



TANNER

Accountants & Advisors

May 21, 2021

Board of Directors
The Younique Foundation
4101 N Thanksgiving Way, Ste 100
Lehi, Utah 84043

Dear Board Members and Management:

We have audited the financial statements of The Younique Foundation (the Foundation) for the year ended December 31, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated December 17, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 2 to the financial statements.

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This update clarifies the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items. The update does not change existing recognition and measurement requirements for contributed nonfinancial assets. ASU 2020-07 is effective for fiscal years, and interim periods within those years, beginning after June 15, 2022, and early adoption is permitted. Accordingly, ASU 2020-07 is effective for the Foundation on January 1, 2023. The Foundation early adopted this ASU effective January 1, 2020.

Other than adopting the update to Topic 958 above, no new accounting policies were adopted that had a significant impact on financial reporting and the new application of existing policies was not changed during 2020. We noted not transactions were entered into by the Foundation during 2020 for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financials statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates are the amount of indirect costs allocated to program and supporting services as shown in the statements of functional expenses. Management determines the allocation of the amounts based on direct costs incurred, time and effort utilized for each category, and other factors. Management also estimates the economic useful lives of property and equipment based on the expected number of years

the assets will be used. Management revisits these assumptions annually and adjusts the economic useful lives, if warranted.

We evaluated the key factors and assumptions used to develop the estimates above in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no adjustments proposed by us during the audit and no uncorrected misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 21, 2021. A copy of that letter has been provided to you.

Management Consultations with Other Independent Accountants^r

Management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" in certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Independence

Independence is crucial to the performance of audit services. We are subject to the independence standards of the American Institute of Certified Public Accountants.

All partners and employees of our firm are provided access to our policies and procedures relating to independence and conflicts of interest. Annually, we obtain written confirmation from partners and employees about their adherence to these policies.

There are no relationships between Tanner LLC and the Foundation that in our professional judgment may reasonably be thought to impair our independence.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents containing the audited financial statements. Our responsibility for other information included in documents containing the Foundation’s audited financial statements and auditors’ report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information is properly stated. However, if such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with information, or the manner of its presentation, appearing in the financial statements.

Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise of cash of \$153,260, related party receivables of \$24,447, and other receivables of \$74,986 as of December 31, 2020. There are no amounts not available to be used within one year as there are no restrictions on the receivables. The Foundation relies on contributions from related parties. The Foundation’s management monitors its liquidity and cash flow needs through the use of a budget and projections to help ensure that projected cash inflows are sufficient to cover projected cash outflows.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the Foundation.

This information is intended solely for the use of the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Tanner LLC

By: 
Nina M. Quarequio, Partner