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TANNER

Accountants & Advisors



Saprea

Financial Statements

As of December 31, 2022 and 2021 and for the Years Then Ended

(Together with Independent Auditors' Report)



TANNER

Independent Auditors' Report

To the Board of Directors of Saprea

Opinion

We have audited the accompanying financial statements of Saprea (the Organization) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saprea as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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.

Tanner LLC

May 30, 2023

Statements of Financial Position

As of December 31,

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 520,216	\$ 1,360,927
Related party receivables	600	24,349
Other receivables, net	1,123,422	1,122,395
Prepaid expenses	131,183	164,227
Other assets	178,800	156,981
Property and equipment, net	134,015	250,616
Trademarks	199,889	124,420
Operating lease right-of-use asset, net	337,012	84,629
Total assets	<u>\$ 2,625,137</u>	<u>\$ 3,288,544</u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Accounts payable	\$ 112,822	\$ 215,238
Accrued salaries, wages and benefits	379,312	318,939
Operating lease liability	337,848	91,409
Total liabilities	<u>829,982</u>	<u>625,586</u>
Commitments and contingencies		
Net assets:		
Net assets without donor restrictions	1,795,155	2,637,958
Net assets with donor restrictions	-	25,000
Total net assets	<u>1,795,155</u>	<u>2,662,958</u>
Total liabilities and net assets	<u>\$ 2,625,137</u>	<u>\$ 3,288,544</u>

Statements of Activities

For the Years Ending December 31,

	2022	2021
Change in net assets without donor restrictions:		
Revenues, support, and interest:		
Contributions	\$ 8,565,894	\$ 8,104,646
Contributions of nonfinancial assets	2,134,483	1,572,308
Gala and special events	190,180	89,200
Other income	28,398	16,305
Interest	1,032	320
Government contributions	-	2,581,764
Sales of merchandise	-	55,808
Total revenues, support, and interest	<u>10,919,987</u>	<u>12,420,351</u>
Expenses:		
Healing services	5,166,007	4,370,554
Public dialogue	2,348,095	1,903,512
Education	1,685,516	1,819,608
Fundraising	1,338,265	867,607
Management and general	1,224,907	1,109,404
Total expenses	<u>11,762,790</u>	<u>10,070,685</u>
Change in net assets without donor restrictions	(842,803)	2,349,666
Change in net assets with donor restrictions:		
Net asset released from restrictions	<u>(25,000)</u>	<u>(25,000)</u>
Change in net assets	(867,803)	2,324,666
Net assets at beginning of year	2,662,958	338,292
Net assets at end of year	<u>\$ 1,795,155</u>	<u>\$ 2,662,958</u>

Statements of Functional Expenses

For the Year Ended December 31, 2022

	Program Services				Supporting Services		
	Healing Services	Public Dialogue	Education	Total	Management and General	Fundraising	Total
Salaries and benefits	\$ 3,141,083	\$ 1,569,880	\$ 1,375,426	\$ 6,086,389	\$ 708,041	\$ 984,751	\$ 7,779,181
Occupancy	1,053,890	104,046	79,195	1,237,131	77,090	32,812	1,347,033
Advertising and promotion	6,936	462,960	55,167	525,063	4,846	158,841	688,750
Materials and supplies	594,938	1,585	20,037	616,560	40,234	27,449	684,243
Professional services	120,003	97,840	18,209	236,052	203,524	9,752	449,328
Information technology	119,843	58,726	63,271	241,840	62,556	26,409	330,805
Travel and professional training	30,789	951	31,623	63,363	72,607	17,684	153,654
Depreciation and amortization	51,317	36,596	22,846	110,759	22,334	7,925	141,018
Other	13,781	505	3,704	17,990	14,388	65,623	98,001
Insurance	29,734	14,372	15,363	59,469	15,363	5,451	80,283
Interest expense	3,527	-	588	4,115	1,123	1,568	6,806
Equipment	166	634	87	887	2,801	-	3,688
Total Expenses	\$ 5,166,007	\$ 2,348,095	\$ 1,685,516	\$ 9,199,618	\$ 1,224,907	\$ 1,338,265	\$ 11,762,790

Statements of Functional Expenses – Continued

	Program Services				Supporting Services		
	Healing Services	Public Dialogue	Education	Total	Management and General	Fundraising	Total
Salaries and benefits	\$ 2,683,637	\$ 1,425,633	\$ 1,506,981	\$ 5,616,251	\$ 639,906	\$ 552,962	\$ 6,809,119
Occupancy	1,095,853	126,060	104,322	1,326,235	97,958	33,999	1,458,192
Advertising and promotion	960	104,210	26,221	131,391	2,383	101,809	235,583
Materials and supplies	134,207	252	2,364	136,823	11,568	3,695	152,086
Professional services	150,445	110,676	27,931	289,052	109,432	22,452	420,936
Information technology	78,876	39,672	51,803	170,351	55,520	13,537	239,408
Travel and professional training	29,514	5,837	10,066	45,417	34,134	9,791	89,342
Depreciation and amortization	109,487	54,761	53,032	217,280	53,490	14,753	285,523
Other	19,963	3,728	667	24,358	63,259	66,894	154,511
Insurance	28,560	14,452	15,828	58,840	15,140	4,473	78,453
Interest expense	5,237	-	1,654	6,891	764	2,205	9,860
Equipment	129	1,185	70	1,384	7,993	2,028	11,405
Impairment of trademarks	33,686	17,046	18,669	69,401	17,857	16,200	103,458
Cost of sales	-	-	-	-	-	22,809	22,809
Total Expenses	\$ 4,370,554	\$ 1,903,512	\$ 1,819,608	\$ 8,093,674	\$ 1,109,404	\$ 867,607	\$ 10,070,685

Statements of Cash Flows

	<i>For the Years Ended December 31,</i>	
	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (867,803)	\$ 2,324,666
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	141,018	285,523
Impairment of intangible assets	-	103,458
Non-cash lease expense	109,951	102,810
Loss on disposal of assets	19,957	49,856
Changes in operating assets and liabilities:		
Related party receivables	23,749	98
Other receivables	(1,027)	(1,047,409)
Prepaid expenses	33,044	(113,135)
Other assets	(21,819)	(144,067)
Accounts payable	(102,416)	154,728
Accrued salaries, wages, and benefits	60,373	(149,672)
Operating lease liability	(115,895)	(111,824)
Net cash and cash equivalents provided by (used in) operating activities	<u>(720,868)</u>	<u>1,455,032</u>
Cash flows from investing activities:		
Purchases of property and equipment	(44,374)	(181,483)
Proceeds on sale of property and equipment	-	1,204
Cost to secure trademarks	(75,469)	(67,086)
Net cash and cash equivalents used in investing activities	<u>(119,843)</u>	<u>(247,365)</u>
Net change in cash and cash equivalents	(840,711)	1,207,667
Cash and cash equivalents at beginning of the year	1,360,927	153,260
Cash and cash equivalents at end of the year	<u>\$ 520,216</u>	<u>\$ 1,360,927</u>
Supplemental schedule of non-cash investing and financing activities:		
Operating lease liabilities incurred to obtain operating lease assets	\$ 362,334	\$ -

Notes to Financial Statements

1. Organization and Nature of Activities

Saprea (the Organization), a nonprofit corporation, was incorporated on December 5, 2014. The Organization exists to liberate individuals and society from child sexual abuse and its lasting impacts. The Organization inspires hope in women who were sexually abused as children or adolescents by providing healing services through retreats, support groups, and online resources. The organization also educates and engages parents and caregivers to protect children from sexual abuse through community and online resources and drives awareness to motivate individuals to take action against child sexual abuse.

The Organization is governed by an independent, volunteer Board of Directors who oversees the Organization's operations. Revenues to support the Organization are primarily received from contributions of cash, materials, and services.

The Organization is primarily dependent upon contributions to be able to fund its operations, therefore, in order to provide future services, the Organization will need to continue to receive contributions.

The accompanying financial statements have been prepared in accordance with standards for not-for-profit organizations adopted by the Financial Accounting Standards Board (FASB). They are stated on the accrual basis of accounting whereby expenses are recorded when incurred, contributions are recorded when notice is received, and grant revenues are recorded when earned.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

Financial Statement Presentation

The Organization reports its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are able to be spent by the Organization at its discretion and are subject to self-imposed limits by action of the Board of Directors. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses. As of December 31, 2022 and 2021, there were no board-designated net assets.

Net Assets With Donor Restrictions – Net assets with donor restrictions include contributions of cash and other assets received with donor stipulations that limit the use of the donated assets, or have been restricted by the donor to be held and invested in perpetuity. When a donor restriction expires or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

Cash and Cash Equivalents

From time to time during the year, the Organization's cash balance may exceed federally insured limits. To date, the Organization has not experienced a loss or lack of access to its cash; however, no assurance can be provided that access to the Organization's cash will not be impacted by adverse conditions in the financial markets. The cash equivalents consisted of money market funds.

Related Party Receivables

Related party receivables consist of receivables from one related party. The related party is a for-profit entity of which certain board members and/or officers of the Organization are owners. Total related party receivables are \$600 and \$24,349, as of December 31, 2022 and 2021, respectively. Those amounts include commissions donations, payroll deductions, and round-up donations. The Organization receives a monthly statement from the related party indemnifying what those amounts are (prior to payment being made). Management has determined that an allowance for doubtful related party receivables is not necessary as of December 31, 2022 and 2021.

Property and Equipment

Property and equipment is recorded at cost for purchased assets or fair value at the date of donation for donated assets. Minor replacements, maintenance and repairs, which do not increase the useful lives of the property and equipment, are expensed as incurred. Depreciation and amortization is recorded using the straight-line basis over the estimated useful lives of the assets, ranging from three to seven years.

Trademarks

Capitalized trademarks relate to the Organization's branding of their programs and initiatives and are recognized at cost. Trademarks are not amortized until their useful lives are no longer determined to be indefinite.

Impairment of Long-Lived Assets

The Organization reviews its trademarks and other long lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through undiscounted future cash flows. If it is determined an impairment loss has occurred based on expected cash flows, such loss is recognized in the statements of activities. In 2021, the Organization's trademarks and other long lived assets were deemed to be impaired and a loss of \$103,458 was recognized in the year ending December 31, 2021.

Leases

The Organization leases an office in Alpharetta, Georgia and also has a lease agreement for two pieces of office equipment. The Organization records a right-of-use asset and operating lease liability for the net present value of the future minimum lease payments with consideration given for rent escalation or rent concession provisions. The right-of-use asset is amortized on the straight-line basis over the term of the lease and the operating lease liability is reduced over the same period as payments are made to the lessors. For leases with 12 months or less, no right-of-use asset or operating lease liability is recorded in the accompanying statements of financial position.

Contributions and Donor Restrictions

Contributions received are classified depending on the existence and/or nature of any donor restrictions. Contributions are classified as either "contributions with donor restrictions" or "contributions without donor restrictions" depending on donor imposed restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), the net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated assets are acquired or placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restriction at that time.

Contributions of Nonfinancial Assets

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and assignments; however, those services do not meet the above criteria.

The Organization receives donations from a variety of sources for services and materials in the furtherance of its objectives. The contributions of nonfinancial assets reported in the financial statements consists primarily of the value of leased office space contributed by an entity owned by certain board members and/or officers of the Organization, the value of the donated Managing Director, and the donated use of property used for retreats.

Revenue Recognition

Revenue related to sales of merchandise is recognized when the Organization has (1) identified the customer contract, (2) identified the performance obligation in the contract, (3) determined the transaction price, (4) allocated the entire transaction price to the single performance obligation and (5) recognized revenue when the performance obligation has been satisfied. In relation to the sale of merchandise, revenue is recognized at a point in time when the merchandise is sold and there is only one single performance obligation. All other revenue for the Organization is contributions.

Advertising and Promotion

The Organization expenses advertising and promotion costs as incurred. Total advertising and promotion expense was \$688,750 and \$235,583 for the years ended December 31, 2022 and 2021, respectively.

Program Services

Healing Services: Include activities associated with hosting adult female survivors of childhood sexual abuse at a retreat, where they are uplifted by each other and learn skills that can help them find individual healing. In addition, outpatient services are provided to some local clients for long-term care.

Public Dialogue: Involves operations associated with leading the public dialogue to bring the epidemic of sexual abuse to light.

Education: Includes education activities designed to empower parents and caregivers to protect children from sexual abuse.

Supporting Services

Management and General: Includes the general operation expenses of the Organization which include expenses relating to finance & accounting, data administration, IT services, project management, and office administration.

Fundraising: Includes costs of the Development and Relationships departments to raise money for operations of the Organization. Fundraising activities include cultivating donor relationships, hosting galas and other events, and providing online and social media channels for generating resources.

Allocated Administrative Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include salaries and benefits, occupancy, advertising and promotion, materials and supplies, professional services, travel and professional training, depreciation, and information technology. Occupancy is determined using square footage, and all other expenses are allocated based on estimates of time and effort utilized for each category.

Income Taxes

The Organization is organized as a state of Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as being exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as a Organization described in section 501(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private Organization under sections 509(a)(1). The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. The Organization is subject to taxation on unrelated business income, if any.

As of December 31, 2022 and 2021, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Reclassification

Certain reclassifications have been made to the 2021 financial statement presentation to conform the 2022 presentation.

Subsequent Events

Management has evaluated subsequent events through May 30, 2023 which is the date the financial statements were available to be issued.

3. 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 statements of financial position, comprise the following as of December 31 2022:

	2022	2021
Cash and cash equivalents	\$ 520,216	\$ 1,360,927
Related party receivables	600	24,349
Other receivables, net	1,123,422	65,632
Total financial assets	<u>\$ 1,644,238</u>	<u>\$ 1,450,908</u>
Financial assets available to be used for general expenditures within one year	<u>\$ 1,644,238</u>	<u>\$ 1,450,908</u>

The Organization relies on contributions from related parties. The Organization'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.

4. Property and Equipment

Property and equipment consisted of the following as of December 31:

	Depreciable Lives	2022	2021
Computer equipment	3 years	\$ 348,341	\$ 461,316
Vehicles	3 – 5 years	303,077	303,077
Software	3 years	181,198	188,304
Equipment	3 – 5 years	73,694	111,250
Furniture and fixtures	3 – 7 years	44,532	60,420
Leasehold improvements	3 years	54,953	27,040
Work-in-process		-	19,957
		1,005,795	1,171,364
Less accumulated depreciation and amortization		(871,780)	(920,748)
		\$ 134,015	\$ 250,616

Depreciation and amortization expense on property and equipment for the years ended December 31, 2022 and 2021 was \$141,018 and \$285,523, respectively. During 2022 and 2021, the Organization did not receive In-kind contributions of equipment.

5. Commitments and Contingencies

In the normal course of operations, the Organization may become party to lawsuits or other claims. Management is not aware of any such claims for which the uninsured amount would be material to the Organization's financial position.

Operating Leases

The Organization leases two pieces of equipment and the Organization's Alpharetta, Georgia location under non-cancellable operating lease agreements. As of December 31, 2022, the Organization has a right-of-use asset of \$337,012 and an operating lease liability of \$337,848 (\$114,819 of which is due within 12 months of the statement of financial position date). The Organization determined its incremental borrowing rate at lease inception of 4.81%-6.50% for the leases was the most accurate discount rate to use in calculating the right-of-use asset and operating lease liability as the rate implicit in the lease was not known. This makes the weighted average discount rate 4.90% and 6.50% with a weighted average remaining lease term of 2.76 years and 0.85 years as of December 31, 2022 and December 31, 2021, respectively.

Future minimum lease payments under the lease are shown below:

<u>Years Ending December 31,</u>	
2023	\$ 128,740
2024	132,520
2025	99,458
2026	989
2027	360
Total future minimum lease payments	362,067
Less imputed interest	(24,219)
	\$ 337,848

Rental expense under operating leases was \$105,410 and \$109,110 for the years ended December 31, 2022 and 2021, respectively. Interest expense related to amortization of the right-of-use asset was \$6,806 and \$9,860 for the years ended December 31, 2022 and 2021, respectively. Cash paid related to operating lease obligations in the years ended December 31, 2022 and 2021 was \$157,016 and \$126,458, respectively.

6. Government Contributions

PPP Loan

During the year ended December 31, 2021, the Organization obtained a loan from a financial institution under the Paycheck Protection Program (PPP), a component of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). In general, PPP loans are forgivable if the recipient's operations were impacted by COVID-19 health and safety requirements, the proceeds are used for qualifying expenses, including primarily payroll and certain levels of employee compensation are maintained without reducing headcount. The Organization elected to account for the PPP loan as a conditional contribution consistent with ASC 958-605 rather than as debt. Conditional contributions are recognized once the donor's conditions have been substantially met. Management has determined that the conditions of PPP loan forgiveness were met as of December 31, 2021, and has recorded \$1,525,000 as government contributions on the statements of activities.

Federal employee retention credit

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) signed into law on March 27, 2020 and the subsequent extension of the CARES Act, the Company was eligible for a refundable employee retention credit (ERC) subject to certain criteria. In 2021, the Company amended certain payroll tax filings and applied for a refund of \$1,056,763, \$544,550 of which related to 2020 and \$512,213 of which related to 2021.

As of December 31, 2022 and 2021, the ERC receivable was \$1,056,763, respectively, and the Organization recorded this as government contributions on the statements of activities during the year ended December 31, 2021 and other receivables on the statements of financial position as of December 31, 2022 and 2021.

7. Contributions of Nonfinancial Assets

Nonfinancial assets includes fixed assets such as land, buildings and equipment; the use of fixed assets or utilities, materials and supplies such as food, clothing or pharmaceuticals; intangible assets; recognized contributed services; and unconditional promises of those assets.

For the years ended December 31, contributed nonfinancial assets recognized within the statements of activities included:

	2022	2021
Occupancy and utilities	\$ 1,184,153	\$ 1,291,996
Program materials and supplies	539,757	14,202
Professional services	249,309	253,110
Advertising	115,031	-
Fundraising materials and supplies	46,233	13,000
Total contributions of nonfinancial assets	\$ 2,134,483	\$ 1,572,308

The Organization recognized contributed nonfinancial assets within revenue. Unless otherwise noted, contributed nonfinancial assets did not have donor imposed restrictions.

The contributed occupancy relates to office space in Utah and space for the Healing Services programs offered in Utah and Georgia. The Organization estimates the fair value of the occupancy rates based on square footage occupied and market comparables in or near those locations.

Contributed professional services include donated executive and other specialized services provided by individuals compensated by other organizations. The value of those services is recorded based on documented payroll records and/or market comparables for the services donated.

Computer equipment, software, equipment, and material and supplies is recorded based on sales prices and other market information publicly available.

8. Related Party Contributions and In-Kind Donations

The Organization receives a significant portion of its support from two related parties. Donor A is a for-profit entity of which certain board members and/or officers of the Organization are owners. Donor B is certain board members and/or officers of the Organization an entities owned by those individuals. Donor C represents other board members of the Organization not included in Donors A and B.

For the years ended December 31, 2022 and 2021, the following contribution and in-kind donations came from related party donors, or activities associated with the related party donor:

	2022				2021			
		Contributions		In-Kind Donations		Contributions		In-Kind Donations
Donor A	6%	\$ 380,244	0%	\$ -	18%	\$ 1,161,531	0%	\$ -
Donor B	94%	6,481,036	100%	1,425,387	81%	4,864,725	100%	1,545,106
Donor C	0%	-	0%	-	1%	305	0%	-
Total related party contributions and in-kind donations		\$ 6,861,280		\$ 1,425,387		\$ 6,026,561		\$ 1,545,106

9. Net Assets with Donor Restrictions

Net assets with donor restrictions comprised the unspent portion of various restricted donations, which are restricted due to time or purpose, as show below as December 31:

	2022	2021
Time-restricted contribution	\$ -	\$ 25,000

10. Employee Benefit Plan

The Organization has established a Defined Contribution 401(k) plan, which is available to all employees who are 21 years of age and over. The plan allows employees to defer up to the federal maximum limit of their income on a pre-tax and after-tax basis through contributions to the plan. The Organization matches 100% of an employee's contributions up to 3% plus 50% of contributions between 3% and 5% of total wages. During the years ended December 31, 2022 and 2021, the Organization made matching contributions of \$156,136 and \$142,784, respectively.

11. Subsequent Events

Subsequent to December 31, 2022, the Organization collected \$604,724 of the Employee Retention Credit receivable.