

One Mission, Inc.

Financial Report
December 31, 2021

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RSM US LLP

Independent Auditor's Report

Board of Directors
One Mission, Inc.

Opinion

We have audited the financial statements of One Mission, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2021 and 2020, the related statements of activities and changes in net assets, functional expenses, 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 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

RSM US LLP

Boston, Massachusetts
July 21, 2022

One Mission, Inc.

**Statements of Financial Position
December 31, 2021 and 2020**

	2021	2020
Assets		
Cash and cash equivalents	\$ 935,395	\$ 1,151,064
Contribution receivables	30,716	24,083
Prepaid expenses and other current assets	19,168	-
Investments	83,337	-
Property and equipment, net	-	1,342
Rent security deposit	2,544	2,544
	<hr/>	<hr/>
Total assets	\$ 1,071,160	\$ 1,179,033
	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 29,417	\$ 26,718
Deferred revenue	12,065	-
Paycheck Protection Program loan payable	44,230	44,230
	<hr/>	<hr/>
Total liabilities	85,712	70,948
	<hr/>	<hr/>
Net assets:		
Without donor restrictions	980,214	1,071,455
With donor restrictions	5,234	36,630
	<hr/>	<hr/>
Total net assets	985,448	1,108,085
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Total liabilities and net assets	\$ 1,071,160	\$ 1,179,033
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See notes to financial statements.

One Mission, Inc.

**Statements of Activities and Changes in Net Assets
Years Ended December 31, 2021 and 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:						
Contributions and grants	\$ 811,787	\$ 133,000	\$ 944,787	\$ 1,029,703	\$ 176,000	\$ 1,205,703
Contributed in-kind support	304,631	-	304,631	1,018,933	-	1,018,933
Investment return, net	4,060	-	4,060	-	-	-
Gain on extinguishment of Paycheck Protection Program	44,230	-	44,230	-	-	-
Net assets released from restrictions	164,396	(164,396)	-	185,250	(185,250)	-
Total revenues and support	1,329,104	(31,396)	1,297,708	2,233,886	(9,250)	2,224,636
Program expenses:						
Grants and contributions	613,223	-	613,223	544,192	-	544,192
Other programs	113,031	-	113,031	105,871	-	105,871
Support services:						
Management and general	148,724	-	148,724	141,176	-	141,176
Fundraising and special events	240,736	-	240,736	218,683	-	218,683
Contributed in-kind services	304,631	-	304,631	1,018,933	-	1,018,933
Total expenses	1,420,345	-	1,420,345	2,028,855	-	2,028,855
Change in net assets	(91,241)	(31,396)	(122,637)	205,031	(9,250)	195,781
Net assets, beginning of year	1,071,455	36,630	1,108,085	866,424	45,880	912,304
Net assets, end of year	\$ 980,214	\$ 5,234	\$ 985,448	\$ 1,071,455	\$ 36,630	\$ 1,108,085

See notes to financial statements.

One Mission, Inc.

**Statement of Functional Expenses
Year Ended December 31, 2021**

	Programs	Management and General	Fundraising and Special Events	In-Kind Contributed Services	Total
Grants and contributions	\$ 613,223	\$ -	\$ -	\$ -	\$ 613,223
Other expenses:					
Accounting	-	47,180	-	-	47,180
Consulting	12,000	-	12,000	-	24,000
Credit card processing fees	-	489	22,215	-	22,704
Depreciation and amortization	326	361	655	-	1,342
Event photography	-	-	16,463	-	16,463
Event publicity	-	-	-	-	-
Facilities use and meals	-	2,497	565	-	3,062
Insurance	655	725	1,314	-	2,694
Legal	-	894	-	184,691	185,585
Materials and supplies	4,128	9,318	10,839	-	24,285
Office and miscellaneous	2,156	3,225	133	-	5,514
Postage and delivery	-	683	2,520	-	3,203
Promotion and marketing	18,499	-	22,363	119,940	160,802
Rent	9,470	10,487	19,014	-	38,971
Salary and related	63,748	70,595	127,995	-	262,338
Telephone and internet	1,883	2,086	3,781	-	7,750
Travel and meetings	166	184	879	-	1,229
Total expenses	\$ 726,254	\$ 148,724	\$ 240,736	\$ 304,631	\$ 1,420,345

See notes to financial statements.

One Mission, Inc.

**Statement of Functional Expenses
Year Ended December 31, 2020**

	Programs	Management and General	Fundraising and Special Events	In-Kind Contributed Services	Total
Grants and contributions	\$ 544,192	\$ -	\$ -	\$ -	\$ 544,192
Other expenses:					
Accounting	-	41,100	-	-	41,100
Consulting	9,750	-	9,750	-	19,500
Credit card processing fees	-	477	30,870	-	31,347
Depreciation and amortization	516	605	659	-	1,780
Event photography	-	-	16,035	-	16,035
Event publicity	-	-	-	475,000	475,000
Facilities use and meals	-	311	801	-	1,112
Insurance	733	860	936	-	2,529
Legal	-	668	-	39,954	40,622
Materials and supplies	1,040	1,283	12,154	-	14,477
Office and miscellaneous	2,409	476	1,770	-	4,655
Postage and delivery	-	556	5,131	-	5,687
Promotion and marketing	11,074	638	37,876	503,979	553,567
Rent	9,590	11,244	12,236	-	33,070
Salary and related	68,662	80,500	87,603	-	236,765
Telephone and internet	2,026	2,376	2,585	-	6,987
Travel and meetings	71	82	277	-	430
Total expenses	\$ 650,063	\$ 141,176	\$ 218,683	\$ 1,018,933	\$ 2,028,855

See notes to financial statements.

One Mission, Inc.

Statements of Cash Flows
Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ (122,637)	\$ 195,781
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	1,342	1,780
Net unrealized and realized gain on investments	(2,678)	-
Gain on extinguishment of Paycheck Protection Program	(44,230)	-
Changes in assets and liabilities:		
Decrease (increase) in:		
Contribution receivables	(6,633)	(22,305)
Prepaid expenses and other current assets	(19,168)	9,822
Increase (decrease) in:		
Accounts payable and accrued expenses	2,699	7,608
Deferred revenue	12,065	-
Refundable advances	-	(70,620)
Net cash provided by (used in) operating activities	(179,240)	122,066
Cash flows from investing activities:		
Purchases of investments	(80,659)	-
Net cash used in investing activities	(80,659)	-
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan payable	44,230	44,230
Net cash provided by financing activities	44,230	44,230
Net change in cash and cash equivalents	(215,669)	166,296
Cash and cash equivalents, beginning of year	1,151,064	984,768
Cash and cash equivalents, end of year	\$ 935,395	\$ 1,151,064

See notes to financial statements.

One Mission, Inc.

Notes to Financial Statements

Note 1. Organization

One Mission, Inc. (the Organization) is a qualified charitable organization established pursuant to articles of incorporation dated November 4, 2008, for the principal purpose of enhancing the lives of pediatric cancer patients and their families. The Organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. To accomplish its mission, the Organization funds patient and family support services that assist children and their families to get through the emotional and financial challenges of treatment. The Organization's operations are funded through contributions and donations received through special events conducted, which includes the One Mission Buzz Off.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements have been prepared in accordance with accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets generally accepted accounting principles (U.S. GAAP) that the Organization follows to ensure its statements of financial position, activities and changes in net assets, functional expenses and cash flows are consistently reported. References to U.S. GAAP issued by the FASB in these notes to the financial statements are to the FASB Accounting Standards Codification (ASC).

Basis of presentation: Under U.S. GAAP, the Organization is required to report information regarding its financial position and activities according to two classes of net assets. The two classes of net assets, those with donor restrictions and those without donor restrictions, are based on the existence or absence of donor-imposed restrictions, either explicit or implicit. The two classifications are defined below.

- Net assets without donor restrictions represent the portion of net assets of the Organization that are not restricted by donor-imposed stipulations or time restrictions. Net assets without donor restrictions include expendable funds available for support of the Organization and grants to patient and family support services and programs.
- Net assets with donor restrictions represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that may expire by passage of time, can be fulfilled and removed by actions of the Organization pursuant to those stipulations or may be held in perpetuity.

The Organization did not have any net assets with donor restrictions held in perpetuity during the years ended December 31, 2021 and 2020.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. As a result, actual results could differ from those estimates. On an ongoing basis, management reviews its estimates, including certain accruals, based upon current available information.

Liquidity: In order to provide information about liquidity, assets are sequenced according to their nearness of conversion to cash and liabilities according to nearness of their estimated maturity.

Cash and cash equivalents: The Organization considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

One Mission, Inc.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investments and investment income: Investments are presented at fair value. Interest and dividend income are recorded on the accrual basis. Security transactions are recorded on the trade date. Dividends, interest and realized and unrealized gains and losses on investments are reported as increases or decreases in net assets without donor restriction unless a donor or law restricts their use.

Property and equipment: Purchased property and equipment are capitalized at cost and are included within net assets without donor restrictions. Additions greater than \$1,000 are capitalized, while ordinary repairs and maintenance are expensed. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. The Organization's property and equipment consists of computer equipment and furniture which have estimated useful lives of five years.

Contributions: All contributions are considered to be available without donor restrictions unless specifically restricted by the donor or in support of stated fundraising objectives. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as contributions with donor restrictions.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give, that is those with a measurable performance or other barrier and a right of return, are not recognized as support until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. As of December 31, 2021 and 2020, the Organization had conditional contributions receivable of \$0 and \$100,000, respectively, which will not be recognized as an asset in the statements of financial position or as revenue in the statements of activities and changes in net assets until such conditions of the contribution are met.

Contributions received with donor-imposed restrictions are reported as donor restricted revenues and released to net assets without donor restrictions upon expiration of such restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the net assets with donor restrictions class. A release to net assets without donor restrictions is made to reflect the expiration of such restrictions.

Grants: Grants are recorded when disbursement is authorized by management and the Board of Directors.

Special events revenue: Registration fees paid for by participants at special events, such as the One Mission Buzz Off event, and all other funds raised are reported as a component of contributions and grants on the statements of activities and changes in net assets. Support for special events is recognized in the period in which the events take place absent explicit donor representations that support is not contingent on the occurrence of the event. Refundable advances consist of sponsorships for special events occurring in the following year.

In-kind support: The Organization recognizes various types of in-kind support in the form of contributed services and other assets in accordance with ASC 958, which are included in the statements of activities and changes in net assets as a component of contributions and grants. This pronouncement requires recognition of services at fair value when:

- the services received either create or enhance nonfinancial assets, or
- the services received require specialized skills and are provided by individuals possessing those skills, and the services received would typically need to be purchased if not provided by contribution.

Contributed assets are recorded at their fair value on the date contributed. Numerous volunteers have donated significant amounts of time to the Organization's special events and fund-raising campaign and program services. The value of this contributed time has not been reflected in these financial statements since it does not meet the criteria described above.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and detailed in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program, supporting services or donor benefits are reported directly according to their natural expenditure classification. Various expenses, including salaries, benefits, office rent, telephone and travel, are allocated among program, management and general, and fundraising services based on the time and effort of the Organization's employees.

Income taxes: The Organization is a not-for-profit organization, which is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

Uncertainty of income taxes: The Organization follows the provisions of FASB ASC 740 – Income Taxes relative to accounting for uncertainties in tax positions. Under these provisions, the Organization recognizes the tax benefit of tax positions to the extent that the benefit will more likely than not be realized. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position as well as consideration of the available facts and circumstances. As of December 31, 2021 and 2020, management believes the Organization does not have any uncertain tax positions.

With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for three years from the date filed. The Organization will account for interest and penalties related to uncertain tax positions, if any, as part of tax expenses.

Concentration of credit risk: The Organization maintains its cash in bank accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

In addition, the donation of pro bono marketing and legal services from two vendors comprised 24% of total revenue and support for the year ended December 31, 2021; while the donation of pro bono marketing and advertising services from two vendors comprised 44% of total revenue and support for the year ended December 31, 2020.

Risks and Uncertainties: On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. While it is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to Organization, it is possible that estimates made in the financial statements could be materially and adversely impacted in the near term as a result of these conditions. The Organization's 2021 and 2020 revenue from its significant special event, the One Mission Buzz Off, declined as a result of the pandemic and the event being conducted virtually. The Organization's 2021 revenue from the One Mission Buzz Off event declined by approximately 22% when excluding in-kind revenue, as a result of the pandemic. The Organization expects 2022 revenue from its significant special event to increase 50% from 2021 results due to the event being held in-person.

One Mission, Inc.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Recent accounting pronouncement: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. In June 2020, the FASB issued ASU 2020-05 to defer the effective date of ASU 2016-02 for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. A modified retrospective transition approach is required for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact of the pending adoption of the new standard on the financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. This ASU is effective for the Organization beginning on January 1, 2022. The Organization is currently evaluating the impact of this new guidance on its financial statements.

Note 3. Financial Assets and Liquidity

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position dates as of December 31, 2021 and 2020, are comprised of the following:

	2021	2020
Financial assets available to meet general expenditures over the next twelve months:		
Cash	\$ 935,395	\$ 1,151,064
Investments	83,337	-
Contribution receivables	30,716	24,083
	<u>\$ 1,049,448</u>	<u>\$ 1,175,147</u>

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing programs, as well as the conduct of services undertaken to support those programs to be general expenditures. As such, unconditional promises to give to be collected within one year are included in the analysis as available for general expenditures within the next twelve-month period. The Organization has identified a financial goal of establishing and maintaining sufficient operating funds in its checking accounts – an imperative for sustainability of program delivery and organizational fiscal health.

One Mission, Inc.

Notes to Financial Statements

Note 4. Fair Value Measurements

Under the FASB's authoritative guidance on fair value measurements, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various methods including market, income and cost approaches. Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

Level 2: Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data. Level 2 also includes derivative contracts whose value is determined using a pricing model with observable market inputs or can be derived principally from or corroborated by observable market data.

Level 3: Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

The Organization has various processes and controls in place to ensure that fair value is reasonably estimated. While the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. During the year ended December 31, 2021, there were no changes to the Organization's valuation techniques that had, or are expected to have, a material impact on its financial position or results of operations.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Mutual Funds: These investments are public investment vehicles valued based on quoted market prices, when available, or market prices provided by the fund manager.

The following table is a summary of assets that the Organization measures at fair value on a recurring basis as of December 31 using:

2021	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Investments:				
Mutual funds - fixed income	\$ 65,452	\$ -	\$ -	\$ 65,452
Mutual funds - equities	17,885	-	-	17,885
	<u>\$ 83,337</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,337</u>

One Mission, Inc.

Notes to Financial Statements

Note 5. Investments

Investments are presented in the financial statements at fair value. The Organization has not experienced any losses in the accounts due to institutional insolvency.

An analysis of the investments held as of December 31, 2021 are as follows:

	Cost	Fair Value
Mutual funds:		
Fixed income	\$ 65,025	\$ 65,452
Equities	15,634	17,885
	<u>\$ 80,659</u>	<u>\$ 83,337</u>

The components of total investment return for the year ended December 31, 2021 are reflected as follows:

Net investment income	\$ 1,382
Unrealized and realized gains	2,678
Investment return, net	<u>\$ 4,060</u>

All net realized gains and losses and net change in unrealized gains in the table above are reflected in the accompanying statements of activities. Investment fees paid directly to investment managers and fees for services paid to custodians and investment consultants are netted against investment income.

Note 6. Contribution Receivables

Contribution receivables is comprised of the following as of December 31:

	2021	2020
To be collected in:		
Less than one year	\$ 30,716	\$ 24,083

Note 7. Property and Equipment

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

	2021	2020
Computer equipment	\$ 11,646	\$ 11,646
Furniture	1,388	1,388
	<u>13,034</u>	<u>13,034</u>
Less accumulated depreciation	(13,034)	(11,692)
Property and equipment, net	<u>\$ -</u>	<u>\$ 1,342</u>

Depreciation expense for the years ended December 31, 2021 and 2020, was \$1,342 and \$1,780, respectively.

One Mission, Inc.

Notes to Financial Statements

Note 8. Paycheck Protection Program Loan Payable

On May 1, 2020, the Organization was granted an initial draw on the Paycheck Protection Program (PPP) loan from Bank of America, NA in the aggregate amount of \$44,230 under Division A, Title I of the Coronavirus, Aid, Relief and Economic Security Act (CARES Act), which was enacted March 27, 2020. The PPP loan was set to mature on April 30, 2022 and was to incur interest at a rate of 1.0% per annum. Funds from the PPP loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities and interest on other debt obligations incurred before February 15, 2020. Under the terms of the PPP, certain amounts of the PPP loan may be forgiven if they were used for qualifying expenses as described in the CARES Act. As of December 31, 2020, the total outstanding balance on the PPP loan was \$44,230.

On March 29, 2021, the entire \$44,230 on the initial PPP loan draw was forgiven and recognized as a gain on extinguishment of debt on the accompanying statement of activities.

On January 21, 2021, the Organization was granted a second draw on the PPP loan from Bank of America, NA in the amount of \$44,230 under Division A, Title I of the CARES Act and as amended by each of the Paycheck Protection Program and Health Care Enhancement Act, the Paycheck Protection Program Flexibility Act of 2020 and the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act. The second draw on the PPP loan is set to mature on January 20, 2026 and incurs interest at a rate of 1.0% per annum. Funds from the PPP loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities and interest on other debt obligations. Under the terms of the PPP, certain amounts of the PPP loan may be forgiven if they are used for qualifying expenses.

Subsequent to year end, on January 18, 2022, the entire \$44,230 on the second PPP loan was forgiven.

Note 9. Net Assets with Donor Restrictions

The following is a summary of net assets with donor restrictions, all of which are restricted by purpose, as of December 31:

	2021	2020
Treasure Chest Toy Program	\$ -	\$ 19,919
Booty Box Program	5,234	2,220
Heart to Heart Program	-	326
Special Occasion Party Program	-	14,165
	<u>\$ 5,234</u>	<u>\$ 36,630</u>

Note 10. Net Assets Released from Donor Restrictions

Net assets released from donor restrictions for the years ended December 31 were as follows:

	2021	2020
Jimmy Fund's Parking Pass Program and Giftcards	\$ 20,000	\$ 20,000
Treasure Chest Toy Program	19,919	-
Booty Box Program	9,986	2,780
Heart to Heart Program	326	2,135
Special Occasion Party Program	14,165	36,835
Programs at Boston Children's Hospital	100,000	123,500
	<u>\$ 164,396</u>	<u>\$ 185,250</u>

One Mission, Inc.

Notes to Financial Statements

Note 11. In-Kind Support

The Organization received the following noncash donations that have been reflected as a component of contributions in the financial statements of the Organization during the years ended December 31:

	2021	2020
Legal	\$ 184,691	\$ 39,954
Publicity and marketing for special events	119,940	978,979
	<u>\$ 304,631</u>	<u>\$ 1,018,933</u>

As previously reported, many individuals volunteer their time and perform a variety of tasks that assist the Organization in carrying out its mission. No amounts have been recognized in the accompanying statements of activities and changes in net assets since such services did not meet the criteria for recognition.

Note 12. Special Events

Special events activity during the years ended December 31, 2021 and 2020 consisted of the following:

	2021	2020
	<u><i>Buzz Off</i></u>	<u><i>Buzz Off</i></u>
Revenue:		
Total revenue from special events	\$ 661,710	\$ 1,674,198
Expenses:		
Other event expenses	285,892	1,131,270
Total expenses incurred at special events	<u>285,892</u>	<u>1,131,270</u>
	<u>\$ 375,818</u>	<u>\$ 542,928</u>

Note 13. Related Party Transactions

During the year ended December 31, 2021, the Organization received \$19,000 in contributions from related parties. During the year ended December 31, 2020, the Organization received \$20,000 in contributions from related parties.

During the years ended December 31, 2021 and 2020, the Organization made payments to a firm owned by a director of the Organization as well as payments directly to a member of the board of directors for the following services:

	2021	2020
Financial management and outsourced accounting services	\$ 24,000	\$ 19,500
Charity management executive level services	24,000	19,500
Compensated directors for marketing services	21,294	17,855
	<u>\$ 69,294</u>	<u>\$ 56,855</u>

One Mission, Inc.

Notes to Financial Statements

Note 14. Operating Lease

In October 2017, the Organization entered into a lease agreement for office space located in Westborough, Massachusetts commencing on December 1, 2017 through January 31, 2022. The lease agreement requires monthly lease payments of \$2,544, which escalate annually.

In November 2021, the Organization entered into its first lease amendment for office space commencing on November 22, 2021 through November 2026. The lease agreement requires monthly payments of \$4,478, which escalate annually by 3%.

Future minimum lease payments under the non-cancelable operating lease are as follows for the years ending December 31:

2022	\$	53,864
2023		55,480
2024		57,145
2025		58,859
2026		53,922
Total minimum lease payments	\$	<u>279,270</u>

Total rent expense during the years ended December 31, 2021 and 2020 was \$38,971 and \$33,070, respectively.

Note 15. Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure through July 21, 2022, the date the financial statements were available to be issued.