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TANNER

Accountants & Advisors



Saprea

Financial Statements

As of December 31, 2023 and 2022 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, 2023 and 2022, 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, 2023 and 2022, 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

June 12, 2024

Statements of Financial Position

As of December 31,

	2023	2022
<u>Assets</u>		
Cash and cash equivalents	\$ 946,777	\$ 520,216
Related party receivables	600	600
Other receivables, net	144,720	1,123,422
Prepaid expenses	128,324	131,183
Other assets	188,790	178,800
Property and equipment, net	73,932	134,015
Trademarks	214,841	199,889
Operating lease right-of-use asset, net	219,342	337,012
Total assets	<u>\$ 1,917,326</u>	<u>\$ 2,625,137</u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Accounts payable	\$ 121,664	\$ 112,822
Accrued salaries, wages and benefits	381,755	379,312
Operating lease liability	223,030	337,848
Total liabilities	<u>726,449</u>	<u>829,982</u>
Commitments and contingencies		
Net assets:		
Net assets without donor restrictions	<u>1,190,877</u>	<u>1,795,155</u>
Total net assets	<u>1,190,877</u>	<u>1,795,155</u>
Total liabilities and net assets	<u>\$ 1,917,326</u>	<u>\$ 2,625,137</u>

Statements of Activities

For the Years Ending December 31,

	2023	2022
Change in net assets without donor restrictions:		
Revenues, support, and interest:		
Contributions	\$ 7,918,263	\$ 8,565,894
Contributions of nonfinancial assets	1,819,577	2,134,483
Gala and special events	146,000	190,180
Other income (loss)	(8,452)	28,398
Interest	142,023	1,032
Sales of merchandise	4,436	-
Total revenues, support, and interest	<u>10,021,847</u>	<u>10,919,987</u>
Expenses:		
Healing services	5,106,138	5,166,007
Public dialogue	1,959,391	2,348,095
Education	1,378,536	1,685,516
Fundraising	1,038,594	1,338,265
Management and general	1,143,466	1,224,907
Total expenses	<u>10,626,125</u>	<u>11,762,790</u>
Change in net assets without donor restrictions	(604,278)	(842,803)
Change in net assets with donor restrictions:		
Net assets released from restrictions	-	(25,000)
Change in net assets	(604,278)	(867,803)
Net assets at beginning of year	1,795,155	2,662,958
Net assets at end of year	<u>\$ 1,190,877</u>	<u>\$ 1,795,155</u>

Statements of Functional Expenses

For the Year Ended December 31, 2023

	Program Services				Supporting Services		
	Healing Services	Public Dialogue	Education	Total	Management and General	Fundraising	Total
Salaries and benefits	\$ 3,408,463	\$ 1,436,145	\$ 1,182,339	\$ 6,026,947	\$ 706,679	\$ 680,539	\$ 7,414,165
Occupancy	1,222,822	111,405	48,797	1,383,024	87,991	27,303	1,498,318
Advertising and promotion	9,487	218,321	22,430	250,238	4,478	167,524	422,240
Professional services	125,334	100,574	10,386	236,294	130,136	32,322	398,752
Information technology	114,952	51,916	44,842	211,710	53,720	22,249	287,679
Materials and supplies	119,684	792	22,956	143,432	17,373	8,541	169,346
Travel and professional training	17,366	3,857	16,956	38,179	93,030	12,160	143,369
Other	13,596	1	822	14,419	13,099	74,447	101,965
Insurance	36,794	15,926	14,278	66,998	17,025	4,943	88,966
Depreciation and amortization	28,750	20,274	9,772	58,796	11,652	3,383	73,831
Interest expense	8,890	-	1,111	10,001	3,095	1,852	14,948
Equipment	-	180	3,847	4,027	5,158	-	9,185
Cost of sales	-	-	-	-	30	3,331	3,361
Total Expenses	\$ 5,106,138	\$ 1,959,391	\$ 1,378,536	\$ 8,444,065	\$ 1,143,466	\$ 1,038,594	\$ 10,626,125

See accompanying notes to financial statements.

Statements of Functional Expenses – Continued

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
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
Materials and supplies	594,938	1,585	20,037	616,560	40,234	27,449	684,243
Travel and professional training	30,789	951	31,623	63,363	72,607	17,684	153,654
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
Depreciation and amortization	51,317	36,596	22,846	110,759	22,334	7,925	141,018
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 Cash Flows

For the Years Ended December 31,

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (604,278)	\$ (867,803)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	73,831	141,018
Non-cash lease expense	117,670	109,951
(Gain) loss on disposal of assets	(1,232)	19,957
Changes in operating assets and liabilities:		
Related party receivables	-	23,749
Other receivables	978,702	(1,027)
Prepaid expenses	2,859	33,044
Other assets	(9,990)	(21,819)
Accounts payable	8,842	(102,416)
Accrued salaries, wages, and benefits	2,443	60,373
Operating lease liability	(114,818)	(115,895)
Net cash and cash equivalents provided by (used in) operating activities	<u>454,029</u>	<u>(720,868)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(13,748)	(44,374)
Proceeds on sale of property and equipment	1,232	-
Cost to secure trademarks	(14,952)	(75,469)
Net cash and cash equivalents used in investing activities	<u>(27,468)</u>	<u>(119,843)</u>
Net change in cash and cash equivalents	426,561	(840,711)
Cash and cash equivalents at beginning of the year	520,216	1,360,927
Cash and cash equivalents at end of the year	<u>\$ 946,777</u>	<u>\$ 520,216</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, 2023 and 2022, 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 statements of activities as net assets released from restrictions.

Recently Adopted Accounting Pronouncement

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments (ASU 2016-13 or ASC 326). ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. During 2019, the FASB issued additional ASUs amending certain aspects of ASU 2016-13.

On January 1, 2023, the Organization adopted ASU 2016-13 and all the related amendments using the modified retrospective method. The Organization's adoption did not result in a significant impact to the opening balance of net assets and the comparative information has not been adjusted or restated. Results for reporting periods beginning after January 1, 2023, are presented under ASC 326.

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, as of December 31, 2023 and 2022, 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). The Organization has tracked historical loss information for its accounts receivable and compiled historical credit loss percentages for different aging categories (current, 1–30 days past due, 31–60 days past due, 61–90 days past due, and more than 90 days past due).

Management believes that the historical loss information it has compiled, together with current conditions and future expectations based upon reasonable forecasts, are a reasonable base on which to determine expected credit losses for accounts receivable held as of December 31, 2023, because the composition of the accounts receivable as of that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its practices have not changed significantly over time). Management has determined that an allowance for doubtful related party receivables is not necessary as of December 31, 2023 and 2022.

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. Management does not consider any of the Organization's long-lived assets to be impaired as of December 31, 2023 and 2022.

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 \$422,240 and \$688,750 for the years ended December 31, 2023 and 2022, 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 an 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, 2023 and 2022, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated subsequent events through June 12, 2024 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 2023:

	2023	2022
Cash and cash equivalents	\$ 946,777	\$ 520,216
Related party receivables	600	600
Other receivables, net	144,720	1,123,422
Total financial assets	<u>\$ 1,092,097</u>	<u>\$ 1,644,238</u>
Financial assets available to be used for general expenditures within one year	<u>\$ 1,092,097</u>	<u>\$ 1,644,238</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	2023	2022
Computer equipment	3 years	\$ 98,487	\$ 348,341
Vehicles	3 – 5 years	308,886	303,077
Software	3 years	181,198	181,198
Equipment	3 – 5 years	71,960	73,694
Furniture and fixtures	3 – 7 years	42,062	44,532
Leasehold improvements	3 years	56,503	54,953
		759,096	1,005,795
Less accumulated depreciation and amortization		(685,164)	(871,780)
		\$ 73,932	\$ 134,015

Depreciation and amortization expense on property and equipment for the years ended December 31, 2023 and 2022 was \$73,831 and \$141,018, respectively. During 2023 and 2022, 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, 2023, the Organization has a right-of-use asset of \$219,342 and an operating lease liability of \$223,030 (\$124,374 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. The weighted average discount rate was determined to be 4.90% with a weighted average remaining lease term of 1.77 years and 2.76 years as of December 31, 2023 and December 31, 2022, respectively.

Future minimum lease payments under the lease are shown below:

<u>Years Ending December 31,</u>	
2024	\$ 132,520
2025	99,369
2026	1,079
2027	360
Total future minimum lease payments	233,328
Less imputed interest	(10,298)
	\$ 223,030

Rental expense under operating leases was \$121,534 and \$105,410 for the years ended December 31, 2023 and 2022, respectively. Interest expense related to amortization of the right-of-use asset was \$14,948 and \$6,806 for the years ended December 31, 2023 and 2022, respectively. Cash paid related to operating lease obligations in the years ended December 31, 2023 and 2022 was \$128,740 and \$157,016, respectively.

6. Government Contributions

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, 2023 and 2022, the ERC receivable was \$0 and \$1,056,763, respectively, and the Organization recorded this as other receivables on the statements of financial position as of December 31, 2022.

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:

	2023	2022
Occupancy and utilities	\$ 1,338,892	\$ 1,184,153
Program materials and supplies	35,118	539,757
Professional services	260,871	249,309
Advertising	132,987	115,031
Fundraising materials and supplies	51,709	46,233
Total contributions of nonfinancial assets	\$ 1,819,577	\$ 2,134,483

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, 2023 and 2022, the following contribution and in-kind donations came from related party donors, or activities associated with the related party donor:

Donors:	2023				2022			
		Contributions		In-Kind Donations		Contributions		In-Kind Donations
Donor A	1%	\$ 5,025	0%	\$ -	6%	\$ 380,244	0%	\$ -
Donor B	99%	6,088,463	99%	1,587,363	94%	6,481,036	100%	1,425,387
Donor C	0%	-	1%	5,400	0%	-	0%	-
Total related party contributions and in-kind donations		\$ 6,093,488		\$ 1,592,763		\$ 6,861,280		\$ 1,425,387

9. 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, 2023 and 2022, the Organization made matching contributions of \$170,084 and \$156,136, respectively.

10. Subsequent Events

In May 2024, the foundation entered into an agreement to sublease their Alpharetta, Georgia location and recognized an impairment loss on their right-of-use asset of \$91,343.