

Audited Financial Statements



December 31, 2023

Quigley & Miron

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Audited Financial Statements
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Independent Auditor's Report

Board of Directors

One in Long Beach, Inc. dba LGBTQ Center of Long Beach

Long Beach, California

Opinion

We have audited the accompanying financial statements of One in Long Beach, Inc. dba LGBTQ Center of Long Beach (Center), a nonprofit organization, which comprise the statement of financial position as of December 31, 2023, 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 the Center as of December 31, 2023, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter: Prior Period Restatement

As discussed in Note 3 to the financial statements, the December 31, 2022 financial statements have been restated to account for the government grants in the prior period that were recorded erroneously from 2022.

Basis of 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Center 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 the Center's ability to continue as a going concern for one year after the date that the financial statements are issued.

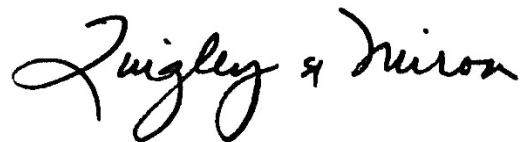
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 Center'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 Center'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.



Los Angeles, California
August 20, 2025

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Statement of Financial Position
December 31, 2023

Assets

Cash and cash equivalents	\$	265,109
Government grants receivable		191,003
Grants and contributions receivable		448,951
Accounts receivable		15,895
Prepaid expenses		9,156
Property and equipment, net—Note 5		564,102
Total Assets	\$	<u>1,494,216</u>

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$	116,288
Salaries and employee benefits payable		43,566
Line of credit—Note 6		150,000
Total Liabilities		309,854

Net Assets

Without donor restrictions		87,517
With donor restrictions—Note 7		1,096,845
Total Net Assets		<u>1,184,362</u>

Total Liabilities and Net Assets	\$	<u>1,494,216</u>
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See notes to financial statements.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities			
Public Support and Revenue			
Government grants	\$ 1,109,116	\$	\$ 1,109,116
Grants and contributions	784,115	856,845	1,640,960
Program and fees for service revenue	25,661		25,661
Membership fees	13,506		13,506
Fundraising events			
Gross revenue	199,360		199,360
Less cost of direct benefit to donors	(220,007)		(220,007)
Fundraising Events, Net	(20,647)		(20,647)
Other income	2,033		2,033
Net assets released from restrictions	63,000	(63,000)	
Total Public Support, Revenue, and Releases from Restrictions	1,976,784	793,845	2,770,629
Expenses			
Program services	1,825,216		1,825,216
Management and general	905,489		905,489
Fundraising	216,907		216,907
Total Expenses	2,947,612		2,947,612
Change in Net Assets from Operations	(970,828)	793,845	(176,983)
Nonoperating Activities			
Rental income	27,018		27,018
Total Nonoperating Activities	27,018		27,018
Change in Net Assets	(943,810)	793,845	(149,965)
Net Assets at Beginning of Year, as Previously Reported	1,355,852	303,000	1,658,852
Prior period restatement—Note 3	(324,525)		(324,525)
Net Assets at Beginning of Year, as Restated	1,031,327	303,000	1,334,327
Net Assets at End of Year	\$ 87,517	\$ 1,096,845	\$ 1,184,362

See notes to financial statements.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services										
	Health Services	Senior Services	Legal Services	Mental Health Services	Youth and Other Services	Total Program Services	Management and General	Fundraising	Fundraising Events	Total Supportive Services	Total
Salaries	\$ 306,730	\$ 210,488	\$ 214,234	\$ 98,364	\$ 81,841	\$ 911,657	\$ 411,716	\$ 147,041		\$ 558,757	\$ 1,470,414
Employee benefits	21,535	17,316	13,043	9,253	5,962	67,109	40,746	875		41,621	108,730
Payroll taxes	35,540	33,862	28,877	15,013	11,827	125,119	70,663	21,754		92,417	217,536
Total Personnel Expenses	363,805	261,666	256,154	122,630	99,630	1,103,885	523,125	169,670		692,795	1,796,680
Professional services	73,379	65,293	51,249	56,068	19,552	265,541	170,911	40,522		211,433	476,974
Cost of direct benefit to donors									220,007	220,007	220,007
Health services and STI testing	172,491					172,491					172,491
Program supplies	33,422	33,362	33,423	33,422	33,422	167,051		60		60	167,111
Depreciation	11,442	11,442	11,442	11,442	11,442	57,210	11,442			11,442	68,652
Insurance							60,216			60,216	60,216
Office supplies	1,955	7,452	467	960	101	10,935	45,724	1,324		47,048	57,983
Technology	11,112	7,626	7,761	3,564	2,965	33,028	14,916	5,327		20,243	53,271
Occupancy	3,831	1,275				5,106	45,837			45,837	50,943
Interest expense							21,550			21,550	21,550
Travel	907	946	1,212	36		3,101	1,995			1,995	5,096
Other expenses	151	4,908				5,059	19	4		23	5,082
Bank and merchant fees							5,051			5,051	5,051
Advertising	263	698				961	2,798			2,798	3,759
Dues and memberships		294	554			848	1,905			1,905	2,753
Total Expenses by Function	672,758	394,962	362,262	228,122	167,112	1,825,216	905,489	216,907	220,007	1,342,403	3,167,619
Less expenses included with revenues											
revenues on the statement of activities											
Cost of direct benefit to donors									(220,007)	(220,007)	(220,007)
Total Expenses	\$ 672,758	\$ 394,962	\$ 362,262	\$ 228,122	\$ 167,112	\$ 1,825,216	\$ 905,489	\$ 216,907	\$	\$ 1,122,396	\$ 2,947,612

See notes to financial statements.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Statement of Cash Flows
Year Ended December 31, 2023

Cash Flows from Operating Activities

Change in net assets	\$ (149,965)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	68,652
Changes in operating assets and liabilities:	
Government grants receivable	245,709
Grants and contributions receivable	(428,951)
Accounts receivable	34,054
Prepaid expenses	8,264
Accounts payable and accrued expenses	44,638
Salaries and employee benefits payable	(6,317)
Net Cash Used in Operating Activities	(183,916)

Cash Flows from Financing Activities

Proceeds from line of credit	464,000
Payments on line of credit	(314,000)
Net Cash Provided by Financing Activities	150,000

**Decrease in
Cash and Cash Equivalents (33,916)**

**Cash and Cash Equivalents
at Beginning of Year**

299,025

**Cash and Cash Equivalents
at End of Year \$ 265,109**

Supplementary Disclosures

Cash paid for interest	\$ 21,550
Cash paid for income taxes	\$

See notes to financial statements.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Notes to Financial Statements
December 31, 2023

Note 1—Organization

One in Long Beach, Inc. dba LGBTQ Center of Long Beach (Center) is a public benefit corporation organized under California law in 1980. The Center advances equity for LGBTQ people and the senior community through culturally responsive advocacy, education, programs, and services. The Center envisions LGBTQ people and seniors live in health, wellness, safety, and prosperity.

The Center's major sources of revenues are local public support in the form of contributions, as well as government reimbursement programs.

Note 2—Summary of Significant Accounting Policies

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Center recognizes grants and contributions as revenue in the period received. Contributions and net assets are classified on the existence or absence of donor-imposed restrictions. The net assets of the Center and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of the Center. These net assets may be used at the discretion of the Center's management and the board of directors.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of the Center and/or the passage of time.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. It is the policy of the Center to record contributions that are restricted by the donor as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of programs designed to improve the health and well-being of the Long Beach LGBTQ and Senior community. Non-operating activities are limited to rental income and other activities considered to be of a more unusual or non-recurring nature.

Income Taxes—The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) and exempt from California franchise tax under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for federal or state income taxes is included in the financial statements.

Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered 'more likely than not' to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at December 31, 2023. Generally, the Center's information returns remain open for examination for a period of three (federal) or four (state of California) years from the date of filing.

Cash and Cash Equivalents—The Center considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

Concentration of Credit Risk—Financial instruments which potentially subject the Center to concentrations of credit risk consist of cash and cash equivalents, and receivables.

The Center places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Such cash balances may exceed FDIC insurance limits during the normal course of business.

The Center is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. The Center's management has assessed the credit risk associated with its cash deposits held at December 31, 2023 and believes it is not exposed to any significant credit risk with its cash and cash equivalents.

Government grants receivable consists of balances from various government entities. The Center has determined that no allowance for credit losses due to uncollectible receivables was necessary at December 31, 2023.

Grants and contributions receivable consists of balances from individuals, local foundations, and corporations. The Center has determined that no allowance for credit losses due to uncollectible receivables was necessary at December 31, 2023.

Accounts receivable consists of balances from various customers, with favorable past payment histories. The Center has determined that no allowance for credit losses due to uncollectible receivables was necessary at December 31, 2023.

Property and Equipment—Purchases of property and equipment are recorded at cost, and donated assets are recorded at the estimated fair value on the date of receipt. The Center's depreciates its property and equipment using the straight-line-method over the following estimated useful lives:

Building	31.5 years
Leasehold improvements	5-39 years
Furniture and equipment	3-10 years

Repairs and maintenance costs are expensed as incurred. Purchases of equipment in excess of \$2,500 are capitalized.

Commitments and Contingencies—The Center receives significant financial assistance from the federal, state, and county contracts and grants. Entitlement to these resources is generally contingent upon compliance with terms and conditions of the contract or grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Failure to fulfill those conditions could result in the return of the funds to the grantor. Although this possibility remains, the Center deems the contingency remote and has recognized all contract services and grants received as income in the year received.

Government Grants—Revenues from government contracts are reported as increases in net assets without donor restrictions as allowable expenditures under such agreements are incurred. The amounts expended in excess of reimbursements are reported as government grants receivable.

Grants and Contributions—Grants and contributions are reported as support in the period received and as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expiration of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions in the accompanying statement of activities. Contributions whose restrictions are met in the same year as the contribution is made are initially classified as net assets with donor restrictions.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

Contracts with Customers—Accounting standards require an organization to recognize revenue arising from contracts with customers at the time the customer obtains control of a contracted goods or service. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue Recognition—The Center's revenue recognition policies are as follows:

Program and fees for service revenue—Program and fee for service revenue is recognized at the time services are provided.

Membership fees—Membership fee revenue is recognized at the time services are provided.

Fundraising events—The Center conducts special fundraising events in which a portion of the gross proceeds paid by the participants represents payment for the direct cost of benefits received by the participants at the event. The Center values such benefits at actual cost.

Rental income—Rental income for parking lot and space rental is recognized at the time services are provided.

In-Kind Contributions—The Center records the value of donated materials and services at their fair value at the date of donation. Contributed services are recorded at fair value at the date of donation only 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.

Functional Expenses—The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program services and supporting services benefitted. Professional services, program supplies, health services and STI testing, and depreciation are charged directly to the program or supporting service benefitted. All other functional expenses are allocated on the basis of estimates of time and effort.

Advertising—Advertising costs are expensed as incurred and amounted to \$3,759 for the year ended December 31, 2023.

Contingencies—From time to time, the Center is subject to litigation that arises in the normal course of conducting its operations. In management's opinion, the resolution of litigation matters, if any, would not have a material effect on the financial position of the Center at December 31, 2023.

Use of Estimates—Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported public support, revenues and expenses. Actual results could differ from those estimates and assumptions.

Note 3—Prior Period Restatement

During the audit for the year ended December 31, 2023, it was determined that certain government grants receivable relating to prior periods were recorded erroneously. As a result, beginning government grants receivable and net assets without donor restrictions were adjusted and decreased by \$324,525.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Notes to Financial Statements—Continued

Note 4—Availability and Liquidity

The Center's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$525,000).

The following represents the availability and liquidity of the Center's financial assets at December 31, 2023 to cover operating expenses for the next fiscal year:

Financial assets:	
Cash and cash equivalents	\$ 265,109
Government grants receivable	191,003
Grants and contributions receivable	448,951
Accounts receivable	15,895
Total Financial Assets	920,958
Less amounts not allocated for use within one year:	
Net assets with donor restrictions	(1,077,594)
Total Amounts Not Allocated for Use Within One Year	(1,077,594)
Current Availability of Financial Assets	\$ (156,636)

The Center also has a \$500,000 line of credit available to meet any foreseen circumstances of which \$350,000 was available at December 31, 2023.

Note 5—Property and Equipment, Net

Net property and equipment at December 31, 2023 consists of the following:

Building and improvements	\$ 848,551
Furniture and equipment	296,635
Vehicles	4,800
Depreciable Property and Equipment	1,149,986
Less accumulated depreciation	(734,041)
Depreciable Property and Equipment, Net	415,945
Land	148,157
Total Property and Equipment, Net	\$ 564,102

Depreciation and amortization expense for the year ended December 31, 2023 amounted to \$68,652.

Note 6—Line of Credit

During the year ended December 31, 2022, the Center opened a \$500,000 line of credit which matures in March 2024. The line bears interest at 10.25% compounded monthly, requiring monthly payments of interest only and secured by its property and building. The outstanding balance at December 31, 2023 amounted to \$150,000, which was paid off subsequent to year-end.

The line was renewed subsequent to year-end with a new maturity date of March 2025. The line was not renewed subsequent to the maturity date.

One in Long Beach, Inc. dba LGBTQ Center of Long Beach
Notes to Financial Statements—Continued

Note 7—Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2023 are as follows:

Subject to purpose restrictions:		
Stop Asian and Pacific Islander (AAPI) Hate	\$	289,094
Building Capital campaign		240,000
COVID-19 and Influenza Uptake Initiative		118,800
Total Subject to Purpose Restrictions		647,894
Subject to time restrictions:		
Stop Asian and Pacific Islander (AAPI) Hate		400,000
COVID-19 and Influenza Uptake Initiative		29,700
General operations		19,251
Total Subject to Time Restrictions		448,951
Total Net Assets with Donor Restrictions	\$	<u>1,096,845</u>

Net assets released from donor restrictions for the year ended December 31, 2023 are as follows:

Satisfaction of purpose restrictions:		
Mentoring Youth Through Empowerment	\$	43,000
Satisfaction of time restrictions:		
General operations		20,000
Total Net Assets Released from Donor Restrictions	\$	<u>63,000</u>

Note 8—Subsequent Events

Management evaluated all activities of One in Long Beach, Inc. dba LGBTQ Center of Long Beach through August 20, 2025, which is the date the financial statements were available to be issued, and concluded that, other than the line of credit renewal described in Note 6, no other material subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.