THOMAS MORE SOCIETY

(An Illinois Not-for-Profit Organization)

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

Cary J. Hall & Associates, LLC
Certified Public Accountants & Consultants
Chicago, Illinois

THOMAS MORE SOCIETY

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CARY J. HALL & ASSOCIATES, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Thomas More Society

Opinion

We have audited the accompanying financial statements of **Thomas More Society** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, 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 **Thomas More Society** as of December 31, 2025, 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 (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 Thomas More Society 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 these 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 Thomas More Society'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 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 audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- 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 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 Thomas More Society’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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.

Cary J. Hall & Associates, LLC

Chicago, Illinois
April 27, 2026

THOMAS MORE SOCIETY

Statement of Financial Position
As of December 31, 2025

ASSETS	
Current Assets:	
Cash and cash equivalents (Note 4)	$ 4,923,863
Investments (Note 3)	7,390
Accounts receivable	514,151
Prepaid expenses	59,791
Total Current Assets	5,505,195
Noncurrent Assets:	
Property and equipment, net	4,809
Total Noncurrent Assets	4,809
Other Assets:	
Security deposit	71,234
Total Other Assets	71,234
Total Assets	$ 5,581,238
LIABILITIES	
Current Liabilities:	
Accounts payable	$ 23,113
Credit card payable	63,754
Accrued paid time off	154,841
Accrued expenses	112
Total Current Liabilities	241,820
NET ASSETS	
Without donor restrictions	5,339,418
With donor restrictions	-
Total Net Assets	5,339,418
Total Liabilities and Net Assets	$ 5,581,238

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

THOMAS MORE SOCIETY
Statement of Activities
For the Year Ended December 31, 2025

REVENUES AND SUPPORT	
Contributions - Direct Public Support	$ 10,445,793
Contributions of Securities	329,012
Net Passive Activity Income	547
Court Awarded Fees	1,560,778
Interest and Dividends Income	71,936
Realized Gain on sale of investments	20,922
Total Revenues and Support	12,428,988
EXPENSES	
Program Services	8,823,890
Management and General	1,132,141
Fundraising	1,358,458
Total Expenses	11,314,489
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,114,499
NET ASSETS WITHOUT DONOR RESTRICTIONS	
Beginning of year	4,224,919
End of year	$ 5,339,418

THOMAS MORE SOCIETY

Statement of Functional Expenses

For the Year Ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Legal fees and litigation costs	$ 3,461,123	$ -	$ -	$ 3,461,123
Books and literature	5,519	2,107	3,596	11,222
Salaries - office	2,333,371	460,101	492,966	3,286,438
Salaries - officers	1,167,698	142,141	87,141	1,396,980
Payroll taxes	238,967	44,538	46,251	329,756
Insurance expense	18,149	7,418	3,912	29,479
Health Insurance	328,154	134,742	71,048	533,944
Rent	241,391	9,194	7,200	257,785
Office expenses and supplies	194,480	16,554	198,609	409,643
Accounting fees	-	16,098	-	16,098
Bank charges	-	10,512	-	10,512
Telephone	27,760	16,800	11,275	55,835
Tabulating fees	-	13,580	-	13,580
Contract services	274,749	25,000	50,340	350,089
Computer services	16,070	104,294	35,744	156,108
Consultant fees	3,413	-	-	3,413
Staff expenses - travel	141,110	8,979	82,664	232,753
Dues and memberships	11,353	8,385	-	19,738
Advertising and promotion	35,059	-	57,635	92,694
Conferences, conventions and meetings	37,568	-	115,803	153,371
Website	19,017	-	1,127	20,144
Video and photography	-	-	2,898	2,898
Charitable contributions	145,618	-	-	145,618
Meals and hospitality	10,323	86,827	3,205	100,355
Simple - employer match	112,998	21,647	21,598	156,243
Processing fees	-	-	65,446	65,446
Depreciation	-	3,224	-	3,224
Total Functional Expenses	$ 8,823,890	$ 1,132,141	$ 1,358,458	$ 11,314,489

THOMAS MORE SOCIETY

Statement of Cash Flows

For the Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 1,114,499
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation and amortization	3,224
(Increase) decrease in operating assets -	
Accounts receivable	(514,151)
Prepaid expenses	(59,791)
Increase (decrease) in operating liabilities -	
Accounts payable	23,113
Credit card payable	(36,744)
Acrrued paid time off	154,841
Accrued expenses	109
Retirement plan payables	(15,637)
Transit plans payable	(218)
Net Cash Provided by Operating Activities	669,245
CASH FLOWS FROM INVESTING ACTIVITIES	
Security deposit	(46,477)
Increase in investments	3,551
Net Cash Used in Investing Activities	(42,926)
NET INCREASE IN CASH AND CASH EQUIVALENTS	626,319
Beginning of year	4,297,544
End of year	$ 4,923,863

NOTE 1 - ORGANIZATION AND PURPOSE

Thomas More Society (the "Society") is a nonprofit legal organization headquartered in Chicago, Illinois. The Society provides legal advocacy services to promote and defend issues related to life, family, and religious liberty. The Society is organized as a not-for-profit corporation and operates as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Society is not classified as a private foundation. Contributions are deductible for federal income tax purposes to the extent permitted by law.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under the accrual basis of accounting, revenues are recognized when earned or contributed and expenses are recognized when incurred, regardless of the timing of related cash flows. The Society previously maintained its accounting records on the cash basis of accounting. Effective January 1, 2025, the Society adopted the accrual basis of accounting in accordance with U.S. GAAP. The adoption of the accrual basis represents a change in accounting principle and may affect comparability with prior period financial information.

Financial Statement Presentation – The Society reports information regarding its financial position and activities in two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are those resources available for general operations. Net assets with donor restrictions are those subject to donor-imposed stipulations that may be fulfilled either by actions of the Society or the passage of time. At December 31, 2025, the Society had no net assets with donor restrictions.

Cash and Cash Equivalents - The Society considers all cash on hand and highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable - Accounts receivable represent amounts due from third parties and are stated at the amount management expects to collect. Management evaluates receivables for collectability and records an allowance for doubtful accounts when necessary. No allowance was deemed necessary at December 31, 2025.

Investments – Investments are reported at fair value. Changes in fair value are reported in the statement of activities as increases or decreases in net assets without donor restrictions.

Property and Equipment – Property and equipment are stated at cost when purchased. The Society capitalizes purchases of equipment greater than $1,000. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, typically ranging from 3 to 7 years.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue Recognition – The Society recognizes revenue from contributions, court-awarded fees, and investment income. Contributions are recognized when received or when an unconditional promise to give is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Court-awarded fees are recognized when the award is determinable and collection is reasonably assured. Investment income, including interest and dividends, is recognized when earned. Realized and unrealized gains and losses are included in changes in net assets without donor restrictions.

Functional Expenses – The costs of providing program and supporting services have been summarized on a functional basis in the statement of functional expenses. Expenses that can be directly identified with a specific function are charged directly to that function. Other expenses are allocated based on estimates of time and effort.

Income Taxes – The Society is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the financial statements. The Society has evaluated its tax positions and has determined that there are no uncertain tax positions that require recognition or disclosure.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

Statement of Cash Flows – The Society presents a statement of cash flows in accordance with U.S. GAAP

Fair Value Measurements – The Society measures investments at fair value using quoted market prices in active markets (Level 1 inputs).

NOTE 3 - INVESTMENTS

Investments consist of marketable securities and other investment holdings and are reported at fair value. Fair value is determined using quoted market prices and other observable inputs. At December 31, 2025, the carrying value of investments was $7,390.

The Society’s investments are measured using Level 1 inputs based on quoted market prices in active markets. No Level 2 or Level 3 investments were material at December 31, 2025.

NOTE 4 - LIQUIDITY AND AVAILABILITY

As of December 31, 2025:	
Cash and cash equivalents	$ 4,923,863
Investments at fair value	7,390
Accounts receivable	514,151
Total financial assets	5,445,404
Less amounts not available to be used within one year	-
Financial assets available to meet cash needs for general expenditures within one year	$ 5,445,404

The Society's financial assets are available to meet general expenditures within one year of the statement of financial position date. Accounts receivable are expected to be collected within one year and are not subject to donor-imposed restrictions.

The Society manages liquidity by maintaining adequate cash reserves and monitoring receivable collections to meet operating needs.

NOTE 5 - PROPERTY AND EQUIPMENT

As of December 31, 2025, major classes of property and equipment are as follows:

Computer and office equipment	$ 142,752
Furniture and fixtures	28,800
Computer software	6,828
Less: accumulated depreciation and amortization	(173,571)
Property and equipment, net	$ 4,809

Depreciation expense for the year ended December 31, 2025, was $3,224.

NOTE 6 - LEASE AGREEMENTS

The Society leases office and storage space under various operating lease and sublease arrangements in Chicago, Illinois.

Certain lease arrangements with initial terms of 12 months or less are accounted for under the short-term lease exemption permitted by ASC 842, Leases. Lease expense is recognized on a straight-line basis over the applicable lease terms. Total lease expense for the year ended December 31, 2025, was $257,785.

NOTE 6 - LEASE AGREEMENTS - CONTINUED

The Society's primary office lease expires June 30, 2026.

Subsequent to year-end, the Society entered into a noncancelable sublease agreement for approximately 5,902 rentable square feet of office space located at 121 West Wacker Drive, Chicago, Illinois. The sublease term commences July 1, 2026, and expires February 29, 2032.

In connection with the new office arrangement, the Society also entered into a separate license agreement for storage and office support space commencing February 1, 2026, and expiring February 29, 2032.

As of December 31, 2025, the future sublease and license arrangements had not yet commenced and, accordingly, no related right-of-use assets or lease liabilities had been recorded in the accompanying financial statements. Management is evaluating the impact of ASC 842, Leases, related to the future recognition and measurement of these arrangements.

NOTE 7 - RETIREMENT PLANS

The Society sponsors a 401(k) Plan under which it provides matching contributions for eligible employees. Contributions are based on employee deferrals and applicable plan provisions. Effective February 1, 2025, the Society adopted a 401(k) plan for eligible employees. The plan includes employee deferral options, including traditional and Roth contributions, and provides for employer matching contributions in accordance with plan provisions. Employer contributions are fully vested when made.

Employer contributions to the 401(k) Plan for the year ended December 31, 2025, totaled $156,243.

NOTE 8 - FLEXIBLE BENEFITS PLAN - SECTION 125

The Society maintains a Section 125 cafeteria plan that allows eligible employees to pay certain insurance premiums and qualified medical expenses with pretax dollars through payroll deductions.

NOTE 9 - RELATED PARTY TRANSACTIONS

There were no related party transactions requiring disclosure for the year ended December 31, 2025.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

The Society is involved in legal matters arising in the ordinary course of operations. Management, in consultation with legal counsel, has evaluated such matters and determined that no material liabilities are probable or reasonably estimable at December 31, 2025.

NOTE 11 - CONTRIBUTED SERVICES

The Society receives contributed services from volunteers, including legal professionals. Contributed services are recognized if they create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Management evaluated contributed services received during the year and determined that such services did not meet the recognition criteria under U.S. GAAP. Accordingly, no amounts have been recorded in the accompanying financial statements.

NOTE 12 – CONCENTRATION OF CREDIT RISK

The Society maintains cash balances at financial institutions which may exceed federally insured limits. The Society has not experienced losses on these accounts and believes it is not exposed to significant credit risk.

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 27, 2026, the date the financial statements were available to be issued.