Coming Clean, Inc.

Financial Statements and
Independent Auditor's Report

December 31, 2023 and 2022

Coming Clean, Inc.

Table of Contents
December 31, 2023 and 2022

	Page
Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expenses - 2023	5
Statement of Functional Expenses - 2022	6
Statements of Cash Flows	7
Notes to Financial Statements	8

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Coming Clean, Inc.
Brattleboro, Vermont

Opinion

We have audited the accompanying financial statements of Coming Clean, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Coming Clean, Inc. as of December 31, 2023 and 2022, 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 the 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 Coming Clean, Inc. 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.

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 Coming Clean, Inc.'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 are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Coming Clean, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Coming Clean, Inc.'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.

Downey, Piecuch, Fitzgerald + Co., P.C.

Brattleboro, Vermont
June 11, 2024

Coming Clean, Inc.
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash, unrestricted	$ 1,848,510	$ 2,054,910
Cash held for restricted purposes	1,249,300	626,708
Contributions and grants receivable	30,031	23,883
Prepaid expenses	36,996	12,072
Total current assets	3,164,837	2,717,573
Leasehold improvements, equipment and furniture:		
Leasehold improvements	4,800	4,800
Equipment	32,730	25,647
Furniture and fixtures	1,546	1,546
	39,076	31,993
Less accumulated depreciation	25,039	20,988
	14,037	11,005
Other assets:		
Website cost, net of amortization	2,297	-
Deposits	1,500	1,500
	3,797	1,500
Total assets	$ 3,182,671	$ 2,730,078
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	$ 56,365	$ 55,072
Total liabilities	56,365	55,072
Net Assets		
Without donor restrictions:		
Undesignated	1,652,006	1,823,298
Designated for general reserve	225,000	225,000
	1,877,006	2,048,298
With donor restrictions	1,249,300	626,708
Total net assets	3,126,306	2,675,006
Total liabilities and net assets	$ 3,182,671	$ 2,730,078

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

Coming Clean, Inc.
Statements of Activities
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:						
Grants, contributions and contracts	$ 630,844	$ 1,794,921	$ 2,425,765	$ 760,900	$ 1,270,000	$ 2,030,900
Partner grants and expense reimbursements	14,892	-	14,892	101,909	-	101,909
Membership and other public support	567,541	-	567,541	642,150	-	642,150
Other revenue	10,769	-	10,769	940	-	940
Total revenue	1,224,046	1,794,921	3,018,967	1,505,899	1,270,000	2,775,899
Net assets released from restrictions	1,172,329	(1,172,329)	-	1,095,376	(1,095,376)	-
	2,396,375	622,592	3,018,967	2,601,275	174,624	2,775,899
Expenses:						
Program services	2,058,939	-	2,058,939	1,781,406	-	1,781,406
Supporting services:						
Management and general	446,119	-	446,119	323,485	-	323,485
Fundraising	62,609	-	62,609	41,658	-	41,658
Total supporting services	508,728	-	508,728	365,143	-	365,143
Total expenses	2,567,667	-	2,567,667	2,146,549	-	2,146,549
Change in net assets	(171,292)	622,592	451,300	454,727	174,624	629,351
Net assets at the beginning of the year	2,048,298	626,708	2,675,006	1,593,571	452,084	2,045,655
Net assets at the end of the year	$ 1,877,006	$ 1,249,300	$ 3,126,306	$ 2,048,298	$ 626,708	$ 2,675,006

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

Coming Clean, Inc.

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

	2023							
	Environmental Justice Health Alliance	Campaign for Healthier Solutions	Local Food Solutions	All Other	Total Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 325,624	$ 39,170	$ 43,289	$ 713,193	$ 1,121,276	$ 301,107	$ 55,419	$ 1,477,802
Professional services	132,913	167,777	37,503	366,053	704,246	78,681	3,000	785,927
Travel and meetings	32,757	43,170	-	36,940	112,867	29,151	79	142,097
Other	345	448	-	11,853	12,646	14,860	4,111	31,617
Facilities	155	-	-	133	288	10,050	-	10,338
Telephone and internet	-	-	-	3,468	3,468	7,599	-	11,067
Depreciation and amortization	-	-	-	1,148	1,148	4,671	-	5,819
Research projects	-	-	-	103,000	103,000	-	-	103,000
	$ 491,794	$ 250,565	$ 80,792	$ 1,235,788	$ 2,058,939	$ 446,119	$ 62,609	$ 2,567,667

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

Coming Clean, Inc.

Statement of Functional Expenses

For the Year Ended December 31, 2021

	2022							
	Environmental Justice Health Alliance	Campaign for Healthier Solutions	Local Food Solutions	All Other	Total Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 299,377	$ 19,849	$ 46,955	$ 570,684	$ 936,865	$ 258,199	$ 34,269	$ 1,229,333
Professional services	90,469	154,601	46,099	309,086	600,255	23,189	-	623,444
Travel and meetings	20,008	5,213	7,982	115,092	148,295	8,102	-	156,397
Other	2,127	1,057	577	12,834	16,595	11,659	7,389	35,643
Facilities	191	-	-	409	600	11,836	-	12,436
Telephone and internet	-	-	-	3,061	3,061	6,612	-	9,673
Depreciation and amortization	-	-	-	-	-	3,888	-	3,888
Research projects	-	-	-	75,735	75,735	-	-	75,735
	$ 412,172	$ 180,720	$ 101,613	$ 1,086,901	$ 1,781,406	$ 323,485	$ 41,658	$ 2,146,549

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

Coming Clean, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	$ 451,300	$ 629,351
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,819	3,888
Loss on disposal of assets	757	-
(Increase) decrease in:		
Contributions and grants receivable	(6,148)	157,249
Prepaid expenses	(24,924)	12,825
Increase (decrease) in:		
Accounts payable and accrued expenses	1,293	24,459
Unearned income	-	(18,900)
Net cash provided by operating activities	428,097	808,872
Cash flows from investing activities:		
Purchases of equipment	(11,905)	(3,319)
Net cash used by investing activities	(11,905)	(3,319)
Net increase in cash	416,192	805,553
Cash at the beginning of the year	2,681,618	1,876,065
Cash at the end of the year	$ 3,097,810	$ 2,681,618
Supplemental cash flow information:		
Cash is shown on the statement of financial position as follows:		
Cash, unrestricted	$ 1,848,510	$ 2,054,910
Cash held for restricted purposes	1,249,300	626,708
	$ 3,097,810	$ 2,681,618

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

Note A - Organization and Nature of Activities

Organization and Nature of Activities:

Coming Clean, Inc. is a non-profit, tax-exempt corporation organized in the State of Vermont.

Coming Clean's mission is to meaningfully contribute to environmental health by reforming the industrial chemical and fossil fuel industries so they are no longer a source of harm and to secure systemic changes that allow a safe chemical and clean energy economy to flourish.

Coming Clean is networked with grassroots groups in disproportionately-impacted communities in politically-significant states and works in close strategic partnership with the Environmental Justice Health Alliance for Chemical Policy Reform. Through our special structure of some 150 diverse organizations and over 400 experts, Coming Clean is able to connect grassroots organizations to national groups, business and shareholder associations, state policy groups, market campaigners, technical experts, and others, while still ensuring leadership by, direction from, and accountability to the grassroots. Coming Clean coordinates a broad range of initiatives and teams in support of safe fields and food, safe products and stores, safe chemicals and facilities, and building power.

Note B - Summary of Significant Accounting Policies

Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification Topic of Financial Statements of Not-for-Profit Organizations. This standard requires the Organization present on the Statements of Financial Position, net assets with donor restrictions and net assets without donor restrictions. On the Statements of Activities, the Organization is required to present the change in each of the two net asset classes as well as the change in total assets.

Contributions and Grants Receivable:

Contributions receivable are recorded at the amount the Organization has an unconditional right to receive and are subsequently adjusted to their net realizable value through an allowance for doubtful accounts, if deemed necessary by management. The allowance would be estimated based on the specific identification method. Finance charges are not assessed. At such time as management feels that a receivable is no longer collectable, a charge is made to the allowance account. No allowance was deemed necessary at December 31, 2023 and 2022.

Leasehold Improvements, Equipment and Furniture:

Equipment acquisitions and substantial improvements thereon that individually exceed $500 are capitalized at cost. Depreciation is recorded using the straight-line method over the estimated useful lives or the remaining lease term. Repairs and maintenance are charged to expense as incurred.

Note B - Summary of Significant Accounting Policies - Continued

Grants and Contributions and Revenue Recognition:

Revenue from contributions and grants are recognized in the period the grant is awarded, if unconditional, or when the grant conditions are met, if conditional. Revenue from contributions and grants is recorded as either without donor restrictions or with donor restrictions, depending on the existence and/or nature of any restrictions by the donor. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to net assets without restrictions and reported in the Statements of Activities as net assets released from restrictions.

Revenue from Contracts with Customers:

Support from unconditional contributions and grants are recognized when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Support from conditional contributions and grants, 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 substantially met.

Income from memberships and other public support are recognized when performance obligations have been satisfied for promised products or services to customers in an amount that reflects the consideration the Organization expects to receive in exchange for those products or services. Performance obligations are determined based on the nature of the products or services to be performed by the Organization and are measured to the point where it is no longer required to provide products or services to the customer.

Estimates:

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates.

Functional Allocation of Expenses:

Coming Clean, Inc.'s methodology for allocating expenses among program, administrative and general, and fundraising is a mix of specific identification and allocations based on hours reported by staff. The staff hours reported are used to allocate individual salary fees and related expenses among the various categories. Certain other employee related expenses that are less easily assigned by individual contributor are assigned to categories in proportion to the above-described results. All other expenses are assigned specifically to one or more categories based on the underlying purpose of the expense.

Income Taxes:

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes. The Organization is not classified as a private foundation.

Management has analyzed its various federal and state income tax filings for the last three preceding years that remain open within the statute of limitations and they believe that the Organization's reported revenues and deductions are well documented and supported, and that no controversial or questionable income tax reporting positions have been taken regarding these filings. Consequently, management believes that there are no unasserted tax liabilities, interest or penalties related to these filings and, accordingly, has made no provision for contingent income tax liabilities.

Note C - Cash

As of December 31, 2023, the Organization maintained its cash at three financial institutions. At times, amounts on deposit may temporarily exceed the Federal Deposit Insurance Corporation limits. As of December 31, 2023 and 2022, the Organization had approximately $2,361,688 and $1,916,508, respectively, of uninsured cash on deposit.

Note D - Unearned Income

The following table provides information about significant changes in the unearned income (contract liabilities) for the years ended December 31, 2023 and 2022:

	2023	2022
Unearned income, beginning of year	$ -	$ 18,900
Revenue recognized that was included in unearned income at the beginning of year	-	(18,900)
Unearned income, end of year	$ -	$ -

Note E - Net Assets with Expiring Donor Restrictions

Net assets with expiring donor restrictions were released from restrictions, as follows, for the year ended December 31:

	2023	2022
Programmatic restrictions	$ 591,035	$ 552,292
Subrecipient grants	348,621	263,500
Environmental Justice Health Alliance for Chemical Policy Reform	232,673	279,584
	$ 1,172,329	$ 1,095,376

Net assets with donor restrictions are available for the following at December 31:

	2023	2022
Programmatic restrictions	$ 584,089	$ 373,125
Environmental Justice Health Alliance for Chemical Policy Reform	532,633	127,083
Subrecipient grants	132,578	126,500
	$ 1,249,300	$ 626,708

Note F - Partner Grants and Expense Reimbursements

Partner grants and expense reimbursements consist of the following at December 31:

	2023	2022
Partner grants	$ 14,892	$ 101,909
	$ 14,892	$ 101,909

Note G - Office Lease

The Organization leases office space in Brattleboro, Vermont, under a month-to-month operating lease. The lease term is 12 months or less and is considered a short-term lease. Therefore, ASC 842, *Leases* does not apply. Rent expense for the years ended December 31, 2023 and 2022 was $8,568 amd $8,512, respectively.

Note H - Defined Contribution Plan

The Organization has a defined contribution plan covering substantially all employees. The plan falls under the guidelines of the Internal Revenue Code Section as a 403(b) plan. Employer contributions to the plan for the years ended December 31, 2023 and 2022 were $27,247 and $24,018, respectively.

Note I - Related Party Transactions

Included in professional services on the Statement of Functional Expenses for the years ended December 31, 2023, and 2022, were consulting services in the amounts of $500 and $277,191, respectively, paid to one and six organizations, respectively, that employ members of the Board of Directors of the Organization, including one as board president and another as a co-director.

Note J - Liquidity

The Organization has $1,879,000 of financial assets available within one year of the statement of financial position date consisting of cash in the amount of $1,848,510 and contributions and grants receivable totaling $30,031. The Organization has a goal to maintain financial assets, which consist of cash on hand, to meet 60 days of normal operating expenses, which are, on average, approximately $358,000.

Note K - Date of Subsequent Events Evaluation

Management has evaluated subsequent event through June 11, 2024, the date which the financial statements were available to be issued.