

Represent.Us

Financial Statements
and Independent Auditor's Report

December 31, 2024 and 2023

Represent.Us

Financial Statements December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Represent.Us

Opinion

We have audited the accompanying financial statements of Represent.Us (“the Organization”), which comprise the statements of financial position as of December 31, 2024 and 2023; 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 the Organization as of December 31, 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 the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements (continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

Rogers + Company PLLC

Vienna, Virginia
May 22, 2025

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Statements of Financial Position December 31, 2024 and 2023

	2024	2023
Assets		
Cash	\$ 1,515,539	\$ 1,294,603
Grants and contributions receivable, net	175,119	-
Due from affiliate	<u>5,260,198</u>	<u>4,482,468</u>
Total assets	<u><u>\$ 6,950,856</u></u>	<u><u>\$ 5,777,071</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 4,089</u>	<u>\$ 4,176</u>
Total liabilities	<u><u>4,089</u></u>	<u><u>4,176</u></u>
Net Assets		
Without donor restrictions	6,846,767	5,422,895
With donor restrictions	<u>100,000</u>	<u>350,000</u>
Total net assets	<u><u>6,946,767</u></u>	<u><u>5,772,895</u></u>
Total liabilities and net assets	<u><u>\$ 6,950,856</u></u>	<u><u>\$ 5,777,071</u></u>

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Statement of Activities

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Grants and contributions	\$ 1,674,672	\$ 179,500	\$ 1,854,172
In-kind contributions	155,467	-	155,467
Interest income	3,029	-	3,029
Released from restrictions	<u>429,500</u>	<u>(429,500)</u>	<u>-</u>
Total revenue and support	<u>2,262,668</u>	<u>(250,000)</u>	<u>2,012,668</u>
Expenses			
Program services:			
Education and communications	44,831	-	44,831
Research and planning	16,557	-	16,557
Direct lobbying	15,173	-	15,173
Grassroots lobbying	<u>564,903</u>	<u>-</u>	<u>564,903</u>
Total program services	<u>641,464</u>	<u>-</u>	<u>641,464</u>
Supporting services:			
Management and general	158,716	-	158,716
Fundraising	<u>38,616</u>	<u>-</u>	<u>38,616</u>
Total supporting services	<u>197,332</u>	<u>-</u>	<u>197,332</u>
Total expenses	<u>838,796</u>	<u>-</u>	<u>838,796</u>
Change in Net Assets	1,423,872	(250,000)	1,173,872
Net Assets, beginning of year	<u>5,422,895</u>	<u>350,000</u>	<u>5,772,895</u>
Net Assets, end of year	<u>\$ 6,846,767</u>	<u>\$ 100,000</u>	<u>\$ 6,946,767</u>

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Statement of Activities

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Grants and contributions	\$ 1,814,968	\$ 375,000	\$ 2,189,968
Interest income	9,212	-	9,212
Released from restrictions	35,000	(35,000)	-
 Total revenue and support	 1,859,180	 340,000	 2,199,180
 Expenses			
Program services:			
Education and communications	27,512	-	27,512
Research and planning	3,985	-	3,985
Direct lobbying	106,454	-	106,454
Grassroots lobbying	68,003	-	68,003
 Total program services	 205,954	 -	 205,954
Supporting services:			
Management and general	193,445	-	193,445
Fundraising	97,622	-	97,622
 Total supporting services	 291,067	 -	 291,067
 Total expenses	 497,021	 -	 497,021
 Change in Net Assets	 1,362,159	 340,000	 1,702,159
 Net Assets, beginning of year	 4,060,736	 10,000	 4,070,736
 Net Assets, end of year	 \$ 5,422,895	 \$ 350,000	 \$ 5,772,895

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Statement of Functional Expenses For the Year Ended December 31, 2024

	Program Services					Supporting Services				Total
	Education and Communications	Research and Planning	Direct Lobbying	Grassroots Lobbying	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Personnel	\$ 20,806	\$ 16,485	\$ 15,161	\$ 40,822	\$ 93,274	\$ 123,631	\$ 8,895	\$ 132,526	\$ 225,800	
Grants	-	-	-	29,796	29,796	-	-	-	29,796	
Consulting	24,000	-	-	39,383	63,383	-	-	-	63,383	
Office expenses	-	-	-	12,188	12,188	2,814	29,692	32,506	44,694	
Communication costs	-	-	-	429,273	429,273	-	-	-	429,273	
Travel	-	-	-	8,622	8,622	-	-	-	8,622	
Professional fees	11	30	5	4,783	4,829	32,156	14	32,170	36,999	
Insurance	14	42	7	36	99	115	15	130	229	
Total Expenses	\$ 44,831	\$ 16,557	\$ 15,173	\$ 564,903	\$ 641,464	\$ 158,716	\$ 38,616	\$ 197,332	\$ 838,796	

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Statement of Functional Expenses For the Year Ended December 31, 2023

	Program Services					Supporting Services				Total
	Education and Communications	Research and Planning	Direct Lobbying	Grassroots Lobbying	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Personnel	\$ 16,188	\$ 3,766	\$ 732	\$ 32,046	\$ 52,732	\$ 153,840	\$ 55,204	\$ 209,044	\$ 261,776	
Grants	-	-	52,539	14,500	67,039	-	-	-	67,039	
Consulting	11,250	-	53,180	18,000	82,430	-	16,000	16,000	98,430	
Office expenses	-	202	-	-	202	14,822	26,190	41,012	41,214	
Occupancy	-	-	-	3,293	3,293	-	-	-	3,293	
Professional fees	34	8	2	62	106	24,547	108	24,655	24,761	
Insurance	40	9	1	102	152	236	120	356	508	
Total Expenses	\$ 27,512	\$ 3,985	\$ 106,454	\$ 68,003	\$ 205,954	\$ 193,445	\$ 97,622	\$ 291,067	\$ 497,021	

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Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 1,173,872	\$ 1,702,159
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in present value discount on receivables	2,381	-
Change in operating assets and liabilities:		
(Increase) decrease in:		
Grants and contributions receivable	(177,500)	10,000
Due from affiliate	(777,730)	(1,426,321)
Decrease in:		
Accounts payable and accrued expenses	<u>(87)</u>	<u>(8,681)</u>
Net cash provided by operating activities	<u>220,936</u>	<u>277,157</u>
Net Increase in Cash	220,936	277,157
Cash, beginning of year	<u>1,294,603</u>	<u>1,017,446</u>
Cash, end of year	<u><u>\$ 1,515,539</u></u>	<u><u>\$ 1,294,603</u></u>

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Notes to Financial Statements December 31, 2024 and 2023

1. Nature of Operations

Represent.Us (“the Organization”) was incorporated in 2008 as Change Congress, and subsequently conducted business as the Democracy Action Fund, United Republic Action Fund, and United Republic.

The Organization is a national, nonpartisan, nonprofit 501(c)(4) organization with a vision to make America the world’s strongest democracy by 2050. The Organization champions political accountability, integrity, representation, and fairness through structural policy reforms. The Organization unites unlikely allies from across the political spectrum to pass powerful anti-corruption laws that fight corruption and make government represent the people.

The Organization’s principal program service activities consist of the following:

Public Education and Communications

To fix our democracy, the Organization is mobilizing a massive grassroots movement centered around a suite of smart, bold, common-sense policy solutions. The Organization has the democracy movement’s most vibrant and recognizable brand. The Organization has grown the largest and most active online community in the field, with digital content that breaks through the noise and engages diverse audiences. In this way, the Organization recruits and engages an army of politically savvy and impassioned advocates. The Organization executes ambitious public education and marketing campaigns that inspire people to take meaningful action. As new supporters are onboarded, the Organization provides a continual flow of topical content that emphasizes movement victories, tells stories about remarkable volunteers, and prompts users to engage. The Organization’s content shows new supporters that winning is not only possible but happening, and by doing so, empowers social media supporters to take higher-level actions. The Organization’s content advances the national conversation about comprehensive political reform, and changes American political culture by increasing the demand for transformative democratic reform.

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Notes to Financial Statements December 31, 2024 and 2023

1. Nature of Operations (continued)

Public Education and Communications (continued)

During 2024, the Organization published original videos to social platforms, accruing more than 30 million views. The Organization's social media channels hit 1.8 billion media impressions, and mobilized 94,000 people to sign up and support the Organization's movement. The Organization's social media communities continue to expand, and their engagement levels are among the highest in the advocacy field.

Organizing, Advocacy, and Lobbying

When supporters recruited through the digital program are ready to take action, the Organization brings them into their national digital volunteer network. The network enables activists to communicate with one another and learn about the policies and politics of the reform field. This national community provides online trainings and skills-building workshops, including traditional organizing skills like phone banking, event planning, and writing letters to the editor. The Organization also offers opportunities for activists to learn new media content development, text-banking, online fundraising, and the steps involved in passing a non-binding resolution in their own community. This platform facilitates invaluable connections between activists, organizers, and leaders. It provides opportunities for volunteers to become leaders. More than 2,900 volunteer activists joined the community in 2024.

The Organization works with grassroots and grassstops leaders to lead reform at the state and local level. The Organization provides sophisticated political, legal, research, digital, and communication strategy, tactics, and support to community leaders looking to craft, run, and win campaigns that are politically viable and will positively impact democratic structures. The Organization provides in-kind and direct support to ballot and legislative lobbying campaigns, and abides by all registration, filing, and disclosure requirements per the relevant jurisdiction.

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Notes to Financial Statements December 31, 2024 and 2023

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The Organization's financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. The Organization reports grants and contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Grants and Contributions Receivable

Grants and contributions receivable represent unconditional amounts committed to the Organization. Grants and contributions receivable are reflected at either net realizable value, or at net present value based on projected cash flows. Management determines the allowance for doubtful accounts based upon review of outstanding receivables, historical collection information, and existing economic conditions. No allowance for uncollectible grants and contributions receivable has been established at both December 31, 2024 and 2023, as all amounts are deemed fully collectible.

Property and Equipment

Property and equipment acquisitions with a cost in excess of \$1,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over their estimated useful lives. Repairs and maintenance costs are expensed as incurred. The Organization did not have any property and equipment at both December 31, 2024 and 2023.

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Notes to Financial Statements December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Grants Payable and Grant Expenses

Grants awarded by the Organization are recognized ratably over the period of performance, as conditions are met, in accordance with the grant agreements. Grant expenses recognized but not paid are recognized as grants payable. Grants paid in advance, if any, are recognized as prepaid expenses. All grants payable are expected to be paid out within one year and are recorded at net realizable value.

Revenue Recognition

Revenue Accounted for in Accordance with Contribution Accounting

The Organization recognizes grants and 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 conditions on which they depend have been met. The Organization reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated assets to one of the Organization's programs or to a future year.

In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and would have been purchased if not donated, are reflected in the accompanying statements of activities as in-kind contributions. In-kind contributions consist of donated telecommunication services, donated staff time, and donated consulting services and is recognized as revenue and expense in the accompanying statements of activities at their estimated fair value, as provided by the donor, at the date of receipt, or calculated fair value of use of property in the period the property is used.

The Organization also receives services donated by volunteers in carrying out its program services. These donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition.

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Notes to Financial Statements December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

The preparation 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 22, 2025, the date the financial statements were available to be issued.

3. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at December 31:

	2024	2023
Cash	\$ 1,515,539	\$ 1,294,603
Grants and contributions receivable, net	175,119	-
Due from affiliate	<u>5,260,198</u>	<u>4,482,468</u>
 Total financial assets	 6,950,856	 5,777,071
Less: net assets with donor restrictions	<u>(100,000)</u>	<u>(350,000)</u>
 Total available for general expenditures	 <u>\$ 6,850,856</u>	 <u>\$ 5,427,071</u>

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Notes to Financial Statements December 31, 2024 and 2023

3. Liquidity and Availability (continued)

The Organization strives to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management periodically reviews the Organization's liquid asset needs and adjusts the cash balance as necessary.

4. Concentrations of Risk

Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash. The Organization maintains cash deposit and transaction accounts with various financial institutions and these values, from time to time, may exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). The uninsured portions of these accounts are backed solely by the asset of the underlying financial institution. Therefore, the failure of an underlying institution could result in financial loss for the Organization. The Organization has not experienced any credit losses on its cash to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

Revenue Risk

There was no revenue concentration risk for the year ended December 31, 2024.

For the year ended December 31, 2023, a substantial portion of the Organization's revenue was generated from a small number of grantors and donors. \$400,000 was received from one donor for the year ended December 31, 2023, which approximates 18% of the Organization's total revenue and support. Any significant reduction in revenue and support may impact the Organization's financial position and operations.

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Notes to Financial Statements December 31, 2024 and 2023

5. Grants and Contributions Receivable

Grants and contributions receivable consists of following at December 31, 2024:

Due in less than one year	\$ 127,500
Due in one to five years	<u>50,000</u>
Total grants and contributions receivable	177,500
Less: present value discount at 5%	<u>(2,381)</u>
Grants and contributions receivable, net	<u><u>\$ 175,119</u></u>

The Organization did not have any grants and contributions receivable at December 31, 2023.

6. Net Assets

Net assets with donor restrictions consist of the following at December 31:

	2024	2023
Purpose restricted:		
Ranked Choice Voting Campaigns	\$ -	\$ 350,000
Time restricted	<u>100,000</u>	<u>-</u>
Total net assets with donor restrictions	<u><u>\$ 100,000</u></u>	<u><u>\$ 350,000</u></u>

7. Related Party Transactions

Affiliate

The Organization is affiliated with Represent.Us Education Fund (“the Fund”), a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC), sharing some common governing body. Consolidated financial statements are not presented as the Fund lacks sufficient controlling financial interest in the Organization as it does not have a majority voting in the Organization’s Board.

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Notes to Financial Statements December 31, 2024 and 2023

7. Related Party Transactions (continued)

Affiliate (continued)

The Organization maintains a cost-sharing agreement with the Fund, whereby the Fund provides personnel, equipment, and facilities to the Organization. Costs associated with these services and the use of the Fund's facilities are allocated to the Fund under the terms of this cost-sharing agreement. For the years ended December 31, 2024 and 2023, the Organization reimbursed the Fund \$500,000 and \$1,215,000, respectively, for these costs.

During the years ended December 31, 2024 and 2023, the Organization was awarded unconditional grants from the Fund totaling \$513,793 and \$511,110, respectively, for program services. At December 31, 2024 and 2023, the Organization had a net receivable in the amount of \$5,260,198 and \$4,482,468, respectively, from the Fund.

Contributions from Board of Directors

The Organization receives contributions from members of its Board of Directors, which totaled \$167,255 and \$202,450 for the years ended December 31, 2024 and 2023, respectively. These contributions are recorded in grants and contributions revenue in the accompanying statements of activities for the years then ended.

8. In-Kind Contributions

In-kind contributions consist of the following for the year ended December 31, 2024:

Telecommunication service	\$ 146,963
Staff time	3,918
Consulting service	<u>4,586</u>
Total in-kind contributions	<u><u>\$ 155,467</u></u>

The Organization did not have any in-kind contributions for the year ended December 31, 2023.

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Notes to Financial Statements December 31, 2024 and 2023

9. Grant Contingencies

Grants received by the Organization are governed by various guidelines and contractual agreements, and are subject to audit or review by the applicable funding source that could result in requests for reimbursements for expenditures that are not allowed. Therefore, a contingency to refund amounts received in excess of allowable costs exists. Management is of the opinion that no material liability exists.

10. Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include expense categories in the accompanying statements of functional expenses, which are allocated on the basis of estimates of time and effort.

11. Income Taxes

The Organization is exempt from the payment of income taxes on its exempt activities under IRC Section 501(c)(4). No provision for income taxes has been made, as there were no unrelated business activities for the years ended December 31, 2024 and 2023. Management has evaluated the Organization's tax positions and concluded that no uncertain tax positions qualify for either recognition or disclosure in the financial statements.