

**ONE805, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**ONE805, INC.**  
December 31, 2024

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

200 E. Carrillo Street, Suite 300, Santa Barbara, CA 93101, (805) 962-9175

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
One805, Inc.  
Santa Barbara, California

### **Opinion**

We have audited the accompanying financial statements of One805, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, 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 One805, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of One805, Inc. 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 One805, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 One805, 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 One805, 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.

*McGowan Muntermann*

Santa Barbara, California

December 13, 2025

**ONE805, INC.**

**STATEMENT OF FINANCIAL POSITION**

December 31, 2024

**ASSETS**

	Without Donor Restrictions	With Donor Restrictions	Total 2024
Current Assets			
Cash and cash equivalents	\$ 86,087	\$ -	\$ 86,087
Accounts receivable	45,748	-	45,748
Prepaid expenses	20,000	-	20,000
Total Current Assets	<u>151,835</u>	<u>-</u>	<u>151,835</u>
Other Assets			
Investments	<u>1,536,343</u>	<u>1,012,056</u>	<u>2,548,399</u>
Total Other Assets	<u>1,536,343</u>	<u>1,012,056</u>	<u>2,548,399</u>
<b>Total Assets</b>	<b><u>\$ 1,688,178</u></b>	<b><u>\$ 1,012,056</u></b>	<b><u>\$ 2,700,234</u></b>

**LIABILITIES AND NET ASSETS**

Current Liabilities			
Accounts payable	\$ 66,057	\$ -	\$ 66,057
Total Current Liabilities	<u>66,057</u>	<u>-</u>	<u>66,057</u>
 Total Liabilities	 <u>66,057</u>	 <u>-</u>	 <u>66,057</u>
Net Assets			
Without Donor Restrictions			
Operating net assets	<u>1,622,121</u>	<u>-</u>	<u>1,622,121</u>
Total Without Donor Restrictions	<u>1,622,121</u>	<u>-</u>	<u>1,622,121</u>
With Donor Restrictions	<u>-</u>	<u>1,012,056</u>	<u>1,012,056</u>
Total Net Assets	<u>1,622,121</u>	<u>1,012,056</u>	<u>2,634,177</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 1,688,178</u></b>	<b><u>\$ 1,012,056</u></b>	<b><u>\$ 2,700,234</u></b>

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

**ONE805, INC.**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total 2024
Public Support and Revenue			
Public Support			
Contributions	\$ 255,672	\$ 588,099	\$ 843,771
Special events (net of expenses of \$1,163,583)	1,202,210	-	1,202,210
Investment income	70,084	-	70,084
Net assets released from restrictions	-	-	-
Total Public Support	<u>1,527,966</u>	<u>588,099</u>	<u>2,116,065</u>
Total Public Support and Revenue	<u>1,527,966</u>	<u>588,099</u>	<u>2,116,065</u>
Expenses			
Program Services	<u>835,618</u>	<u>-</u>	<u>835,618</u>
Supporting Services			
Administrative	76,379	-	76,379
Fundraising	<u>151,983</u>	<u>-</u>	<u>151,983</u>
Total Supporting Services	<u>228,362</u>	<u>-</u>	<u>228,362</u>
Total Expenses	<u>1,063,980</u>	<u>-</u>	<u>1,063,980</u>
<b>Change in Net Assets</b>	<b>463,986</b>	<b>588,099</b>	<b>1,052,085</b>
Net Assets, Beginning of Year	<u>1,158,135</u>	<u>423,957</u>	<u>1,582,092</u>
<b>Net Assets, End of Year</b>	<b><u>\$ 1,622,121</u></b>	<b><u>\$ 1,012,056</u></b>	<b><u>\$ 2,634,177</u></b>

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

# ONE805, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Program			Total
	Services	Administrative	Fundraising	2024
Grants	\$ 807,087	\$ -	\$ -	\$ 807,087
Advertising and promotions	-	-	105,243	105,243
Professional fees	-	32,063	-	32,063
Accounting and legal	28,031	13,800	-	41,831
Insurance	500	-	-	500
Meeting expense	-	646	17,880	18,526
Office expenses	-	3,264	-	3,264
Information technology	-	14,008	28,860	42,868
Bank fees	-	2,194	-	2,194
Storage	-	6,359	-	6,359
Other expenses	-	4,045	-	4,045
<b>2024 Total Expenses</b>	<b><u>\$ 835,618</u></b>	<b><u>\$ 76,379</u></b>	<b><u>\$ 151,983</u></b>	<b><u>\$ 1,063,980</u></b>

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

**ONE805, INC.**

**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2024**

	<u>2024</u>
Cash Flows from Operating Activities:	
Change in net assets	\$ 1,052,085
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Unrealized gain on investments	(6,662)
Increase in prepaid expenses	(20,000)
Decrease in accounts receivable	115,264
Decrease in accounts payable	<u>(128,654)</u>
Net Cash Provided by Operating Activities	<u>1,012,033</u>
 Cash Flows From Investing Activities:	
Purchase of investments	<u>(2,541,737)</u>
Net Cash Used by Investing Activities	<u>(2,541,737)</u>
 <b>Net Decrease in Cash</b>	 <b>(1,529,704)</b>
 Cash - Beginning of Year	 <u>1,615,791</u>
 <b>Cash - End of Year</b>	 <b><u>\$ 86,087</u></b>

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



**ONE805, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1 - ORGANIZATION AND ACTIVITIES**

On January 9, 2018, our community was ravaged by a devastating natural disaster. The Montecito Mudflow claimed the lives of twenty-three of our community members and hundreds of homes were destroyed. Already exhausted from battling the Thomas fire for weeks on end, our First Responders, collaborated as never before, to rescue those they could from the sudden devastation.

In the aftermath of the fire and mudslides, we wanted to thank First Responders and show them how much their efforts were appreciated. To that end, a new organization, “One805” was created, hosting the largest non-profit event in Santa Barbara History – The Kick Ash Bash! It brought together actors, entertainers, singers, performers, and most of all, our community in a spirit of healing. First Responders and their families were treated to an amazing day where we were able to put the tragedy behind us. Thanks to the efforts of many, over \$2 million was raised to provide counseling support to First Responders and purchase equipment to directly support victims of the terrible tragedy.

Today, One805 is a permanent 501(c)(3) corporation, raising funds for all three First Responder groups – Fire, Police, and Sheriff – purchasing equipment, supporting public safety and taking care of those who take care of us.

One805 is the only organization that allows you to help all of our First Responders with one donation. There are so many things they all need that cannot be provided from their budgets, so community support has long been the only way they can get their hands on un-budgeted safety items or equipment for which immediate funding is required.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of One805, Inc. have been prepared on the accrual basis of accounting following accounting principles generally accepted in the United States of America (GAAP). The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

**Description of Net Assets**

One805, Inc. reports information regarding its financial position and activities in two classes of net assets - with donor restrictions and without donor restrictions - based on the existence or absence of donor-imposed restrictions.

*Without Donor Restrictions*

Net assets without donor restrictions represent net assets that are not subject to donor-imposed time or use restrictions. Net assets without donor restrictions include board designated funds.

**ONE805, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of Net Assets (continued)

*With Donor Restrictions*

Net assets with donor restrictions represent net assets that are subject to donor-imposed time or use restrictions. Net assets with donor restrictions generally include contributions. Earnings on net assets with donor restrictions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as “Net assets released from restrictions.”

Cash and Cash Equivalents

One805, Inc. classifies unrestricted short-term, highly liquid investments having original maturities of three months or less as cash equivalents.

Receivables

Management believes all receivables are fully collectible; therefore, no allowance for uncollectible amounts has been recorded.

Allowance for Credit Losses

One805, Inc. has previously adopted FASB ASC 326, measuring credit losses for most financial assets and certain other instruments that aren’t measured at fair value through net income. Financial assets held by One805, Inc. that are subject to the guidance in FASB ASC 326 were accounts receivable. The impact of the adoption was not considered material to the financial statements and primarily resulted in the preceding disclosure only.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in the preparation of these financial statements include allocation of certain expenses by function.

Leases

One805, Inc. has previously adopted FASB ASC 842, Leases. For the year ended December 31, 2024, One805, Inc. had no noncancellable operating or finance leases.

Further, One805, Inc. elected a short-term lease extension policy, permitting One805, Inc. to not apply the recognition requirements of this standard to short-term leases (i.e., leases with terms of 12 months or less) and an accounting policy to account for lease and non-lease components as a single component for certain classes of assets.

**ONE805, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions received are recorded at their fair value on the date of donation. Contributions receivable are recognized as revenue when committed and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Functional Expenses

One805, Inc. allocates its expenses on a functional basis among its various projects and support services. Expenses that can be identified with a specific project and support service are allocated directly according to their expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

Income Taxes

One805, Inc. is a California nonprofit public benefit corporation, which is exempt from income taxes under Internal Revenue Code Section number 501(c)(3) and State of California Revenue and Taxation Code Section 23701(d). One805, Inc. is not currently involved in any activity that is subject to unrelated business income tax; therefore, no provision for income taxes is required. One805, Inc. qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

One805, Inc. evaluates uncertain tax positions, whereby the effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of December 31, 2024, One805, Inc. had no uncertain tax positions requiring accrual. One805, Inc. files tax returns in U.S. federal and California jurisdictions. One805, Inc. is no longer subject to U.S. federal and state tax examinations by tax authorities for the years ending before 2021 and 2020, respectively.

Subsequent Events

One805, Inc. has evaluated subsequent events through December 13, 2025, the date which the financial statements were available to be issued.

Note 3 – INVESTMENTS

Investments consist of cash and a small portfolio of mutual funds. These investments totaled \$2,548,399 at December 31, 2024.

The following summarizes the investment return included as unrestricted revenue in the statement of activities for the year ended December 31, 2024:

Interest and dividend income	\$ 63,452
Unrealized gain on value of securities	6,662
Investment fees	<u>(30)</u>
Total Investment Return	<u>\$ 70,084</u>

**ONE805, INC.**  
NOTES TO FINANCIAL STATEMENTS

Note 4 – FAIR VALUE MEASUREMENT

One805, Inc. has established a framework for measuring fair value and expanding disclosures about fair value measurements. Accounting principles define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; discounted cash flows; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities;
- Level 3: Unobservable inputs that are supported by little or no market activity;

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying Statement of Financial Position, as well as the general classification of such instruments pursuant to the valuation hierarchy:

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. As of December 31, 2024, there were no Level 2 or 3 investments.

The following is a description of the general classification of investments pursuant to the valuation hierarchy:

*Cash held for investment* – Cash held for investment purposes includes money market funds and cash equivalent assets, and is valued at face value.

*Mutual funds* – Mutual funds are a variety of publicly traded stocks from various industries invested for both growth and value. They are valued utilizing quoted market prices available in active markets for identical investments at the reporting date.

The following table presents assets and liabilities recognized in the accompanying Statement of Financial Position measured at fair value on a recurring basis and the level in which the fair value measurements fall at December 31, 2024:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash held for investment	\$ 1,017,059	\$ -	\$ -	\$ 1,017,059
Mutual funds	<u>1,531,340</u>	<u>-</u>	<u>-</u>	<u>1,531,340</u>
Total assets measured at fair value	<u>\$ 2,548,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,548,399</u>

**ONE805, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - CREDIT RISK**

One805, Inc. maintains cash balances at several banks insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, balances may exceed federally insured limits. At December 31, 2024, One805, Inc. had no uninsured cash and cash equivalent balances.

**Note 6 - NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by the passage of time or by satisfying the restricted purposes specified by donors. For the year ended December 31, 2024, net assets released from restriction totaled \$0.

**Note 7 - LIQUIDITY**

Financial assets available to meet cash needs for general expenditure for the following year are comprised of current assets and investments, adjusted for amounts unavailable due to illiquidity, endowments and other funds spending policy appropriations beyond one year, and current liabilities payable to vendors, financial institutions, and nonprofit organizations.

Financial assets available to meet cash needs for general expenditures within one year as of December 31, 2024:

Current assets	
Cash and cash equivalents available within one year	\$ 86,087
Accounts receivable	<u>45,748</u>
Total current assets	<u>131,835</u>
Investments	<u>2,548,399</u>
Current Liabilities	<u>(66,057)</u>
Financial assets available to meet cash needs for general expenditures within one year as of December 31, 2024	<u>\$ 2,614,177</u>

**Note 8 – NET ASSETS**

**Net Assets With Donor Restrictions**

As of December 31, 2024, net assets with donor restrictions consist of the following:

Mental health - fire	\$ 723,471
Rock first responders	180,765
Other	<u>107,820</u>
Total net assets with donor restrictions	<u>\$ 1,012,056</u>