2023
Salaries	$ 791,984	$ 198,676	$ 436,475	$ 1,427,135	$ 1,379,091
Payroll taxes	62,881	14,828	35,137	112,846	116,178
Employee benefits	63,084	32,662	37,495	133,241	158,960
Total personnel expenses	917,949	246,166	509,107	1,673,222	1,654,229
Legal	783,389	-	-	783,389	421,777
Professional and outside services	53,613	3,243	148,847	205,703	241,791
Postage and shipping	46,354	133	7,599	54,086	2,344
Polling and research	-	-	-	-	59,000
Office expenses and supplies	56,845	123,011	41,742	221,598	205,296
Communications	82,054	-	-	82,054	39,903
Printing and production	222,876	358	46,138	269,372	29,339
Accounting and audit	-	94,500	-	94,500	106,905
Advertising	80,000	-	-	80,000	30,000
Rent - building and equipment	30,344	8,047	19,959	58,350	67,922
Travel and entertainment	36,712	3,400	41,425	81,537	78,219
Recruitment and training	192	11,900	248	12,340	12,918
Bank charges and merchant fees	-	33,385	-	33,385	9,768
Insurance	15,148	1,035	9,306	25,489	24,457
Conferences and meetings	967	16	-	983	2,054
Interest	-	13,027	-	13,027	13,370
Taxes and licenses	-	12,726	-	12,726	12,998
Miscellaneous	1,184	347	3,569	5,100	16,983
Grants to PACs	425,000		-	425,000	-
Depreciation	-	1,503	-	1,503	4,075
Dues and subscriptions	6,199	610	1,185	7,994	4,029
	$ 2,758,826	$ 553,407	$ 829,125	$ 4,141,358	$ 3,037,377

The accompanying notes are an integral part of these financial statements.

EQUALITY CALIFORNIA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (489,004)	$ (598,477)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	1,503	4,075
Changes in:		
Pledges receivable	(80,770)	211,597
Employee Retention Tax Credit Receivable	-	201,073
Due from related party	252,096	125,794
Prepaid expenses and other current assets	(2,315)	(33,178)
Accounts payable	(47,914)	67,649
Due to related party	199,108	
Accrued expenses and other current liabilities	(7,874)	75,639
Net Cash Provided By (Used In) Operating Activities	(175,170)	54,172
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on note payable	(12,605)	(12,262)
Net Cash Used In Financing Activities	(12,605)	(12,262)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(187,775)	41,910
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	710,798	668,888
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 523,023	$ 710,798
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	$ 13,027	$ 13,370

The accompanying notes are an integral part of these financial statements.

EQUALITY CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 1 – Nature of Organization and Activities

Equality California is made up of three separate organizations, Equality California ("EQCA"), a 501(c)(4) nonprofit organization; Equality California Institute ("EQCAI"), a 501(c)(3) organization; and Equality California PACs (political action committees), working together to advance civil rights and social justice. These entities form the nation's largest statewide lesbian, gay, bisexual, transgender, and queer ("LGBTQ+") civil rights organization. EQCA brings the voices of LGBTQ+ people and allies to institutions of power in California and across the United States, striving to create a world that is healthy, just, and fully equal for all LGBTQ+ people. EQCA advances civil rights and social justice by inspiring, advocating, and mobilizing through an inclusive movement that works tirelessly on behalf of those it serves.

EQCA is a 501(c)(4) organization under the Internal Revenue Code (IRC) that utilizes electoral, advocacy, and mobilization programs to achieve its mission. EQCA also manages multiple affiliated political action committees. EQCAI is a 501 (c)(3) organization under the IRC that utilizes advocacy, education, and mobilization programs to achieve its mission. EQCA and EQCAI share a common mission and executive director but have separate governing boards. EQCA was founded in 1998 as a California nonprofit public benefit corporation.

Since 2000, EQCA has had an extensive legislative program in the California Legislature that has helped it to win passage of more than 192 laws that improve the lives of LGBTQ+ people. EQCA's legislative work has helped give California the most comprehensive LGBTQ+ civil rights protections of any state in the nation. EQCA also engages in governmental budget advocacy at the federal and state levels to ensure that government resources reach LGBTQ+ people in need.

EQCA has staff in Los Angeles, Sacramento, and the San Francisco Bay Area in California; Las Vegas, Nevada; and Washington, DC.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Accounting

EQCA's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Financial Accounting Standards Board ("FASB") has established the FASB Accounting Standards Codification ("ASC") as the sole source of authoritative accounting to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP.

Use of Estimates

The preparation of financial statements in conformity with 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 revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

Net Assets

In accordance with ASC 958-205, *Not-for-Profit Entities - Presentation of Financial Statements*, EQCA's net assets, revenues, gains, expenses, and losses are classified as without donor restrictions and with donor restrictions, as follows:

Net assets without donor restrictions: Net assets available for use at the discretion of the Board of Directors (the "Board") and/or management for general operations and not subject to donor restrictions.

Board-designated net assets: In December 2020, EQCA established a board-designated operating reserve policy to ensure the stability of EQCA's mission, programs, employment, and ongoing operations of the organization. The operating reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expense, unanticipated loss in funding, uninsured losses, and one-time, nonrecurring expenses that will build long-term capacity. The annual targeted minimum amount of the operating reserve is four months of average operating costs that is based on the annual budget approved by the Board and funded with surplus operating funds without donor restrictions. The operating fund commenced in 2021.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Net Assets (Continued)

> *Net assets with donor restrictions:* Net assets subject to donor-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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been accomplished, or both.

See Note 7 for more information on the composition of net assets with donor restrictions and the release of restrictions.

Revenue and Support Recognition

In accordance with ASC 958-605, *Not-for-Profit Entities - Revenue Recognition*, unconditional promises to give are recognized as contributions when the underlying promises are received by EQCA. Unconditional promises to give, gifts of cash, and other assets are reported as contribution revenue without donor restrictions or revenues with donor restrictions. When a donor 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 as net assets released from restrictions.

Contributed Nonfinancial Assets

In accordance with Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* ("ASU 2020-07"), contributed nonfinancial assets are presented as a separate line item in the statement of activities, apart from contributions of cash and other financial assets, and additional qualitative disclosures.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of cash and money market funds. Management considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Pledges Receivable

EQCA records pledges receivable, which represent unconditional promises to give, as revenue when the promise is received. Unconditional pledges receivable that are expected to be collected within one year are recorded at net realizable value. EQCA believes all pledges receivable as of December 31, 2024 are fully collectible. Accordingly, no allowance for uncollectable receivables is required.

Property and Equipment

Property and equipment are recorded at cost. Donated property and equipment are recorded at estimated fair market value at the date of donation. Property and equipment, which are donated or acquired with resources restricted for such acquisition, are considered to be without donor restrictions when placed into service. Depreciation is recorded using the straight-line method over the respective assets estimated useful lives ranging from five to seven years.

Income Taxes

EQCA is exempt from income taxes under Section 501(c)(4) of the IRC and is exempt from state franchise taxes under Section 23701(d) of the California Revenue and Taxation Code, whereby only unrelated business income as defined by Section 509(a)(1) of the IRC, is subject to federal income tax. EQCA does not believe that during the years ended December 31, 2024 and 2023, it had any unrelated business taxable income and accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

EQCA follows the provisions of FASB ASC 740-10, *Income Taxes*, and subsections. Accordingly, EQCA accounts for uncertain tax positions by recording a liability for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in its tax returns. EQCA recognizes the effect of income tax positions only if those positions are more likely than not of being sustained by the appropriate taxing authorities. EQCA does not believe that its tax-exempt income tax filings include any uncertain tax positions and, accordingly, has not recognized any liability for unrecognized tax benefits in the accompanying financial statements. The statute of limitations for federal and state purposes is three and four years, respectively.

Concentration of Credit Risk

Financial instruments which potentially subject EQCA to a concentration of credit risk consist primarily of cash, cash equivalents, receivables, and debt. EQCA maintains its cash balances in the form of demand deposits and money market accounts with a major financial institution that management has determined to be credit worthy. EQCA has no significant financial instrument with off-statement of financial position risk of accounting loss.

Functional Allocation of Expenses

The costs of providing the various program services and other activities of EQCA are reported on the statement of functional expenses. Expenses that can be identified with a specific activity are allocated directly according to their functional benefit. Personnel-related expense allocations are based on the staff's time spent on each function. Expenses that are not directly associated with a specific program function are allocated among program services and the other activities benefited. Certain costs such as occupancy, office and other expenses are allocated among the program services and other activities benefited based on full time equivalents.

Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, grants receivable, pledges receivable, prepaid expenses and other current assets, amounts due from related party, accounts payable, and accrued expenses and other current liabilities are stated at fair value which approximates historical cost.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Advertising Expenses

EQCA incurs advertising costs to promote its programs. All advertising costs are expensed as incurred. Total advertising costs for the years ended December 31, 2024 and 2023 totaled $50,000 and $30,000, respectively.

Reclassifications

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

NOTE 3 – Liquidity and Availability of Financial Assets

The following reflects EQCA's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed purpose restrictions within one year of the statement of financial position date. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following as of December 31:

	2024	2023
Financial assets at year-end:		
Cash and cash equivalents	$ 523,023	$ 710,798
Pledges receivable	100,798	20,028
Due from related party	-	252,096
Total financial assets available	623,821	982,922
Less: amounts with donor restrictions	-	(82,254)
	$ 623,821	$ 900,668

As part of EQCA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, EQCA reviews its funding level on an ongoing basis to ensure they are adequate.

NOTE 4 – Property and Equipment, Net

Property and equipment, net consisted of the following as of December 31:

	2024	2023
Computer, software, and equipment	$ 20,716	$ 20,716
Furniture and fixtures	33,079	33,079
	53,795	53,795
Less: accumulated depreciation	(52,946)	(51,443)
Property and equipment, net	$ 849	$ 2,352

Depreciation expense for the years ended December 31, 2024 and 2023 was $1,503 and $4,075, respectively.

NOTE 5 – Note Payable - Emergency Injury Disaster Loan

In April 2020, EQCA obtained a loan under the Small Business Administration's Economic Injury Disaster Loan ("EIDL") assistance program, because of the impact of the COVID-19 pandemic on EQCA's operations. The principal amount of the loan is $500,000, with proceeds used for working capital purposes. Monthly payments of $2,136, including principal and interest, commenced in April 2022 with interest accruing at the rate of 2.75% per annum. EQCA commenced interest-only payments in April 2021. There was no accrued interest payable as of December 31, 2024 and 2023. The loan is scheduled to mature in April 2050.

NOTE 5 – Note Payable - Emergency Injury Disaster Loan (Continued)

Future minimum principal payments on the EIDL note payable are as follows:

Year Ending December 31,	
2025	$ 12,955
2026	13,316
2027	13,687
2028	14,068
Thereafter	412,848
Total	$ 466,874

NOTE 6 – Related-Party Transactions

EQCA shares personnel, office space, and various overhead costs with EQCAI. EQCA generally allocates costs based on the time spent by personnel and other reasonable methods of allocation. The impact on either organization's viability should the costs not be shared has not been determined.

EQCA invoiced EQCAI for the following shared expenses for the years ended December 31:

	2024	2023
Salaries, payroll taxes, and employee benefits	$ 1,527,515	$ 1,745,732
Other expenses	198,895	175,286
Direct special event expenses	533,275	334,016
Travel and entertainment	57,200	51,990
Rent	65,842	71,052
Office expenses and supplies	18,176	22,924
Total	$ 2,400,903	$ 2,401,000

NOTE 6 – Related-Party Transactions (Continued)

EQCA received grants from EQCAI in the amount of $300,000 and $400,000 for the years ended December 31, 2024 and 2023, respectively. EQCA was indebted to EQCAI in the amount of $199,108 as of December 31, 2024 for allocated expenses invoiced. EQCA had a receivable from EQCAI of $252,096 as of December 31, 2023 for allocated expenses invoiced and grant revenue.

NOTE 7 – Net Assets

With Donor Restrictions

From time to time, EQCA receives contributions subject to donor restrictions. Those contributions received with restrictions are released from restrictions when expenses are incurred, the purpose has been fulfilled, or through passage of time.

Net assets with donor restrictions were as follows as of December 31:

	2024	2023
Subject to expenditure for specified purposes:		
Education support	$ -	$ 82,254

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors were as follows for the years ended December 31:

	2024	2023
Time restrictions expired:		
General support for future periods	$ 152,254	$ 275,000

NOTE 8 – Commitments and Contingencies

Legal Contingencies

From time to time, EQCA participates as a plaintiff or petitioner in lawsuits related to equality issues. If EQCA did not prevail in these lawsuits, the defendants could seek an award of allowable costs against EQCA and other plaintiffs in certain cases. It is not possible to estimate the amount of costs defendants could seek in the event of an adverse decision; accordingly, EQCA has not recorded any liabilities for such an event nor were there any such cases that management is aware of as of December 31, 2024 and 2023.

Concentrations

In-kind Donations

For the year ended December 31, 2024, EQCA received 100% of pro-bono services from various donors and, for the year ended December 31, 2023, EQCA received 100% of pro-bono services from four donors.

Pledges Receivable

As of December 31, 2024, 45% of pledges receivable were due from two donors and, as of December 31, 2023, 85% of pledges receivable were due from three donors.

NOTE 9 – Leases

EQCA leases its Los Angeles headquarters on a month-to-month basis. Monthly lease payments are $10,838 as of December 31, 2024, with an annual escalation clause of 3%. EQCA leased its office in Sacramento on a month-to-month basis. Monthly lease payments were $1,425. EQCA ended the month-to-month lease arrangement and vacated the office space in July 2024. EQCA also has a Canon copier lease with month-to-month payments of $395.

All month-to-month leases meet the definition of short-term lease and, therefore, are excluded from applying ASC 842. No right-of-use asset or operating lease liability is recognized for the short-term leases.

NOTE 9 – Leases (Continued)

For the year ended December 31, 2024, operating lease expense was $57,713, net of rent expenses of $67,521 allocated to EQCAI. Total rent expense under operating leases for the year ended December 31, 2023 was $74,004, net of rent expense of $96,143, allocated to EQCAI.

NOTE 10 – 401(k) Plan

EQCA maintains a 401(k) plan ("the Plan"). The Plan covers all employees who are 21 or older and have completed 1,000 hours of service within the 12 months following an employee's commencement of employment. EQCA may make discretionary matching contributions. There were $18,051 and $18,403 in employer contributions made during the years ended December 31, 2024 and 2023, respectively.

NOTE 11 – Contributed Nonfinancial Assets

EQCA receives contributed nonfinancial assets from donors, including goods and services. EQCA recognizes contributed nonfinancial assets at their estimated fair values in the period received. Contributed services are recognized if the services (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

NOTE 11 – Contributed Nonfinancial Assets (Continued)

Contributed nonfinancial assets are recorded as revenue at fair value. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. For the years ended December 31, 2024 and 2023, the values of contributed services included as in-kind donations in the accompanying financial statements were $886,935 and $506,933, respectively. The in-kind services consisted primarily of pro bono legal services, with the following details:

Valutaion Technique and Inputs	Non-financial Contributions Category	Amount Recognized 2024	Amount Recognized 2023	Program/ Activity Utilization
Standard industry pricing for similar services	Legal services	$ 783,389	$ 421,777	Program services
U.S. wholesale prices of identical or similar goods	Travel vouchers	25,475	-	Program services
Third-party estimates using billing rates	Other professional services	50,000	36,000	Program services
		858,864	457,777	
U.S. wholesale prices of identical or similar goods	Donated goods	28,071	49,156	Special events
	Total expenses	$ 886,935	$ 506,933	

NOTE 12 – Subsequent Events

Subsequent events have been evaluated through August 21, 2025, which is the date the financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2024 that required recognition or disclosure in these financial statements.