Room to Grow National, Inc.

Financial Statements

December 31, 2021

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ROOM TO GROW NATIONAL, INC.

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December 31, 2021

Independent Auditor's Report

To the Board of Directors of
Room to Grow National, Inc.

Opinion

We have audited the accompanying financial statements of Room to Grow National, Inc. (a nonprofit organization), (the Organization), which comprise the statement of financial position as of December 31, 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, and the changes in 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 the Organization 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.

Other Matter

The financial statements of the Organization for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements July 1, 2021. The prior year summarized comparative information is not intended to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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.

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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 the Organization's ability to continue as a going concern for 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 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 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.

CohnReznick LLP

Braintree, Massachusetts
April 12, 2023

ROOM TO GROW NATIONAL, INC.

Statement of Financial Position

As of December 31, 2021
With Comparative Totals as of December 31, 2020

	2021	2020
Current Assets		
Cash and cash equivalents	$ 1,065,295	$ 1,613,338
Cash equivalents included with investments	1,662,139	1,405,735
Total cash and cash equivalents	2,727,434	3,019,073
Pledges receivable, current portion	1,220,934	804,032
Goods donated for program participants	203,011	259,584
Prepaid expenses	72,949	82,213
Investments	5,555,163	5,588,510
Total current assets	9,779,491	9,753,412
Fixed Assets		
Leasehold improvements	1,450,479	1,450,479
Furniture and fixtures	232,824	232,824
Office equipment	36,645	36,645
Total fixed assets	1,719,948	1,719,948
Less: accumulated depreciation	(1,317,316)	(983,286)
Total net fixed assets	402,632	736,662
Other Assets		
Pledges receivable, long term portion, net	-	525,000
Security deposits	206,511	206,511
Total other assets	206,511	731,511
Total Assets	$ 10,388,634	$ 11,221,585
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 459,176	$ 319,080
Deferred rent	40,611	21,577
Employee retention credit liability	187,935	-
Note payable - paycheck protection program (PPP)	-	370,144
Total Current Liabilities	687,722	710,801
Net Assets		
Net assets without donor restrictions	7,665,391	7,634,399
Net assets with donor restrictions	2,035,521	2,876,385
Total net assets	9,700,912	10,510,784
Total Liabilities and Net Assets	$ 10,388,634	$ 11,221,585

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

ROOM TO GROW NATIONAL, INC.

Statement of Activities

For the Year Ended December 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Revenue and Support				
Contributions	$ 2,049,819	$ 680,000	$ 2,729,819	$ 2,991,738
Contributions - donated goods	446,150	-	446,150	280,584
Special event income, net of expenses with a direct benefit to donors	629,520	-	629,520	686,802
Other income	13,534	-	13,534	7,919
Investment revenue, net	223,248	-	223,248	399,522
Net assets released from restrictions	1,520,864	(1,520,864)	-	-
Total revenue and support	4,883,135	(840,864)	4,042,271	4,366,565
Expenses				
Program services	4,311,942	-	4,311,942	3,520,427
Supporting services:				
Administration	1,012,912	-	1,012,912	1,001,826
Fundraising	638,772	-	638,772	630,761
Total supporting services	1,651,684	-	1,651,684	1,632,587
Total expenses	5,963,626	-	5,963,626	5,153,014
Change in net assets from operations	(1,080,491)	(840,864)	(1,921,355)	(786,449)
Change in Net Assets from Non-Operating Activities				
Debt forgiveness - PPP	871,149	-	871,149	-
Employee retention credit	240,334	-	240,334	-
Change in net assets from non-operating activities	1,111,483	-	1,111,483	-
Total Change in Net Assets	30,992	(840,864)	(809,872)	(786,449)
Net Assets at Beginning of Year	7,634,399	2,876,385	10,510,784	11,297,233
Net Assets at End of Year	$ 7,665,391	$ 2,035,521	$ 9,700,912	$ 10,510,784

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

ROOM TO GROW NATIONAL, INC.

Statement of Functional Expenses

For the Year Ended December 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	Supporting Services					
	Administration	Fundraising	Total Supporting Services	Program Services	2021 Total	2020 Total
Functional Expenses						
Salaries	$ 371,623	$ 330,897	$ 702,520	$ 1,995,563	$ 2,698,083	$ 2,472,428
Payroll taxes and benefits	48,569	43,246	91,815	260,807	352,622	336,458
Distribution of donated goods	-	-	-	502,724	502,724	293,632
Program materials	-	-	-	291,635	291,635	372,758
Occupancy	79,471	58,847	138,318	541,088	679,406	595,917
Storage	-	-	-	132,188	132,188	68,646
Professional fees	374,220	-	374,220	7,688	381,908	195,472
Office supplies	23,748	21,145	44,893	127,522	172,415	182,682
Insurance	3,791	2,807	6,598	25,815	32,413	28,890
Telephone	3,888	2,879	6,767	26,474	33,241	28,907
Event supplies & other expenses	-	215,843	215,843	-	215,843	86,007
Postage and delivery	296	264	560	1,590	2,150	2,151
Marketing & printing	10,510	9,358	19,868	56,434	76,302	31,071
Travel and meals	4,103	3,654	7,757	22,035	29,792	34,060
Bank fees	43,499	-	43,499	-	43,499	40,909
Dues and subscriptions	10,122	9,013	19,135	54,353	73,488	56,600
Depreciation	39,072	28,932	68,004	266,026	334,030	329,294
Total Functional Expenses	1,012,912	726,885	1,739,797	4,311,942	6,051,739	5,155,882
Less: costs with a direct benefit to donors	-	(88,113)	-	-	(88,113)	(2,868)
Total Functional Expenses, Net	$ 1,012,912	$ 638,772	$ 1,739,797	$ 4,311,942	$ 5,963,626	$ 5,153,014

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

ROOM TO GROW NATIONAL, INC.

Statement of Cash Flows

For the Year Ended December 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

Cash Flows from Operating Activities	2021	2020
Change in net assets	$ (809,872)	$ (786,449)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	334,030	329,294
Net unrealized and realized (loss) gain on long term investments	(145,146)	(258,920)
Dividends	(76,549)	(119,516)
Debt forgiveness - PPP	(871,149)	-
Decrease in assets		
Pledges receivable, net	108,098	761,948
Goods donated for program participants	56,573	13,048
Prepaid expenses	9,264	1,623
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	140,096	(260,964)
Employee retention credit liability	187,935	-
Deferred rent	19,034	14,760
Net Cash Used in Operating Activities	(1,047,686)	(305,176)
Cash Flows from Investing Activities		
Purchase of investments	(2,460,958)	(2,957,300)
Proceeds from sale of investments	2,716,000	2,964,000
Purchase of fixed assets	-	(42,627)
Net Cash Provided by (Used in) Investing Activities	255,042	(35,927)
Cash Flows from Financing Activities		
Proceeds from note payable - PPP	501,005	370,144
Net Cash Provided by Financing Activities	501,005	370,144
Net (Decrease) Increase in Cash and Cash Equivalents	(291,639)	29,041
Cash and Cash Equivalents - Beginning	3,019,073	2,990,032
Cash and Cash Equivalents - Ending	$ 2,727,434	$ 3,019,073

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

(1) Summary of Significant Accounting Policies

The 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). The significant accounting policies followed by Room to Grow National, Inc. (the Organization) are described below to enhance the usefulness of the financial statements to the reader.

(a) Nature of Activities

The Organization provides parents raising babies in poverty with one-on-one parenting support and essential baby items throughout their children's critical first three years of life. Parents expecting a baby are referred to the Organization by selected prenatal programs assisting low-income families. Upon their referral, parents visit the Organization's warm and inviting space once every three months from just before the birth of the baby until their child turns three. During their one-on-one appointments with staff clinicians, typically lasting two hours, parents receive developmental information, customized support, and all of the needed baby items to ensure a healthy and secure start for their child.

The majority of the Organization's services are provided to Boston and New York City residents.

(b) Basis of Presentation

The statement of activities reports all changes in net assets, including changes in net assets without donor restrictions from operating and non-operating activities. Operating revenues consist of those monies received and other contributions attributable to the Organization's ongoing efforts. Non-operating revenue consists of debt forgiveness and employee retention credits.

(c) Standards of Accounting and Reporting

The Organization's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The statement of financial position presents two classes of net assets (net assets without donor restrictions and net assets with donor restrictions) and the statement of activities displays the change in each class of net assets. The classes of net assets applicable to the Organization are presented as follows:

(1) Summary of Significant Accounting Policies - continued

(c) Standards of Accounting and Reporting - continued

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions consist of assets and contributions available for the support of operations. These net assets may be designated for specific purposes by management or the Board of Directors. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law.

Net Assets With Donor Restrictions - Net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. 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. Contributions, gains and investment income that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the reporting period in which the contributions are recognized.

(d) Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Cash balances maintained by the Organization are held at a bank and amounts are insured by the Federal Deposit Insurance Corporation. At times these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2021.

(e) Investments

The Organization carries investments at fair value. Interest and dividends are recorded when earned. Gains and losses are recognized as incurred or based on fair value changes during the period. Investments are exposed to risks such as interest rate, credit and overall market volatility.

(1) Summary of Significant Accounting Policies - continued

(f) Revenue Recognition

The Organization earns revenue as follows:

Contributions - In accordance with ASC Sub Topic 958-605, *Revenue Recognition*, the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Contributions without donor restrictions are recognized as revenue when received or unconditionally pledged. Contributions with donor restrictions are recorded as revenues and net assets with donor restrictions when received or unconditionally pledged. Transfers are made to net assets without donor restrictions as services are performed and costs are incurred pro-rata over the period covered by the grant or contribution as time restrictions lapse. Contributions with donor restrictions received and satisfied in the same period are included in contributions without donor restrictions.

The Organization considers the Employee Retention Credit (ERC) (see Note 11) to be a contribution and recognizes revenue accordingly.

Goods Donated for Program Participants - Goods donated for program participants are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restriction unless the donor has restricted the donated asset to a specific purpose.

Special Events - Special event revenue is primarily derived from contributions collected and fees charged for admission at various sponsored events. Special events revenue is recognized when earned and is shown net of related direct expenses in the accompanying statement of activities.

Substantially all of the Organization's revenue is derived from its activities in Massachusetts and New York. During the year ended December 31, 2021, the Organization derived substantially all of its total operating revenue from foundations and individual donors. All revenue is recorded at the estimated net realizable amounts.

(1) Summary of Significant Accounting Policies - continued

(g) Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

Unconditional promises to give are periodically reviewed to estimate an allowance for doubtful accounts. Management estimates the allowance by review of historical experience and a specific review of collections trends that differ from scheduled collections on individual promises. As of December 31, 2021, management has determined any allowance would be immaterial.

(h) Goods Donated for Program Participants

The Organization receives donated goods that are used to provide program participants with vital supplies needed. Donated goods are grouped into homogenous categories and estimates are computed based on average prices on recognized exchanges for similar goods. Inventory is valued at the lower of net realizable value or fair value.

(i) Property and Equipment

Property and equipment are recorded at cost or if donated, fair value on the date of receipt. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Improvements, including planned major maintenance activities are capitalized, while expenditures for routine maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities.

The Organization computes depreciation using the straight-line method over the following estimated lives:

Leasehold improvements	life of lease
Furniture and fixtures	5-7 years
Office equipment	5 years

(1) Summary of Significant Accounting Policies - continued

(i) Property and Equipment - continued

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator or possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value.

(j) Deferred Rent

Rent expense is recognized evenly over the life of the lease using the straight-line method. In the earlier years of the lease, as rent expense exceeds amounts paid, a deferred rent liability is created. In later years of the lease, as payments exceed the amount of expense recognized, deferred rent will be reduced until it is zero at the end of the lease.

(k) Fair Value Measurements

U.S. GAAP defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels used to measure fair value are as follows:

Level 1: Quoted prices for identical instruments in active markets.

Level 2: Observable inputs other than quoted prices included in Level 1. Assets and liabilities included in this level are valued using quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant inputs to the valuation model are unobservable.

The following sections describe the valuation methodologies used to measure financial assets at fair value on a recurring basis.

Investments in Debt and Equity Securities: Quoted market prices, a Level 1 input, are used to determine the fair value of investment securities, (see Note 3).

(1) Summary of Significant Accounting Policies - continued

(k) Fair Value Measurements - continued

Pledges Receivable: Promises to give are discounted using risk-adjusted interest rates, a Level 2 input, applicable to the years in which the promises to give are received, (see Note 2).

The following table summarizes assets measured at fair value on a recurring basis as of December 31, 2021.

	Level 1	Level 2	Level 3	Total
Investments (see Note 3)	$ 4,325,951	$ 1,229,212	$ -	$ 5,555,163
	$ 4,325,951	$ 1,229,212	$ -	$ 5,555,163

The Organization's policy is to recognize transfers in and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels during the year ended December 31, 2021.

In addition to assets and liabilities that are recorded at fair value on a recurring basis, the Organization records assets and liabilities at fair value on a nonrecurring basis as required by U.S. GAAP. The Organization currently has no liabilities that are adjusted to fair value on a nonrecurring basis.

(l) Fundraising Expense

Fundraising expense relates to the activities of raising general and specific contributions to the Organization and promoting special events. Fundraising expenses as a percentage of total contribution and special event revenue was 19% for the year ended December 31, 2021. The ratio of expenses to amounts raised is computed using actual expenses and related revenue on an accrual basis.

(1) Summary of Significant Accounting Policies - continued

(m) Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to programs and supporting services based on actual time spent or square footage, as applicable. Administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

(n) Use of Estimates

In preparing the Organization's financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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.

(o) Income Taxes

The Organization qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is generally not subject to income tax. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization is not a private foundation under Section 509(a)(1) of the IRC.

(p) Summarized Financial Information for 2020

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Also, the financial statements do not include a full presentation of the statement of functional expenses, as certain prior year summarized comparative information is presented in total but not by functional classification. In addition, the financial statements do not include full financial statement disclosures for the prior year. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

(1) Summary of Significant Accounting Policies - continued

(q) Recent Accounting Standards

In June 2020, FASB issued ASU 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842). ASU 2020-05 deferred the implementation date of ASU 2016-02 and ASU 2014-09 by one year. ASU 2016-02 is described below.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)* which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today.

The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The ASU was set to be effective on January 1, 2021, with early adoption permitted. The effective date was extended to fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact the adoption of this new standard will have on its financial statements.

In July 2018, FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases* and *ASU 2018-11, Leases (Topic 842), Targeted Improvements*. In December 2018, FASB issued ASU 2018-20, *Leases (Topic 842), Narrow-Scope Improvements for Lessors*. Adoption of these ASUs will run concurrent with the Organization’s adoption of ASU 2016-02.

(r) Paycheck Protection Program Loans

As described at Note 4, the Organization received a Paycheck Protection Program (PPP) loan during the fiscal year ended December 31, 2020 and a second round PPP loan during the fiscal year ended December 31, 2021. The Organization has elected to follow the guidance regarding Debt found in FASB ASC 470 - *Not-for Profit Entities - Debt* to account for its PPP Loan. During the year ended December 31, 2021, both loans were forgiven.

(2) Pledges Receivable

The Organization has received unconditional pledges that are expected to be received in less than one year and are recorded at net realizable value. Those unconditional pledges that are due in greater than one year are recorded at fair value, which is calculated using risk adjusted present value techniques, if material long term pledges are treated as time restricted until the period they are due, at which time they will be released from restriction. Based on historical experience and a specific review of outstanding receivables, management has deemed that no allowance for doubtful accounts is necessary. All pledges outstanding as of December 31, 2021 are due within one year.

(3) Investments

Investments, other than trading certificates of deposit, are valued at fair value using level 1 inputs, unadjusted quoted prices in active markets, and are comprised of the following as of December 31, 2021:

Equities	$ 1,357,421
Corporate Fixed Income	2,968,530
Trading Certificates of Deposit	1,229,212
Investments Measured at Fair Value	5,555,163
Cash and cash equivalents	1,662,139
Total Investments and cash and cash equivalents	$ 7,217,302

Investment income consisted of the following for the year ended December 31, 2021:

Interest and dividends	$ 78,102
Unrealized and realized gains, net	145,146
Total gain on Investments	$ 223,248

The marketable equity securities and corporate fixed income debt securities primarily consist of index funds, holding common stock of companies traded on the New York Stock Exchange. Cash balances can be liquidated in the same fiscal year and therefore are included in cash and cash equivalents on the statement of financial position.

(4) Notes Payable

The Organization received a PPP loan from Bank of America during the year ended December 31, 2020 in the original amount of $370,144 with a maturity date of May 1, 2022. The loan bore interest at a rate of 1%, which was deferred for the first six months. Management applied for and received forgiveness for the entire balance, including accrued interest during the year ended December 31, 2021.

The Organization received a second round PPP loan from Bank of America during the year ended December 31, 2021 in the original amount of $501,005. The loan bore interest at a rate of 1%, which was deferred for the first six months. Management applied for and received forgiveness for the entire balance, including accrued interest during the year ended December 31, 2021.

(5) Operating Lease Commitments

The Organization occupies office space in Boston and New York under non-cancelable, operating lease agreements with expiration dates from June 30, 2023 to May 15, 2030. The Organization is also liable for certain real estate tax increases and operating cost adjustments under the office lease terms.

The minimum annual operating non-cancelable lease commitments on property for the Organization are as follows:

Year ended December 31:	
2022	$ 615,554
2023	500,722
2024	365,064
2025	356,415
2026	366,932

Rent expense for the year ended December 31, 2021 was $579,653.

(6) Employee Benefits

The Organization has a defined contribution pension plan that qualifies as a tax-sheltered account under Section 403(b)(7) of the IRC for the benefit of eligible employees. After a waiting period of three months, all full-time employees may elect to defer a portion of their salary and contribute to this plan up to statutory amounts. The employer is not required to match and therefore has not incurred any expense.

(7) Special Events

The Organization had special events in Boston and New York. The special events for the year ended December 31, 2021 are summarized as follows:

Gross revenue	$ 717,633
Less: expenses with a direct benefit to donors	(88,113)
	629,520
Less: other event expenses	(127,730)
Net income from special events	501,790

(8) Net Assets With Donor Restrictions

Net assets with donor restrictions consist of resources available to meet future obligations, but only in compliance with the restrictions specified by donors. As of December 31, 2021, net assets with donor restrictions are restricted for the following purposes or periods:

Subject to expenditure for a specified purpose:	
Specified for projects	$ 355,517
Subject to the passage of time:	
For periods after December 31, 2021	$ 1,680,004
Total net assets with donor restrictions	$ 2,035,521

Net assets released from restrictions during the year ended December 31, 2021 were $1,520,864, of which $415,864 was from program restrictions and $1,105,000 was from time restrictions.

(9) Liquidity and Availability of Resources

The following reflects the Organization's financial assets as of December 31, 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year from the statement of financial position date.

Financial assets at year-end:	
Cash and cash equivalents	$ 2,727,434
Pledges receivable, net	1,220,934
Investments	5,555,163
Total	$ 9,503,531

(9) Liquidity and Availability of Resources - continued

Less amounts unavailable for general expenditures within one year, due to:		
Restricted by donors for specific purposes	$	355,517
Restricted by donors for passage of time		1,680,004
Total	$	2,035,521
Financial assets available to meet cash needs for general expenditures within one year	$	7,468,010

The Organization is partially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments.

(10) COVID-19 - Risks and Uncertainties

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity. The Organization's liquidity as of December 31, 2021 is documented at Note 9. The Organization is not able to estimate the length or severity of this outbreak and the related financial impact. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effects on the Organization's operations continue for an extended period of time the Organization may have to seek alternative measures to finance its operations. The Organization does not believe that the impact of COVID-19 would have a material adverse effect on its financial condition or liquidity.

(11) Employee Retention Credit

The Employee Retention Credit (ERC) under the CARES Act is a refundable tax credit against certain employment taxes equal to a percentage of qualified wages an eligible employer pays to its employees for certain portions of calendar years 2020 and 2021. During the year ended December 31, 2021, the Company recognized $240,334 of 2021 ERCs. The Organization has recognized those ERCs in the statement of activities. During the year ended December 31, 2021, the Organization received $187,935 of ERCs for the fourth quarter of 2020 that it did not qualify for. The amount is due back to the Internal Revenue Service and is included in employee retention credit liability on the statement of financial position as of December 31, 2021.

(12) Subsequent Events

The Organization has performed an evaluation of subsequent events through April 12, 2023, which is the date the Organization's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2021 that required recognition or disclosure in these financial statements.

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