



# **HALCYON HOUSE AND SUBSIDIARIES**

## **Consolidated Financial Statements**

*For the Year Ended December 31, 2021*

*(With Summarized Financial Information for the Year Ended December 31, 2020)*



**and  
Report Thereon**



**HALCYON HOUSE AND SUBSIDIARIES**

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**For the Year Ended December 31, 2021**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
**Halcyon House and Subsidiaries**

***Opinion***

We have audited the consolidated financial statements of Halcyon House and Subsidiaries (collectively referred to as the Organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, 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 Auditors' 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.

***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 within one year after the date that the consolidated financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

### **Other Matter**

#### ***Report on the Summarized Comparative Financial Statements***

We have previously audited the Organization's 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 21, 2021. 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.

*Marcum LLP*

Washington, DC  
September 29, 2022

**HALCYON HOUSE AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**December 31, 2021**  
**(With Summarized Financial Information as of December 31, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash	\$ 979,296	\$ 738,592
Accounts receivable	-	51,443
Grants and contributions receivable	450,759	289,996
Note receivable	9,202	-
Other assets	6,178	25,704
Property and equipment, net	12,214	6,943
TOTAL ASSETS	\$ 1,457,649	\$ 1,112,678
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 122,333	\$ 81,948
Notes payable	520,912	247,145
TOTAL LIABILITIES	643,245	329,093
<b>Net Assets</b>		
Without donor restrictions	124,665	186,527
With donor restrictions	689,739	597,058
TOTAL NET ASSETS	814,404	783,585
TOTAL LIABILITIES AND NET ASSETS	\$ 1,457,649	\$ 1,112,678

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

**HALCYON HOUSE AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2021**

**(With Summarized Financial Information for the Year Ended December 31, 2020)**

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
<b>REVENUE AND SUPPORT</b>				
Grants and contributions	\$ 354,902	\$ 2,619,280	\$ 2,974,182	\$ 2,763,803
Donated services and office space	2,659,762	-	2,659,762	3,411,051
Program income				
Contract	-	-	-	90,000
Facilities fees	63,865	-	63,865	52,826
Other	112,071	-	112,071	220,523
Net assets released from restrictions	2,526,599	(2,526,599)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>5,717,199</b>	<b>92,681</b>	<b>5,809,880</b>	<b>6,538,203</b>
<b>EXPENSES</b>				
Program Services:				
Social enterprise	3,189,864	-	3,189,864	3,267,099
Halcyon Awards	372,862	-	372,862	262,346
Halcyon Arts Lab	145,451	-	145,451	601,094
Other programs	125,370	-	125,370	80,317
Festival	35,290	-	35,290	223,944
Halcyon Dialogue	-	-	-	12,640
<b>Total Program Services</b>	<b>3,868,837</b>	<b>-</b>	<b>3,868,837</b>	<b>4,447,440</b>
Supporting Services:				
General and administrative	1,695,314	-	1,695,314	1,637,947
Development	214,910	-	214,910	34,147
<b>Total Supporting Services</b>	<b>1,910,224</b>	<b>-</b>	<b>1,910,224</b>	<b>1,672,094</b>
<b>TOTAL EXPENSES</b>	<b>5,779,061</b>	<b>-</b>	<b>5,779,061</b>	<b>6,119,534</b>
<b>CHANGE IN NET ASSETS</b>	<b>(61,862)</b>	<b>92,681</b>	<b>30,819</b>	<b>418,669</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>186,527</b>	<b>597,058</b>	<b>783,585</b>	<b>364,916</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 124,665</b>	<b>\$ 689,739</b>	<b>\$ 814,404</b>	<b>\$ 783,585</b>

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

**HALCYON HOUSE AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2021**  
**(With Summarized Financial Information for the Year Ended December 31, 2020)**

	Program Services					Supporting Services			2021 Total	2020 Total	
	Social Enterprise	Halcyon Awards	Halcyon Arts Lab	Other Programs	Festival	Total Program Services	General and Administrative	Development			Total Supporting Services
In-kind	\$ 1,373,075	\$ 8,089	\$ -	\$ -	\$ -	\$ 1,381,164	\$ 1,278,598	\$ -	\$ 1,278,598	\$ 2,659,762	\$ 3,411,052
Salaries and benefits	1,038,172	159,789	79,678	105,829	4,160	1,387,628	182,477	164,402	346,879	1,734,507	1,546,384
Office supplies	145,815	30,000	36,620	9,925	28,469	250,829	124,737	17,316	142,053	392,882	240,397
Stipends	365,211	524	14,355	180	51	380,321	2,225	309	2,534	382,855	388,370
Professional fees	97,839	69,058	4,242	3,656	1,029	175,824	45,146	6,267	51,413	227,237	140,835
Event fees	69,024	87,544	1,843	573	161	159,145	7,074	18,815	25,889	185,034	126,970
Communications	59,777	10,020	6,041	2,906	677	79,421	29,705	4,124	33,829	113,250	171,657
IT and website services	26,734	4,897	1,780	1,532	527	35,470	15,860	2,249	18,109	53,579	43,852
Insurance	10,197	2,047	816	704	198	13,962	8,689	1,206	9,895	23,857	21,218
Travel	3,173	224	8	7	2	3,414	81	122	203	3,617	4,766
Printing	847	170	68	58	16	1,159	722	100	822	1,981	3,123
Artists	-	500	-	-	-	500	-	-	-	500	20,910
<b>TOTAL EXPENSES</b>	<b>\$ 3,189,864</b>	<b>\$ 372,862</b>	<b>\$ 145,451</b>	<b>\$ 125,370</b>	<b>\$ 35,290</b>	<b>\$ 3,868,837</b>	<b>\$ 1,695,314</b>	<b>\$ 214,910</b>	<b>\$ 1,910,224</b>	<b>\$ 5,779,061</b>	<b>\$ 6,119,534</b>

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

**HALCYON HOUSE AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2021**  
**(With Summarized Financial Information for the Year Ended December 31, 2020)**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 30,819	\$ 418,669
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	3,096	4,466
Changes in assets and liabilities:		
Accounts receivable	51,443	130,595
Pledges receivable	(160,763)	(26,496)
Notes receivable	(9,202)	-
Prepaid expenses	19,526	3,142
Accounts payable and accrued expenses	40,385	(224,069)
	<b>(24,696)</b>	<b>306,307</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(8,367)	-
	<b>(8,367)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds on notes payable	273,767	247,145
	<b>273,767</b>	<b>247,145</b>
<b>NET INCREASE IN CASH</b>	<b>240,704</b>	<b>553,452</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>738,592</b>	<b>185,140</b>
<b>CASH, END OF YEAR</b>	<b>\$ 979,296</b>	<b>\$ 738,592</b>

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



## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

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#### 1. Organization and Summary of Significant Accounting Policies

##### **Organization**

Halcyon House (Halcyon) evolved from S&R Foundation (the Foundation), a nonprofit organization that supports talented individuals with great potential and high aspirations in science, art, and social entrepreneurship. Halcyon began operating independently as a public 501(c)(3) organization in 2017, with a mission to accelerate the future of impact-driven business by supporting early-stage impact startup founders.

Co-founders Dr. Sachiko Kuno and Kate Goodall shared a vision for innovative businesses to be a tool for solving 21st century challenges. They launched Halcyon as a haven for the founders of those businesses, offering them space, community, and access. Halcyon's incubator provides fellowships that support the many needs of early-stage founders, including funding, skill building, consulting, leadership coaching, and mentorship – all without taking any equity in participating businesses.

Halcyon's headquarters is located in Halcyon House, a historic estate in the heart of Washington, D.C.'s Georgetown neighborhood. The house acts as a hub for social enterprise and impact business in the D.C. area, and acts as a home for fellows participating in residential fellowship programs.

Halcyon also supports impact founders through funding vehicles that invest in their businesses. In November 2018, Halcyon Fund GP, LLC (GP) and Halcyon Investment Management, LLC (IM) were created with Halcyon as the sole member of each. In January 2019, Halcyon Fund LP (LP) was formed with GP as the general partner and the IM was set up to manage its investments. The LP is a fund created to support Halcyon Incubator ventures. In January 2020, Halcyon Angels (Angels) was created with Halcyon as the sole member to foster new interest in impact investing and invest in impact-driven businesses. A third funding vehicle, the Halcyon Microloan Fund, provides microloans to Halcyon ventures in the Washington, D.C. area.

##### **Principles of Consolidation**

The consolidated financial statements include the accounts of Halcyon, GP, IM and Angels (collectively referred to as the Organization). Intercompany balances and transactions have been eliminated in the consolidation.

##### **Basis of Presentation**

The consolidated financial statements are presented using the accrual method of accounting. Revenue is recognized when earned and support is recognized when contributions are made. Expenses are reported when obligations are incurred.

##### **Accounts Receivable**

Accounts Receivable are stated at net realizable value. Management believes that all outstanding accounts receivable are fully collectible and due within one year. Accordingly, no allowance for doubtful accounts has been recognized.

## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

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#### 1. Organization and Summary of Significant Accounting Policies (continued)

##### **Grants and Contributions Receivable**

Pledges that have not been collected as of year-end are recorded as grants and contributions receivable in the accompanying consolidated statement of financial position. All grants and contributions receivable are due within one year and assumed to be collectible; therefore, no allowance for doubtful accounts is necessary as of December 31, 2021.

##### **Property and Equipment and Related Depreciation and Amortization**

Property and equipment are recorded at cost. All additions in excess of \$1,500 with a useful life of more than one year are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred. Computer and office equipment is depreciated on a straight-line basis over the estimated useful life of the assets, which ranges from three to seven years. Leasehold improvements are amortized over the shorter of the lease term or useful life. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation, and any gain or loss is reflected in the accompanying consolidated statement of activities.

##### **Classification of Net Assets**

The Organization's net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for support of the Organization's operations.
- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various purposes or time periods.

##### **Revenue Recognition**

###### *Grants and Contributions*

The Organization recognizes all unconditional contributed support in the period in which the commitment to give is made. Grants and contributions are considered revenue and support without donor restrictions and available for general operations unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as having donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose of a restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions. Revenue recognized on grants and contributions that has been committed to the Organization, but has not been received, is reflected as pledges receivable in the accompanying consolidated statement of financial position. Donated office space is conditional due to the lessor having the right to terminate the lease by giving a 30-day notice. The revenue is recognized monthly as the termination clause expires.

## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

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#### 1. Organization and Summary of Significant Accounting Policies (continued)

##### **Revenue Recognition (continued)**

###### *Grants and Contributions (continued)*

The Organization has cost-reimbursable grants and contracts with U.S. government and state agencies which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as support when the Organization has incurred expenditures in compliance with specific grant or contract provisions. Direct and indirect expenses incurred, but not yet reimbursed or billed, under these grants and contracts are reported as grants and contributions receivable in the accompanying consolidated statement of financial position.

###### *Program Income*

Program income consists of facilities fees, which are fees charged by the Organization to prior fellows for the use of space. The revenue is earned on a straight line basis over the period the space is available to the individual to use.

##### **Gifts In-Kind**

Gifts in-kind are recorded as donated services and office space in the accompanying consolidated financial statements. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

##### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statement of functional expenses. Expenses directly attributed to a specific functional area of the Organization are reported as expenses of those functional areas, while shared costs that benefit multiple functional areas have been allocated among the various functional areas based on direct labor costs. These include salaries, employee benefits, rent, utilities, maintenance and repairs, insurance, printing, postage, supplies, telephone, software and depreciation.

##### **Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

#### 2. Grants and Contributions Receivable

Grants and contributions consisted of the following as of December 31, 2021.

Nonfederal	\$ 128,604
Federal	<u>322,155</u>
Total Grants and Contributions Receivable	<u>\$ 450,759</u>

As of December 31, 2021, revenue from cost-reimbursable grants of \$984,937 had not been recognized in the accompanying consolidated statement of activities because the conditions (qualifying expenditures) on which they depend have not yet been met.

#### 3. Net Assets With Donor Restrictions

As of December 31, 2021, net assets with donor restrictions were as follows:

Halcyon Awards Gala	\$ 599,739
Fund	<u>90,000</u>
Total Net Assets With Donor Restrictions	<u>\$ 689,739</u>

Net assets were released from donor restrictions by satisfying the time restriction or restricted purpose. Releases during the year ended December 31, 2021, were as follows:

Social Enterprise	\$ 2,097,272
Halcyon Awards Gala	364,027
Fund	40,300
Halcyon Arts	<u>25,000</u>
Total Net Assets Released From Donor Restrictions	<u>\$ 2,526,599</u>

#### 4. Donated Services and Office Space

For the year ended December 31, 2021, \$2,581,986 has been reflected in the consolidated financial statements for donated services and office space. The services provided were related to legal advice and communications, multi-media support, financial literacy education, goods for events held, and use of facilities. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in making its grants and awards that do not meet the criteria for support recognition.

In 2017, the Organization entered into two lease agreements with the Foundation to provide office space in Washington, D.C., for a 20-year period from October 2017 through September 2037. Through September 30, 2032, the monthly rent is abated and provided as a contribution to Halcyon. In August 2019, Halcyon and its Lessor signed an amendment for the donated office and residential space leases to include a 30-day cancellation period for the Lessor effective January 1, 2019. This language causes the revenue recognition of the donation to be conditional.

## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

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#### 4. Donated Services and Office Space (continued)

Donated services and office space recorded as revenues of the Organization, consisted of:

Professional services	\$ 1,307,897
Office space	1,266,000
Goods	<u>8,089</u>
Total Donated Services and Office Space Revenue	<u>\$ 2,581,986</u>

#### 5. Notes Payable

On April 28, 2020, the Organization entered into a Small Business Administration (SBA) loan with its financial institution under the Paycheck Protection Program (PPP) for the amount of \$247,145. The loan will mature on April 28, 2022, with a fixed interest rate of 1% per annum. Consecutive monthly payments of principal and interest will commence 10 months after the end of the forgiveness covered period, through the maturity date. The loan amount may be eligible for forgiveness pursuant to the provisions of the PPP, which established minimum amounts of the loan to be used to cover payroll costs and the remainder can be used for mortgage interest, rent and utility costs over a specified period of time after the loan is made; and the number of employees and compensation levels are maintained. On January 12, 2022, the SBA has approved the loan for full forgiveness. As a result, the Organization will record the forgiveness of debt during the year ended December 31, 2022.

On March 19, 2021, the Organization entered into a second Small Business Administration loan with its financial institution under the PPP for the amount of \$273,767. The loan will mature on March 18, 2026, with a fixed interest rate of 1% per annum. Consecutive monthly payments of principal and interest will commence 10 months after the end of the forgiveness covered period, through the maturity date. The loan amount may be eligible for forgiveness pursuant to the provisions of the PPP, which established minimum amounts of the loan to be used to cover payroll costs and the remainder can be used for mortgage interest, rent and utility costs over a specified period of time after the loan is made; and the number of employees and compensation levels are maintained. On March 16, 2022, the SBA has approved the loan for full forgiveness. As a result, the Organization will record the forgiveness of debt during the year ended December 31, 2022.

#### 6. Related-Party Transactions

The Organization received the use of office space free of charge from the Foundation. The Organization recorded the fair value of the donated office space in donated services and office space.

#### 7. Risk and Uncertainty

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses across the country for non-essential services. While the disruption is currently expected to be temporary, there is considerable uncertainty

## HALCYON HOUSE AND SUBSIDIARIES

### NOTES ON CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2021

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#### 7. Risk and Uncertainty (continued)

about the duration of closings. The Organization has been able to continue operations virtually; however, at this point, the extent to which COVID-19 will impact the Organization's financial condition or results of operations is uncertain. Management and the Board are continuously engaged in strategic and generative discussion to develop methods of providing Organization's programs under alternative operating scenarios.

#### 8. Retirement Plan

The Organization maintains a Simple Individual Retirement Account plan (the Plan) for the benefit of its employees. Pursuant to the Plan, the Organization matches dollar-for-dollar every employee elective contribution up to 3% of an employee's compensation. For the year ended December 31, 2021, the Organization's contributions to the Plan were \$27,493.

#### 9. Income Taxes

Halcyon qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the IRC) and is classified as a publicly supported organization under Section 509(a)(1) of the IRC. No provision for income taxes is required for the year ended December 31, 2021, as Halcyon had no significant net unrelated business income.

Angels qualifies as a tax-exempt organization under Section 501(c)(6) of the IRC. No provision for income taxes is required for the year ended December 31, 2021, as Angels had no significant net unrelated business income.

IM and GP are limited liability companies and are wholly-owned subsidiaries of Halcyon and are considered a disregarded entities for tax purposes.

The Organization performed an evaluation for uncertainty in income taxes for the year ended December 31, 2021, and determined that there are no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. As of December 31, 2021, the statute of limitations for tax years 2018 through 2020 remained open with the U.S. federal jurisdiction and/or the various states and local jurisdictions in which the Organization files tax returns; however, there are currently no examinations in progress. The Organization is not currently under audit by the U.S. Internal Revenue Service. It is the Organization's policy to recognize interest and penalties related to uncertainty in income taxes, if any, in income tax or interest expense. As of December 31, 2021, the Organization had no accruals for interest and/or penalties.

#### 10. Availability and Liquidity

The Organization's cash flows have variations throughout the year due to the timing of grants and contributions. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. As of

**HALCYON HOUSE AND SUBSIDIARIES**

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2021**

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10. Availability and Liquidity (continued)

December 31, 2021, the Organization had financial assets available to meet cash needs for general expenditures within one year of \$1,476,660, which includes cash of \$957,165, accounts receivable of \$68,736 and grants and pledges receivable of \$450,759.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers grants and contributions restricted for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. For the year ended December 31, 2021, restricted contributions of \$689,739 were included in financial assets available to meet cash needs for general expenditures within one year.

11. Subsequent Events

In preparing these consolidated financial statements the Organization has evaluated events and transactions, for potential recognition or disclosure, through September 29, 2022, the date the consolidated financial statements were available to be issued. Except as disclosed in Note 5 relating to forgiveness of debt relating to the PPP loan, there were no other subsequent events identified that require recognition or disclosure in the consolidated financial statements.