

Consolidated Financial Statements



and Affiliate

**For the Years Ended
December 31, 2025 and 2024**

Unity Productions Foundation and Affiliate

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Unity Productions Foundation and Affiliate
Silver Spring, Maryland

Opinion

We have audited the accompanying consolidated financial statements of the Unity Productions Foundation and Affiliate (the Organization), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2025 and 2024, and the consolidated changes in its net assets and its consolidated 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated 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 consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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, 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

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.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

June 3, 2026

Unity Productions Foundation and Affiliate

**Consolidated Statements of Financial Position
As of December 31, 2025 and 2024**

ASSETS

	2025	2024
Cash and cash equivalents	\$ 2,931,688	\$ 3,685,664
Investments	12,413	-
Grants and contributions receivable, net	541,183	429,999
Prepaid expenses and other current assets	9,956	23,208
Property and equipment, net	-	-
Total Assets	\$ 3,495,240	\$ 4,138,871

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued liabilities	\$ 225,293	\$ 221,849
Total liabilities	225,293	221,849

NET ASSETS

Without donor restrictions	2,947,548	3,907,808
With donor restrictions	322,399	9,214
Total net assets	3,269,947	3,917,022
Total Liabilities and Net Assets	\$ 3,495,240	\$ 4,138,871

See accompanying notes to consolidated financial statements.

Unity Productions Foundation and Affiliate

**Consolidated Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2025 and 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants and contributions	\$ 2,972,389	\$ 488,396	\$ 3,460,785	\$ 3,011,701	\$ 627,924	\$ 3,639,625
Interest income	81,662	-	81,662	68,149	-	68,149
Contracts	8,000	-	8,000	33,000	-	33,000
Sales	2,726	-	2,726	26,499	-	26,499
License fees and other	17,814	-	17,814	8,164	-	8,164
Net assets released from donor restrictions	175,211	(175,211)	-	629,574	(629,574)	-
Total support and revenue	3,257,802	313,185	3,570,987	3,777,087	(1,650)	3,775,437
EXPENSES						
Program Services:						
Film Production	2,364,118	-	2,364,118	1,789,455	-	1,789,455
Education and Outreach	973,594	-	973,594	1,008,699	-	1,008,699
Total program services	3,337,712	-	3,337,712	2,798,154	-	2,798,154
Supporting Services:						
General and Administrative	309,039	-	309,039	325,346	-	325,346
Foundation Building	571,311	-	571,311	597,165	-	597,165
Total supporting services	880,350	-	880,350	922,511	-	922,511
Total expenses	4,218,062	-	4,218,062	3,720,665	-	3,720,665
Changes in net assets	(960,260)	313,185	(647,075)	56,422	(1,650)	54,772
Net assets at beginning of year	3,907,808	9,214	3,917,022	3,851,386	10,864	3,862,250
Net Assets at End of Year	\$ 2,947,548	\$ 322,399	\$ 3,269,947	\$ 3,907,808	\$ 9,214	\$ 3,917,022

See accompanying notes to consolidated financial statements.

Unity Productions Foundation and Affiliate

Consolidated Statement of Functional Expenses For the Year Ended December 31, 2025

	Program Services			Supporting Services			Total Expenses
	Film Production	Education and Outreach	Total Program Services	General and Administrative	Foundation Building	Total Supporting Services	
Salaries and wages	\$ 663,331	\$ 452,712	\$ 1,116,043	\$ 63,711	\$ 97,309	\$ 161,020	\$ 1,277,063
Payroll tax	49,666	32,059	81,725	4,935	7,162	12,097	93,822
Employee benefits	181,379	110,396	291,775	3,556	27,673	31,229	323,004
Total salaries and related expenses	894,376	595,167	1,489,543	72,202	132,144	204,346	1,693,889
Professional services	843,798	102,785	946,583	11,240	9,628	20,868	967,451
Subcontractors	162,097	86,851	248,948	125,874	152,075	277,949	526,897
Production	293,050	2,547	295,597	-	1,392	1,392	296,989
Bad debt	35,000	-	35,000	-	86,813	86,813	121,813
Grants	-	104,500	104,500	-	-	-	104,500
Internet and software	6,498	16,225	22,723	38,906	18,314	57,220	79,943
Events	32,722	1,561	34,283	1,439	34,446	35,885	70,168
Travel and transportation	10,825	2,043	12,868	3,008	53,999	57,007	69,875
Occupancy	31,019	20,229	51,248	3,075	6,995	10,070	61,318
Insurance	12,912	26,724	39,636	2,220	2,725	4,945	44,581
Printing and reproduction	2,012	-	2,012	-	40,711	40,711	42,723
Accounting and auditing	-	-	-	35,859	-	35,859	35,859
Payroll services	14,418	3,593	18,011	2,479	3,118	5,597	23,608
Advertising	12,059	3,009	15,068	-	794	794	15,862
Merchant fees	-	-	-	-	12,984	12,984	12,984
Telephone	4,194	3,093	7,287	-	2,894	2,894	10,181
Bank charges	5,721	1,425	7,146	983	1,224	2,207	9,353
Gifts	1,165	-	1,165	-	6,236	6,236	7,401
Office	244	1,744	1,988	763	3,763	4,526	6,514
Legal	1,265	-	1,265	3,766	-	3,766	5,031
Taxes and fees	-	-	-	4,940	12	4,952	4,952
Postage and delivery	8	330	338	1,168	1,044	2,212	2,550
Dues and subscriptions	175	839	1,014	1,117	-	1,117	2,131
Books, videos, films and photos	552	704	1,256	-	-	-	1,256
Internship program	-	225	225	-	-	-	225
Royalties	8	-	8	-	-	-	8
Total	\$ 2,364,118	\$ 973,594	\$ 3,337,712	\$ 309,039	\$ 571,311	\$ 880,350	\$ 4,218,062

See accompanying notes to consolidated financial statements.

Unity Productions Foundation and Affiliate

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

	Program Services			Supporting Services			Total Expenses
	Film Production	Education and Outreach	Total Program Services	General and Administrative	Foundation Building	Total Supporting Services	
Salaries and wages	\$ 569,391	\$ 435,074	\$ 1,004,465	\$ 63,738	\$ 111,978	\$ 175,716	\$ 1,180,181
Payroll tax	37,751	34,680	72,431	4,869	7,347	12,216	84,647
Employee benefits	145,821	114,301	260,122	16,286	26,264	42,550	302,672
Total salaries and related expenses	752,963	584,055	1,337,018	84,893	145,589	230,482	1,567,500
Professional services	591,844	141,902	733,746	7,854	100,781	108,635	842,381
Subcontractors	118,183	64,639	182,822	114,953	64,108	179,061	361,883
Production	236,533	73,110	309,643	-	3,214	3,214	312,857
Internet and software	3,404	11,455	14,859	38,431	21,704	60,135	74,994
Travel and transportation	6,063	13,109	19,172	1,015	54,800	55,815	74,987
Bad debt	-	-	-	-	71,800	71,800	71,800
Events	1,781	1,294	3,075	1,568	55,896	57,464	60,539
Occupancy	20,118	29,614	49,732	3,240	7,393	10,633	60,365
Grants	-	59,755	59,755	-	-	-	59,755
Insurance	24,092	14,780	38,872	5,730	7,189	12,919	51,791
Accounting and auditing	-	-	-	41,533	-	41,533	41,533
Printing and reproduction	-	-	-	-	29,322	29,322	29,322
Payroll services	8,361	5,129	13,490	1,988	2,495	4,483	17,973
Advertising	15,423	1,647	17,070	-	314	314	17,384
Taxes and fees	-	-	-	16,315	-	16,315	16,315
Merchant fees	-	-	-	-	13,964	13,964	13,964
Telephone	5,161	1,651	6,812	185	6,407	6,592	13,404
Office	101	1,954	2,055	4,824	3,312	8,136	10,191
Bank charges	3,571	2,182	5,753	846	1,085	1,931	7,684
Gifts	27	-	27	-	4,453	4,453	4,480
Postage and delivery	153	256	409	1,259	2,477	3,736	4,145
Books, videos, films and photos	172	1,726	1,898	-	54	54	1,952
Dues and subscriptions	396	441	837	552	298	850	1,687
Internship program	1,100	-	1,100	-	510	510	1,610
Legal	-	-	-	160	-	160	160
Royalties	9	-	9	-	-	-	9
Total	\$ 1,789,455	\$ 1,008,699	\$ 2,798,154	\$ 325,346	\$ 597,165	\$ 922,511	\$ 3,720,665

See accompanying notes to consolidated financial statements.

Unity Productions Foundation and Affiliate

**Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (647,075)	\$ 54,772
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Receipt of contributed securities	(128,833)	(102,597)
Proceeds from the sale of contributed securities	147,456	101,412
Realized (gain) loss from the sale of contributed securities	(31,036)	1,185
Change in discount on long-term receivables	10,400	(14,100)
Change in allowance for bad debt	36,621	(17,190)
(Increase) decrease in:		
Grants and contributions receivable	(158,205)	(33,159)
Prepaid expenses and other current assets	13,252	4,785
Increase in:		
Accounts payable and accrued liabilities	3,444	47,754
Net cash (used) provided by operating activities	(753,976)	42,862
Net (decrease) increase in cash and cash equivalents	(753,976)	42,862
Cash and cash equivalents at beginning of year	3,685,664	3,642,802
Cash and Cash Equivalents at End of Year	\$ 2,931,688	\$ 3,685,664

See accompanying notes to consolidated financial statements.

Unity Productions Foundation and Affiliate

Notes to Consolidated Financial Statements December 31, 2025 and 2024

1. Summary of Significant Accounting Policies

Organization

The Unity Productions Foundation (UPF) is a non-profit organization, incorporated in the State of California in August 1999, with operational offices in the Washington, D.C. area. UPF's mission, as an educational organization, is to create peace through the media. UPF produces documentary films for television broadcast, online viewing, and theatrical release. UPF also implements long-term educational campaigns aimed at increasing understanding among people of different faiths and cultures, especially among Muslims and other faiths. UPF is convinced of the power of media to empower citizens with greater understanding and to nourish pluralism in America and around the world. UPF is supported primarily by grants and individual donations.

During 2018, UPF established Lamya's Poem LLC, a single-member LLC entirely owned by UPF, which is disregarded for tax purposes. The main purpose of Lamya's Poem LLC is to produce UPF's latest animated film project titled Lamya's Poem. Lamya's Poem LLC had no financial activity during the year ended December 31, 2025.

Program Services

- **Film Production:** UPF produces documentary films for television, broadcast, online viewing, and theatrical release aimed at increasing understanding between people of different faiths and cultures, especially between Muslims and other faiths. Film production generally requires a large team of producers, editors, film crew, cast, and filming equipment. In addition, there are often expenses such as insurance premiums, location and permit fees, and travel costs.
- **Education and Outreach:** UPF implements long-term educational campaigns using its films as a platform and catalyst to discuss important topics of today to break down stereotypes and enhance understanding between people of different cultures and faiths. These educational and outreach activities include events, website development, film screenings, training, and online marketing.

Principles of Consolidation

The accounts of UPF have been consolidated with the accounts of Lamya's Poem LLC (collectively, the Organization) in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) which require that financially interrelated organizations be consolidated. All intercompany transactions and balances have been eliminated.

Basis of Presentation

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with U.S. GAAP related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Unity Productions Foundation and Affiliate

Notes to Consolidated Financial Statements December 31, 2025 and 2024

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

Cash and Cash Equivalents

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. The Organization's policy is to liquidate all gifts of investments as soon as possible after the gift. All of the Organization's investments as of December 31, 2025 were common stocks that were donated to the Organization in late December 2025, and were subsequently sold at the beginning of January 2026.

Grants and Contributions Receivable

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term grants and contributions receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in grants and contributions.

Unity Productions Foundation and Affiliate

Notes to Consolidated Financial Statements December 31, 2025 and 2024

1. Summary of Significant Accounting Policies (Continued)

Grants and Contributions Receivable (Continued)

The Organization reviews grants and contributions receivable for collectability on a periodic basis. Each receivable balance is assessed based on management's knowledge of and relationship with the donor and the age of the receivable balance. As a result of these reviews, receivable balances for which collection is deemed doubtful are charged to loss on uncollectable pledges and an allowance is recorded.

Property and Equipment

Property and equipment in excess of \$1,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. There was no depreciation expense for the years ended December 31, 2025 and 2024, as all property and equipment were fully depreciated in both years.

Income Taxes

UPF is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). UPF had no income from unrelated business activities during the years ended December 31, 2025 and 2024. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. UPF is not a private foundation. Lamy's Poem LLC is a disregarded entity for tax purposes.

Support from Grants and Contributions

The Organization receives grants and contributions, including Federal awards from the U.S. Government. Contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Unity Productions Foundation and Affiliate

Notes to Consolidated Financial Statements December 31, 2025 and 2024

1. Summary of Significant Accounting Policies (Continued)

Support from Grants and Contributions (Continued)

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Most Federal grants are for direct and indirect program costs and are considered to be conditional contributions which are recognized as contributions when the amounts become unconditional. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, the Organization had no refundable advances as of December 31, 2025 and 2024.

In addition, the Organization has obtained funding source agreements related to conditional contributions, such as Federal awards from the U.S. Government, which will be received in future years. However, the Organization had no conditional contributions to be received in future years as of December 31, 2025 and 2024.

Revenue from Contracts with Customers

The Organization's contracts revenue, sales and license fees and other revenue are the most significant revenue streams that are treated as exchange transaction revenue following ASC Topic 606. Revenue from contracts with customers is recorded when the performance obligations are met. The Organization has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on amounts stipulated in the contract, the amount of the license fee, or sales price, as applicable. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue. The Organization's contracts with customers generally have initial terms of one year or less.

Revenue from contracts is recognized as the services stipulated in the applicable contract are performed. Revenue from sales is recognized at the time of the applicable sale. Revenue from license fees is recognized proportionally over the period of the applicable license.

There were no contract assets or contract liabilities as of December 31, 2025 and 2024.

Use of Estimates

The preparation of the consolidated 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 reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense was \$15,862 and \$17,384 as of December 31, 2025 and 2024, respectively.

Unity Productions Foundation and Affiliate

Notes to Consolidated Financial Statements December 31, 2025 and 2024

1. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

2. Investments and Fair Value Measurements

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the accompanying Consolidated Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2025. Transfers between levels are recorded at the end of the reporting period, if applicable.

Common Stocks - Valued at the closing price reported on the active market in which the individual securities are traded.

Unity Productions Foundation and Affiliate

**Notes to Consolidated Financial Statements
December 31, 2025 and 2024**

2. Investments and Fair Value Measurements (Continued)

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments:				
Common Stocks	\$ 12,413	\$ -	\$ -	\$ 12,413

The Organization did not have any investments as of December 31, 2024.

3. Grants and Contributions Receivable

The Organization has received written promises to give from various donors totaling \$655,288 and \$497,083 as of December 31, 2025 and 2024, respectively.

Grants and contributions receivable that are due in more than one year have been recorded at the net present value of their estimated future cash flows using a discount rate of 6.75%.

Grants and contributions receivable are expected to be collected as follows as of December 31, 2025 and 2024:

	2025	2024
Less than one year	\$ 446,492	\$ 459,320
One to five years	208,796	37,763
Subtotal	655,288	497,083
Less: Allowance to discount balance to present value	(16,100)	(5,700)
Less: Reserve for uncollectable grants and contributions	(98,005)	(61,384)
Grants and Contributions Receivable, Net	\$ 541,183	\$ 429,999

4. Property and Equipment

Property and equipment consisted of the following as of December 31, 2025 and 2024:

	2025	2024
Office equipment	\$ 16,384	\$ 98,398
Less: Accumulated depreciation	(16,384)	(98,398)
Net Property and Equipment	\$ -	\$ -

Unity Productions Foundation and Affiliate

**Notes to Consolidated Financial Statements
December 31, 2025 and 2024**

5. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2025 and 2024:

	2025	2024
Subject to Expenditure for a Specified Purpose:		
Film Production	\$ 322,399	\$ 9,214

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors during the years ended December 31, 2025 and 2024:

	2025	2024
Purpose Restrictions Accomplished:		
Film Production	\$ 175,211	\$ 629,574

6. Liquidity and Availability

Financial assets available for use for general expenditures within one year of the Consolidated Statements of Financial Position date comprise the following as of December 31, 2025 and 2024:

	2025	2024
Cash and cash equivalents	\$ 2,931,688	\$ 3,685,664
Investments	12,413	-
Grants and contributions receivable, net	446,492	397,936
Subtotal financial assets available within one year	3,390,593	4,083,600
Less: Donor-restricted funds	(322,399)	(9,214)
Financial Assets Available for Use Within One Year	\$ 3,068,194	\$ 4,074,386

The Organization has a policy to structure its financial assets to be available and liquid as its obligations become due.

7. Lease Commitments

UPF follows FASB ASC 842 for leases, and has elected the practical expedient for short-term leases as the lease terms are less than 12 months.

During the years ended December 31, 2025 and 2024, UPF entered into a number of short-term lease agreements for use of space, all of which either expired in 2025 or continued on a month-to-month basis.

Occupancy expense and cash paid for the years ended December 31, 2025 and 2024 totaled \$61,318 and \$60,365, respectively.

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Notes to Consolidated Financial Statements December 31, 2025 and 2024

8. Retirement Plan

UPF provides retirement benefits to its employees through a defined contribution plan (the Plan) covering all eligible employees. UPF contributes 3% of employee eligible compensation. Employer contributions to the Plan during the years ended December 31, 2025 and 2024, totaled \$31,351 and \$35,301, respectively. Such costs are reflected in Employee benefits expense in the Consolidated Statements of Functional Expenses.

9. Contingency

The Organization receives grants from the U.S. Government. Such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The ultimate determination of amounts received under the Federal awards is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits. The Organization's expenditures of Federal awards totaled \$251,248 and \$323,053 for the years ended December 31, 2025 and 2024, respectively. Therefore, the Organization did not meet the threshold each year to require an audit in accordance with Subpart F of the Uniform Guidance.

10. Related Party

During the years ended December 31, 2025 and 2024, the Organization leased office space from two officers of the Organization, under annual leases at monthly rates of \$500 for each office. The leases expired December 31, 2025 and continued on a month-to-month basis. The Organization paid a total of \$12,000 for the leased office for each of the years ended December 31, 2025 and 2024.

11. Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 3, 2026, the date the consolidated financial statements were issued.