

LAND IS LIFE, INC.

Brooklyn, New York

FINANCIAL STATEMENTS

December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Land is Life, Inc.
Brooklyn, New York

Opinion

We have audited the accompanying financial statements of Land is Life, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, and the change 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 issued.



Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Yount, Hyde & Barbare, P.C.

Winchester, Virginia
January 18, 2023

LAND IS LIFE, INC.

Statements of Financial Position

December 31, 2021 and 2020

Assets	2021	2020
Current Assets		
Cash and cash equivalents	\$ 2,943,360	\$ 3,104,132
Restricted cash - fiscal agency	257,533	9,132
Grants receivable	<u>52,500</u>	<u>125,000</u>
 Total assets	 <u>\$ 3,253,393</u>	 <u>\$ 3,238,264</u>
 Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 18,080	\$ 7,495
Fiscal agency payable	<u>257,533</u>	<u>9,132</u>
Total liabilities	<u>275,613</u>	<u>16,627</u>
 Net Assets		
Without donor restrictions	622,456	949,342
With donor restrictions	<u>2,355,324</u>	<u>2,272,295</u>
Total net assets	<u>2,977,780</u>	<u>3,221,637</u>
 Total liabilities and net assets	 <u>\$ 3,253,393</u>	 <u>\$ 3,238,264</u>

See Notes to Financial Statements.

LAND IS LIFE, INC.

Statement of Activities

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Foundation and trust grants	\$ 560,335	\$ 2,232,477	\$ 2,792,812
Investment income	211	--	211
Other income	61,117	--	61,117
Satisfaction of restrictions	<u>2,149,448</u>	<u>(2,149,448)</u>	<u>--</u>
Total revenues, gains, and other support	<u>2,771,111</u>	<u>83,029</u>	<u>2,854,140</u>
Expenses			
Program services:			
Strengthening regional and international indigenous initiatives	1,045,880	--	1,045,880
Support for indigenous peoples' organizations and traditional institutions	1,279,425	--	1,279,425
Safety and security of indigenous peoples	<u>401,079</u>	<u>--</u>	<u>401,079</u>
Total program services	<u>2,726,384</u>	<u>--</u>	<u>2,726,384</u>
Support services:			
Management and general	215,172	--	215,172
Fundraising	<u>156,441</u>	<u>--</u>	<u>156,441</u>
Total support services	<u>371,613</u>	<u>--</u>	<u>371,613</u>
Total expenses	<u>3,097,997</u>	<u>--</u>	<u>3,097,997</u>
Change in net assets	(326,886)	83,029	(243,857)
Net Assets			
Beginning of year	<u>949,342</u>	<u>2,272,295</u>	<u>3,221,637</u>
End of year	<u>\$ 622,456</u>	<u>\$ 2,355,324</u>	<u>\$ 2,977,780</u>

See Notes to Financial Statements.

LAND IS LIFE, INC.

Statement of Activities

For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Foundation and trust grants	\$ 1,135,144	\$ 3,549,146	\$ 4,684,290
Paycheck Protection Program loan forgiveness	59,800	--	59,800
Satisfaction of restrictions	1,753,295	(1,753,295)	--
Total revenues, gains, and other support	2,948,239	1,795,851	4,744,090
Expenses			
Program services:			
Strengthening regional and international indigenous initiatives	782,563	--	782,563
Support for indigenous peoples' organizations and traditional institutions	1,024,283	--	1,024,283
Safety and security of indigenous peoples	258,796	--	258,796
Total program services	2,065,642	--	2,065,642
Support services:			
Management and general	206,228	--	206,228
Fundraising	170,369	--	170,369
Total support services	376,597	--	376,597
Total expenses	2,442,239	--	2,442,239
Change in net assets	506,000	1,795,851	2,301,851
Net Assets			
Beginning of year	443,342	476,444	919,786
End of year	\$ 949,342	\$ 2,272,295	\$ 3,221,637

See Notes to Financial Statements.

LAND IS LIFE, INC.

Statements of Cash Flows

For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Change in net assets	\$ (243,857)	\$ 2,301,851
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Decrease (increase) in grants receivable	72,500	(41,725)
Decrease in prepaid expenses	--	1,100
Increase (decrease) in accounts payable and accrued expenses	10,585	(8,949)
Increase (decrease) in fiscal agency payable	248,401	(125,849)
Net cash provided by operating activities	87,629	2,126,428
Net increase in cash and cash equivalents	87,629	2,126,428
 Cash and Cash Equivalents		
Beginning of year	3,113,264	986,836
End of year	\$ 3,200,893	\$ 3,113,264
 Reconciliation of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 2,943,360	\$ 3,104,132
Restricted cash - fiscal sponsorship	257,533	9,132
Total cash and cash equivalents	\$ 3,200,893	\$ 3,113,264
 Supplemental Schedule of Noncash Investing and Financing Activities, stock donation		
	\$ --	\$ 39,893

See Notes to Financial Statements.

LAND IS LIFE, INC.

Notes to Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies

Nature of Business

Land is Life, Inc. (Organization) is a non-stock, not-for-profit corporation whose principal purpose is to work directly with Indigenous communities to build local capacity in promoting and protecting their rights as articulated in the United Nations Declaration on the Rights of Indigenous Peoples. The Organization also provides Indigenous communities and organizations with the resources and strategic support necessary to achieve the long-term protection of their lands, resources and knowledge. The Organization achieves this by providing direct support to Indigenous organizations and leadership, building capacity on human rights and organizational management and fosters alliances amongst Indigenous peoples and other stakeholders.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America (US GAAP).

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, 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.

Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts held in the investment portfolio for long-term purposes.

Concentrations of Credit Risk

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist principally of cash and cash equivalents and investments. The Organization places its temporary cash investments with high credit quality financial institutions. At times, such investments may exceed federally insured limits. The Organization has not experienced, nor does it anticipate, losses with respect to such accounts.

Notes to Financial Statements

Revenue Recognition

The majority of the Organization's activities are supported by grants and contributions from individuals and other private entities. These awards are for various activities performed by the Organization. Awards are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of each award to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958), *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For awards qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Awards that are unconditional contributions but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Awards qualifying as conditional contributions contain a right of return from obligation provision that limits the Organization on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. The Organization recognizes revenue for these conditional contributions when the related barrier has been overcome. Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. For contributions and grants treated as conditional contributions, The Organization had no unrecognized awards as of December 31, 2021.

Revenue recognition for exchange transactions follow ASU 2014-09, *Revenue from Contracts With Customers*, and is recorded as income at a point in time when the performance obligations are met. Fiscal agency administration fees, included in other income on the statement of activities, are considered to be exchange transaction revenues. Transaction price is based on the fee agreed upon with the other entity. Revenue received in advance of satisfying performance obligations are recorded as deferred revenue. The Organization has elected to opt out of all (or certain) disclosures not required for nonpublic entities.

Grants Receivable

Unconditional grants expected to be collected within one year are recorded at net realizable value. Conditional grants are not included as support until the conditions are met.

In-Kind Contributions

Donated securities, services and other noncash donations are recorded as contributions at their estimated fair value at the date of donation. Donated securities are liquidated upon receipt. 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. The Organization's volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Notes to Financial Statements

Use of Estimates

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the United States tax code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Schedule of Functional Expenses

The schedule of functional expenses is as follows for the year ended December 31, 2021:

	Program Services				Support			Grand Total
	Strengthening Regional and International Indigenous Initiatives	Support for Indigenous Peoples' Organizations and Traditional Institutions	Safety and Security of Indigenous Peoples	Total	Management and General	Fund-Raising	Total	
Salaries	\$ 90,508	\$ 78,245	\$ 15,770	\$ 184,523	\$ 28,577	\$ 91,640	\$ 120,217	\$ 304,740
Wages	104,415	91,728	59,478	255,621	13,898	35,131	49,029	304,650
Payroll fees	--	--	--	--	7,428	--	7,428	7,428
FICA expenses	--	--	--	--	23,133	--	23,133	23,133
Unemployment insurance expense	--	--	--	--	703	--	703	703
Health insurance	--	--	--	--	29,701	--	29,701	29,701
Other benefits	--	--	--	--	(655)	--	(655)	--
Consultant fees	152,284	19,204	27,753	199,241	88,001	13,254	101,255	300,496
General expenses	8	8	8	24	13	8	21	45
Postage and delivery	490	490	490	1,470	527	1,138	1,665	3,135
Printing and stationery	625	2,250	--	2,875	--	--	--	2,875
Website	71	71	71	213	71	71	142	355
Service fees	2,773	2,758	2,758	8,289	5,499	2,758	8,257	16,546
Professional development	--	--	--	--	585	--	585	585
Membership and dues	19	19	19	57	3,339	1,591	4,930	4,987
Airfare and transportation	92,880	21,464	20,995	135,339	8,456	4,259	12,715	148,054
Accommodations	17,586	1,298	1,057	19,941	1,904	675	2,579	22,520
Meals and incidentals	3,626	1,544	4,596	9,766	251	90	341	10,107
Other travel expenses	15,498	545	5,233	21,276	541	179	720	21,996
Fuel	--	310	--	310	--	--	--	310
Trainings and meetings	100,422	90,868	27,804	219,094	25	159	184	219,278
Research and cultural initiatives	71,065	82,140	--	153,205	--	--	--	153,205
Advocacy and organizing	357,636	28,159	5,200	390,995	--	--	--	390,995
GOCP personnel support	19,838	558,468	7,020	585,326	--	580	580	585,906
Economic empowerment activities	2,790	134,188	--	136,978	--	--	--	136,978
Fast response security and emergencies	--	7,058	211,764	218,822	--	--	--	218,822
Equipment for communities and organizations	3,191	152,019	7,488	162,698	(12)	(12)	(24)	162,674
Office supplies and expenses	569	723	500	1,792	392	1,002	1,394	3,186
Office rent	4,751	1,902	941	7,594	665	1,428	2,093	9,687
Computers and IT	487	400	373	1,260	415	352	767	2,027
Telecommunications	3,530	2,008	958	6,496	936	1,347	2,283	8,779
Accounting services	779	779	779	2,337	779	779	1,558	3,895
Banking fees	39	779	24	842	--	12	12	854
	<u>\$ 1,045,880</u>	<u>\$ 1,279,425</u>	<u>\$ 401,079</u>	<u>\$ 2,726,384</u>	<u>\$ 215,172</u>	<u>\$ 156,441</u>	<u>\$ 371,613</u>	<u>\$ 3,097,997</u>

Notes to Financial Statements

The schedule of functional expenses is as follows for the year ended December 31, 2020:

	Program Services				Support			Grand Total
	Alliance and Awareness Building	Grassroots Operations and Capacity	Indigenous Led Grants	Total	Management and General	Fund-Raising	Total	
Salaries	\$ 75,039	\$ 101,787	\$ 14,525	\$ 191,351	\$ 45,997	\$ 71,400	\$ 117,397	\$ 308,748
Wages	63,890	59,483	20,375	143,748	30,125	30,747	60,872	204,620
Payroll fees	--	--	--	--	799	--	799	799
FICA expenses	--	--	--	--	23,403	--	23,403	23,403
Unemployment insurance expense	--	--	--	--	914	--	914	914
Health insurance	3,937	2,937	2,937	9,811	17,614	2,937	20,551	30,362
Other benefits	--	--	--	--	(485)	--	(485)	(485)
Consultant fees	107,936	15,909	33,324	157,169	48,315	41,062	89,377	246,546
General expenses	19	19	19	57	139	19	158	215
Postage and delivery	444	209	209	862	652	242	894	1,756
Printing and stationery	--	7,735	--	7,735	--	--	--	7,735
Website	34	34	34	102	34	1,615	1,649	1,751
Service fees	191	252	191	634	2,333	264	2,597	3,231
Professional development	1,990	--	--	1,990	780	--	780	2,770
Membership and dues	--	--	108	108	2,411	1,171	3,582	3,690
Airfare and transportation	28,907	17,980	4,599	51,486	2,412	6,002	8,414	59,900
Accommodations	4,520	--	--	4,520	--	2,493	2,493	7,013
Meals and incidentals	678	101	985	1,764	740	1,246	1,986	3,750
Other travel expenses	1,167	--	2,200	3,367	--	288	288	3,655
Fuel	200	20	--	220	--	40	40	260
Trainings and meetings	145,821	68,500	12,850	227,171	1,975	12	1,987	229,158
Research and cultural initiatives	119,423	43,250	1,000	163,673	--	--	--	163,673
Advocacy and organizing	81,036	15,210	--	96,246	--	--	--	96,246
GOCP personnel support	15,193	494,460	12,193	521,846	--	65	65	521,911
Economic empowerment activities	500	68,620	--	69,120	--	--	--	69,120
Fast response security and emergencies	97,992	62,953	141,771	302,716	--	--	--	302,716
Equipment for communities and organizations	22,250	54,882	4,600	81,732	242	1,171	1,413	83,145
Office supplies and expenses	2,617	958	499	4,074	1,662	1,644	3,306	7,380
Office rent	2,362	3,029	1,940	7,331	6,234	2,018	8,252	15,583
Computers and IT	510	245	167	922	301	212	513	1,435
Telecommunications	2,858	2,782	1,437	7,077	2,041	2,896	4,937	12,014
Accounting services	2,803	2,803	2,803	8,409	17,579	2,803	20,382	28,791
Banking fees	246	125	30	401	11	22	33	434
	<u>\$ 782,563</u>	<u>\$ 1,024,283</u>	<u>\$ 258,796</u>	<u>\$ 2,065,642</u>	<u>\$ 206,228</u>	<u>\$ 170,369</u>	<u>\$ 376,597</u>	<u>\$ 2,442,239</u>

Fiscal Agency

The Organization acts as a fiscal agent for three entities. As a fiscal agent, the Organization acts as an intermediary, receiving assets for the benefit of the other entities. Assets received under the agency relationship are recorded as a liability until disbursed to the designated beneficiary. The Organization does not hold variance power for disbursement of agency funds. Funds held in agency at December 31, 2021 and 2020 were \$257,533 and \$9,132, respectively. The Organization receives a fee for administration of agency funds. Agency administration fees of \$61,117 and \$0 were recorded as revenue in the years ended December 31, 2021 and 2020, respectively.

Notes to Financial Statements

Allocation Methodology for the Schedule of Functional Expenses

The costs of providing program and other activities are summarized on a functional basis in the schedule of functional expenses. Certain costs have been allocated among program, management and general and fundraising. Such allocations have been made by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Allocation</u>
Salaries	Time and Effort
Wages	Time and Effort
Payroll fees	Time and Effort
FICA expenses	Time and Effort
Unemployment insurance expense	Time and Effort
Health insurance	Time and Effort
Other benefits	Time and Effort
Consultant fees	Direct Allocation
General expenses	Direct Allocation
Postage and delivery	Direct Allocation
Printing and stationery	Direct Allocation
Website	Direct Allocation
Service fees	Direct Allocation
Professional development	Direct Allocation
Membership and dues	Direct Allocation
Airfare and transportation	Direct Allocation
Accommodations	Direct Allocation
Meals and incidentals	Direct Allocation
Other travel expenses	Direct Allocation
Fuel	Direct Allocation
Trainings and meetings	Direct Allocation
Research and cultural initiatives	Direct Allocation
Advocacy and organizing	Direct Allocation
GOCP personnel support	Direct Allocation
Economic empowerment activities	Direct Allocation
Fast response security and emergencies	Direct Allocation
Equipment for communities and organizations	Direct Allocation
Office supplies and expenses	Direct Allocation
Office rent	Time and Effort
Computers and IT	Direct Allocation
Telecommunications	Time and Effort
Accounting services	Time and Effort
Banking fees	Direct Allocation

Notes to Financial Statements

Note 2. Liquidity and Availability of Resources

The Organization has the following financial assets available within one year of the statement of financial position date of December 31, 2021 and 2020 to meet cash needs for general expenditure:

	2021	2020
Financial assets, at year-end:		
Cash and cash equivalents	\$ 2,943,360	\$ 3,104,132
Grants receivable	52,500	125,000
Total financial assets	2,995,860	3,229,132
Less those unavailable for general expenditure within one year, due to, donor-imposed restrictions	2,355,324	2,272,295
Financial assets available to meet cash needs for general expenditures within one year	\$ 640,536	\$ 956,837

Note 3. Net Assets with Donor Restrictions

Amounts included in net assets with donor restrictions as of December 31, 2021 and 2020 include:

	2021	2020
Direct Support to Grassroot Organizations	\$ 1,635,757	\$ 1,448,294
Indigenous Led Security Fund	491,780	151,963
Indigenous Led Grants	12,960	56,967
Tools for Defending Environmental Defenders	77,500	70,000
Rapid Response Discretionary Security Fund	11,667	9,423
Development of Protocols for Free Prior and Informed Consent	62,470	97,167
Working Group for Peoples Living in Voluntary Isolation Secretariat	40,150	241,779
Emergency Response and Prevention of Amazon Fires	--	10,000
Support for Indigenous Advocacy Efforts in South America	22,140	182,518
Land is Life Operational Support	900	4,184
	\$ 2,355,324	\$ 2,272,295

Notes to Financial Statements

Note 4. Related Party Transactions

The Organization received grants of \$130,000 in each of the years ended December 31, 2021 and 2020, from a related party organization in which the Organization's Former Executive Director and family members serve on the board of directors.

Note 5. Upcoming Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for the Organization in calendar year 2022. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of Topic 842 will have on its financial statements.

In September 2020, the FASB issued ASU No. 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. ASU No. 2020-07 is effective for the Organization in calendar year 2022. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of ASU 2020-07 will have on its financial statements.

Note 6. Commitments

The Organization has several commitments to support other organizations. Expenses under these commitments were \$129,337 and \$157,298 for the years ended December 31, 2021 and 2020, respectively. Future minimum payments for these commitments are as follows: 2022 - \$114,417.

Note 7. Retirement Benefits

The Organization maintains a 401(k) profit sharing plan that calls for elective contributions by eligible employees and discretionary contributions to be made by the Organization. All employees who meet certain requirements regarding age and length of employment are eligible to participate. Total retirement expense related to this plan was \$9,535 and \$928 for the years ended December 31, 2021 and 2020, respectively.

Notes to Financial Statements

Note 8. Major Grantors/Donors

The following are major grantors/donors, each of which accounted for 10% or more of the total foundation and trust grants revenue earned by the Organization. Foundation and trust grants revenue for the years ended December 31, 2021 and 2020 and the related outstanding accounts receivable and grants receivable at December 31, 2021 and 2020 for these major grantors/donors are as follows:

	2021		2020	
	Foundation and Trust Grants Revenue	Grants Receivable	Foundation and Trust Grants Revenue	Grants Receivable
Major Grantor/Donor A	**	**	\$ 1,200,000	\$ --
Major Grantor/Donor B	510,000	--	555,000	--
Major Grantor/Donor C	<u>656,632</u>	--	**	**
	<u>\$ 1,166,632</u>	<u>\$ --</u>	<u>\$ 1,755,000</u>	<u>\$ --</u>

** Major grantors/donors may vary from year to year. Foundation and trust grants revenue and outstanding grants receivable information is provided only in the year(s) in which a grantor/donor was deemed to be a major grantor/donor.

Note 9. Paycheck Protection Program

On April 22, 2020, the Organization was approved for a loan in the amount of \$59,800 under the Paycheck Protection Program (“PPP”). Under the terms of the PPP, up to 100% of the loan and related interest may be forgiven if the proceeds are used for covered expenses. The Organization was notified of full forgiveness in April 2021. The amount of the loan was reported as income in the Statement of Activities for the year ended December 31, 2020.

Note 10. Subsequent Events

Subsequent to year end, the Organization entered into several commitments to support other organizations with terms ranging from January 2022 to February 2023. Future minimum payments for these commitments are as follows: 2022 - \$39,222; 2023 - \$600.

The Organization has evaluated subsequent events through January 18, 2023, the date the financial statements were available to be issued. The Organization determined there are no additional subsequent events that require recognition or disclosure.