

**Play Rugby, Inc.  
and Subsidiary**

Consolidated Financial Statements

December 31, 2020 and 2019

## **Independent Accountants' Review Report**

### **To the Board of Directors Play Rugby, Inc. and Subsidiary**

We have reviewed the accompanying consolidated financial statements of Play Rugby, Inc. and Subsidiary, (the "Organization") which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Accountants' Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements, in order for them to be in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of a Matter***

As discussed in Note 1 to the financial statements, Vita Sports Partners, Inc. d/b/a Grit, Inc., approved a plan to discontinue operations on April 3, 2020. The dissolution became final on December 29, 2020. Our conclusion is not modified with respect to this matter.

***Prior Period Financial Statement***

The consolidated financial statements as of December 31, 2019, were audited by us, and we expressed an unmodified opinion on them in our report dated August 11, 2020. We have not performed any auditing procedures since that date. The summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

***Supplementary Information***

The supplementary information included on pages 15 to 17 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

*PKF O'Connor Davies, LLP*

October 26, 2021

**Play Rugby, Inc.  
and Subsidiary**

Consolidated Statement of Financial Position  
December 31, 2020  
(with comparative amounts at December 31, 2019)

	2020	2019
	(unaudited)	(audited)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 125,140	\$ 353,079
Restricted cash	40,000	40,000
Accounts receivable	7,375	18,646
Prepaid expenses	3,179	10,446
Security deposit	-	196,875
Property and equipment, net	-	176,675
	\$ 175,694	\$ 795,721
 <b>LIABILITIES AND NET ASSETS (DEFICIT)</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 38,630	\$ 80,969
Loans payable - related party	45,654	42,442
PPP loan payable	124,315	-
Deferred rent	-	246,003
Security deposits payable	-	19,179
Total Liabilities	208,599	388,593
Net assets (deficit) without donor restrictions	(32,905)	407,128
	\$ 175,694	\$ 795,721

See notes to consolidated financial statements and independent accountants' review report

**Play Rugby, Inc.  
and Subsidiary**

Consolidated Statement of Activities  
Year Ended December 31, 2020  
(with comparative amounts for the year ended December 31, 2019)

	2020 Total (unaudited)	2019 Total (audited)
<b>SUPPORT AND REVENUE</b>		
Direct public support	\$ 620,072	\$ 1,103,913
Program service fees	36,384	145,802
Fundraising events, net of expenses of \$23,246 and \$62,304	179,391	201,375
Governmental grant	-	108,937
Rental and other earned income	82,244	263,289
In-kind contributions	114,165	186,997
Total Support and Revenue	<u>1,032,256</u>	<u>2,010,313</u>
<b>EXPENSES</b>		
Program services	478,826	914,084
Supporting Services		
Management and general	840,041	628,268
Fundraising	<u>153,422</u>	<u>272,171</u>
Total Expenses	<u>1,472,289</u>	<u>1,814,523</u>
Change in Net Assets (Deficit)	(440,033)	195,790
<b>NET ASSETS (DEFICIT)</b>		
Beginning of year	<u>407,128</u>	<u>211,338</u>
End of year	<u>\$ (32,905)</u>	<u>\$ 407,128</u>

See notes to consolidated financial statements and independent accountants' review report

**Play Rugby, Inc.  
and Subsidiary**

Consolidated Statement of Functional Expenses  
Year Ended December 31, 2020  
(with summarized totals for the year ended December 31, 2019)

	Program Services	Supporting Services		2020 Total (unaudited)	2019 Total (audited)
		Management and General	Fundraising		
Salary and other personnel costs	\$ 163,248	\$ 121,171	\$ 92,643	\$ 377,062	\$ 630,147
Payroll taxes	16,832	12,164	10,216	39,212	63,307
Program consultants	-	-	-	-	25,000
Insurance	6,536	24,061	-	30,597	20,011
Facilities, equipment, and training fees	160,546	255,468	-	416,014	592,034
Travel and lodging	972	446	1,088	2,506	22,078
Office expenses	110,371	181,663	8,359	300,393	91,015
Professional fees	-	220,333	-	220,333	269,597
Marketing and advertising	-	3,092	25	3,117	14,127
Scholarships	8,505	-	-	8,505	17,010
Fundraising expenses	-	-	57,112	57,112	76,526
Interest and bank fees	-	-	7,225	7,225	9,120
Depreciation and amortization	11,816	18,692	-	30,508	46,855
Liquidation adjustments	-	2,951	-	2,951	-
	<u>478,826</u>	<u>840,041</u>	<u>176,668</u>	<u>1,495,535</u>	<u>1,876,827</u>
Less: Fundraising direct expenses	-	-	(23,246)	(23,246)	(62,304)
Total Expenses	<u>\$ 478,826</u>	<u>\$ 840,041</u>	<u>\$ 153,422</u>	<u>\$ 1,472,289</u>	<u>\$ 1,814,523</u>

See notes to consolidated financial statements and independent accountants' review report

**Play Rugby, Inc.  
and Subsidiary**

Consolidated Statement of Cash Flows  
Year Ended December 31, 2020  
(with comparative amounts for the year ended December 31, 2019)

	2020	2019
	(unaudited)	(audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets (deficit)	\$ (440,033)	\$ 195,790
Adjustments to reconcile change in net assets (deficit) to net cash from operating activities		
Depreciation and amortization	30,508	46,855
Disposal of property and equipment	146,167	-
Deferred rent	(246,003)	3,386
Accrued interest	3,212	1,221
Changes in operating assets and liabilities		
Accounts receivable	11,271	52,219
Prepaid expenses	7,267	-
Security deposit	196,875	-
Accounts payable and accrued expenses	(42,339)	(60,974)
Security deposit payable	(19,179)	-
Net Cash from Operating Activities	(352,254)	238,497
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from bank line of credit	21,500	40,000
Repayments of bank line of credit	(21,500)	(40,000)
Proceeds from Paycheck Protection Program loan payable	124,315	-
Net Cash from Financing Activities	124,315	-
Net Change in Cash and Cash Equivalents	(227,939)	238,497
<b>CASH AND CASH EQUIVALENTS (INCLUDES RESTRICTED CASH)</b>		
Beginning of year	393,079	154,582
End of year	\$ 165,140	\$ 393,079
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 4,013	\$ 6,678

See notes to consolidated financial statements and independent accountants' review report

# **Play Rugby, Inc. and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

## **1. Organization and Tax Status**

Play Rugby, Inc. (“Play Rugby”) was established in 2003 by National Team Member Mark Griffin, (“former Founder/CEO”) as a sports-based youth development program that pioneered the design and delivery of curriculum-based non-contact rugby classes to underprivileged children in New York City. The program’s mission is developing youth through rugby. Play Rugby does this by strengthening youth character, conditioning and academic commitment by integrating the values of rugby into a distinct and inclusive team sports experience.

Play Rugby is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Vita Sports Partners, Inc. d/b/a Grit, Inc. (the “Subsidiary” or “VITA”) was established on September 13, 2016 in the state of Delaware to service at-risk youth by providing various sports based youth development organizations with, among other things, financial support, leadership skills, and resource development. The Subsidiary is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code under Play Rugby’s group exemption.

On April 3, 2020 the Board of VITA approved a plan to discontinue operations and dissolve VITA effective December 29, 2020.

Play Rugby and VITA are collectively referred to as the “Organization”.

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation and Use of Estimates***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which requires management to make estimates and assumptions that affect the 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. Accordingly, actual results may differ from those estimates. The most significant estimates in the consolidated financial statements are depreciation and amortization, and liquidation costs. Actual results could differ from those estimates.

### ***Plan of Liquidation of Subsidiary***

VITA adopted the liquidation basis of accounting on April 3, 2020, whereby assets and liabilities are stated at their estimated settlement amounts and all costs of liquidation have been recognized. As of December 31, 2020, the adoption of the liquidation basis of accounting did not have a material effect on the carrying values of assets and liabilities. Liquidation expenses are accrued through 2021 and are included in accounts payable and accrued expenses at December 31, 2020.

**Play Rugby, Inc.  
and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**2. Summary of Significant Accounting Policies (continued)**

***Basis of Consolidation***

The accompanying consolidated financial statements include the accounts of Play Rugby and VITA. All material intercompany accounts and transactions have been eliminated in consolidation.

***Summarized Financial Information***

The consolidated financial statements include certain prior-year comparative information in total but not by functional expense classification. Accordingly, such information does not constitute a presentation in conformity with U.S. GAAP. Such information should be read in conjunction with the Organization's consolidated financial statements as of and for the year ended December 31, 2019 from which the summarized information was derived.

***Presentation of Net Assets***

Net assets are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are not externally restricted for identified purposes. Net assets with donor restrictions represent amounts that are restricted by donors that are to be held until the donor or time restriction has been satisfied. There are no net assets with donor restrictions as of December 31, 2020 and 2019.

***Cash and Cash Equivalents and Restricted Cash***

For the purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less at time of purchase to be cash equivalents. Restricted cash represents the required amount Play Rugby must hold in a savings account to secure the bank line of credit disclosed in Note 6. The following is a reconciliation of the cash, cash equivalents and restricted cash reported on the statement of financial position to the statement of cash flows at December 31:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 125,140	\$ 353,079
Restricted cash	<u>40,000</u>	<u>40,000</u>
	<u>\$ 165,140</u>	<u>\$ 393,079</u>

***Revenue Recognition***

The Organization's activities are funded primarily by grants, program service fees and direct public support. These various revenues are recognized in the fiscal year in which a commitment is received or a contract is signed. Contributions are recorded when received or when an unconditional promise to give is made. Conditional promises to give are recorded when substantially all conditions have been met. Rental income is recognized in accordance with the lease terms.

**Play Rugby, Inc.  
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Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**2. Summary of Significant Accounting Policies (continued)**

***Advertising***

Advertising expenses have been charged to operations as incurred.

***Allowance for Doubtful Accounts***

The Organization determines whether an allowance for uncollectible balances should be provided for receivables. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent receipts and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted.

***In-Kind Contributions***

The Organization recognizes the fair value of donated services which create or enhance nonfinancial assets, or require specialized skills provided by individuals possessing those skills and would typically be purchased if not provided by donation. Volunteer services that do not require specialized skills or would not typically be purchased had they not been provided by the donation have not been recognized as such services do not meet the criteria for recognition in the consolidated financial statements.

The Organization recorded the following goods and services received as in-kind contributions and as expenses in the consolidated statement of activities, for the years ended December 31:

	2020	2019
Management and General - Professional Services:		
Pro-bono legal services	\$ 114,165	\$ 170,194
Program Service Expenses - Goods and Supplies:		
Goods - programmatic use	-	16,803
Total In-Kind Contributions	<u>\$ 114,165</u>	<u>\$ 186,997</u>

***Property and Equipment***

The Organization follows the practice of capitalizing all expenditures for property and equipment with a cost in excess of \$2,500 and a useful life of three years or more. Property and equipment are reflected at cost, or fair value at the time of the donation. Depreciation and amortization is recognized on a straight-line basis over 3 to 7 years.

When property and equipment is sold, retired or disposed, the cost and related accumulated depreciation is removed from the accounts and any gain or loss is reported in the statement of activities.

**Play Rugby, Inc.  
and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**2. Summary of Significant Accounting Policies (continued)**

***Allocation of Functional Expenses***

The costs of providing programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Expenses that can be specifically identified with a program or support service are allocated accordingly. The allocations of salary, facility and equipment, office expenses, and other expenses are based on the estimated time spent by staff in the program service functions. Other expenses that are directly identifiable, are allocated on a direct basis.

***Accounting for Uncertainty in Income Taxes***

The Organization recognizes the effect of tax positions when they are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. Play Rugby and VITA are no longer subject to examinations by applicable taxing jurisdictions for any periods prior to 2017.

***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is October 26, 2021.

**3. Liquidity and Availability of Financial Assets**

The following reflects the Organization's financial assets and resources without donor restrictions available as of December 31, to meet cash needs for general expenditures within one year of the date of the consolidated statement of financial position:

	<u>2020</u>	<u>2019</u>
Financial assets:		
Cash and cash equivalents	\$ 165,140	\$ 393,079
Accounts receivable	<u>7,375</u>	<u>18,646</u>
Total Financial Assets	172,515	411,725
Less restricted cash	<u>(40,000)</u>	<u>(40,000)</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 132,515</u>	<u>\$ 371,725</u>

**Play Rugby, Inc.  
and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**3. Liquidity and Availability of Financial Assets (continued)**

As part of the Organization's liquidity management strategy, the Organization structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. Play Rugby's working capital and cash flows are mainly attributable to the cash receipts of contributions and program service fee revenue. Management believes VITA's available cash will be sufficient to satisfy any remaining obligations as per note 13.

**4. Concentration of Credit Risk**

Financial instruments which potentially subject the Organization to a concentration of credit risk consist principally of cash deposits with financial institutions and receivables. At times cash and cash equivalents held at financial institutions may be in excess of federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes no significant concentration of credit risk exists with respect to its receivables.

**5. Property and Equipment**

Property and equipment consisted of the following at December 31:

	2020	2019
Leasehold improvements	\$ -	\$ 151,611
Equipment	-	29,769
Furniture and fixtures	10,442	119,491
	<u>10,442</u>	<u>300,871</u>
Less accumulated depreciation and amortization	<u>(10,442)</u>	<u>(124,196)</u>
Total	<u>\$ -</u>	<u>\$ 176,675</u>

As part of VITA's settlement agreement, VITA surrendered all property and equipment (net balance of \$146,167) to the landlord as of December 31, 2020 (see note 10).

**6. Debt and Related Party Transactions**

***Loans Payable – Related Party***

During the year ended December 31, 2018, Play Rugby entered into two promissory notes totaling \$40,000, yielding interest at 5% annum with a maturity date of December 31, 2021 with their former Founder/CEO. At December 31, 2020, the entire amount outstanding was \$45,654, including \$5,654 of interest. As of December 31, 2019, the entire amount outstanding was \$42,442, including \$2,442 of interest. The balance was paid in full in March 2021.

**Play Rugby, Inc.  
and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**6. Debt and Related Party Transactions (continued)**

***Bank Line of Credit***

Play Rugby has a line of credit with its primary bank in the amount of \$55,000. As of December 31, 2020 no amounts were drawn. The line of credit yields interest at a variable rate equal to the sum of the Prime Rate in effect plus 1.35%. During 2020 there was \$274 in interest expense charged to operations from the line of credit. Play Rugby is required to maintain a savings account balance of \$40,000 to secure the line of credit.

**7. PPP Loan Payable**

On April 21, 2020, Play Rugby received a \$124,315 loan through the Small Business Administration related to the Paycheck Protection Program ("PPP") at a fixed interest rate of 0.98%. Play Rugby will apply for and expects to receive full forgiveness of this loan in accordance with the requirements of the PPP, including provisions of Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES" Act). The loan was subsequently forgiven on July 29, 2021.

**8. Concentration of Revenue and Related Party Transaction**

During the year ended December 31, 2020, one donor, contributed \$337,254 which represents 33% of the Organization's total support and revenue.

During the year ended December 31, 2019, two donors, one a board member of VITA, contributed \$400,000 which represents 22% of the Organization's total support and revenue.

**9. Net Assets with Donor Restrictions and Releases from Restriction**

During the year ended December 31, 2019, net assets received with donor restrictions were released in the same year, resulting in no balance of net assets with donor restrictions at year-end. There were no contributions with donor restrictions received during 2020.

**10. Commitments and Contingencies – Operating Leases**

On February 1, 2017, Play Rugby entered a sublease agreement with VITA for office space. The lease provided for a non-interest bearing security deposit of \$5,587 to be maintained through the term of the lease. Play Rugby terminated the lease effective August 15, 2020 and has been operating with an all-remote administrative workforce since.

Rent expense under this lease was \$29,357 and \$53,978 for the years ended December 31, 2020 and 2019 and has been eliminated in consolidation.

**Play Rugby, Inc.  
and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**10. Commitments and Contingencies – Operating Leases (continued)**

VITA leased space in New York City for their office, under a long-term leasing arrangement which began in 2016 and was scheduled to end in 2024. On September 30, 2020 VITA entered into a surrender agreement with their landlord to terminate their lease effective September 30, 2020. The lease originally provided for a non-interest bearing security deposit of \$196,875 to be maintained through the term of the lease. Rent expense was recognized on the straight line basis over the lease term. As part of the early termination agreement VITA surrendered the security deposit and all property and equipment and made an additional one-time payment of \$60,000 to the landlord. Rent expense for 2020 and 2019 totaled \$365,295 and \$508,147. In addition, deferred rent of \$246,003 was written off upon termination.

**11. Rental Revenue under Operating Leases**

VITA had multiple lease agreements for work stations at their office in New York City. The leases were set to expire in 2024. The leases provided for non-interest bearing security deposits from each tenant to be maintained by VITA through the term of the leases. All lease agreements were terminated as of September 30, 2020. Security deposits related to these lessees of \$19,179 were refunded during 2020 and therefore no security deposits payable were held at December 31, 2020.

Rental income of \$29,357 and \$53,978 for the years ended December 31, 2020 and 2019 received from Play Rugby, as disclosed in note 9, has also been eliminated in consolidation.

**12. COVID-19**

The COVID-19 pandemic may have a potentially adverse effect on the results of operations. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the impact to future results of operations, cash flows, or financial condition.

**13. Subsequent Events**

***VITA Contingencies Related to Liquidation***

At the time of dissolution, VITA had a number of contracts with various vendors. All vendors with contracts were notified of the planned dissolution and liquidation of VITA and were provided a 60 day period to file a claim with them in order to ultimately receive an apportioned amount of any remaining assets upon final liquidation. As of October 26, 2021, VITA has approximately \$1,000 in financial assets. Claims in excess of the VITA's total financial assets, mostly from VITA's landlord, have been presented. Any remaining assets will still be apportioned to the landlord and any other creditor that has submitted their claim within the notice period.

**Play Rugby, Inc.  
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Notes to Consolidated Financial Statements  
December 31, 2020 and 2019

**13. Subsequent Events *(continued)***

***VITA Contingencies Related to Liquidation (continued)***

While VITA has dissolved in its corporate form, as of October 26, 2021, it is still pending final application and subsequent approval of dissolution from the New York State Attorney General Charities Bureau Division.

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**Play Rugby, Inc.  
and Subsidiary**

Supplementary Information

December 31, 2020 and 2019

**Play Rugby, Inc.  
and Subsidiary**

Consolidating Schedules of Financial Position

	December 31							
	2020				2019			
	(unaudited)				(audited)			
Play Rugby, Inc.	Vita Sports Partners, Inc.	Elimination Entries	Consolidated	Play Rugby, Inc.	Vita Sports Partners, Inc.	Elimination Entries	Consolidated	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 121,321	\$ 3,819	\$ -	\$ 125,140	\$ 55,891	\$ 297,188	\$ -	\$ 353,079
Restricted cash	40,000	-	-	40,000	40,000	-	-	40,000
Accounts receivable	7,375	-	-	7,375	14,367	4,279	-	18,646
Prepaid expenses	3,179	-	-	3,179	3,179	7,267	-	10,446
Security deposit	-	-	-	-	5,587	196,875	(5,587)	196,875
Property and equipment, net	-	-	-	-	210	176,465	-	176,675
	<u>\$ 171,875</u>	<u>\$ 3,819</u>	<u>\$ -</u>	<u>\$ 175,694</u>	<u>\$ 119,234</u>	<u>\$ 682,074</u>	<u>\$ (5,587)</u>	<u>\$ 795,721</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>								
Liabilities								
Accounts payable and accrued expenses	\$ 35,604	\$ 3,026	\$ -	\$ 38,630	\$ 66,409	\$ 14,560	\$ -	\$ 80,969
Loans payable - related party	45,654	-	-	45,654	42,442	-	-	42,442
PPP loan payable	124,315	-	-	124,315	-	-	-	-
Deferred rent	-	-	-	-	-	246,003	-	246,003
Security deposits payable	-	-	-	-	-	24,766	(5,587)	19,179
Total Liabilities	<u>205,573</u>	<u>3,026</u>	<u>-</u>	<u>208,599</u>	<u>108,851</u>	<u>285,329</u>	<u>(5,587)</u>	<u>388,593</u>
Net assets (deficit) without donor restrictions	<u>(33,698)</u>	<u>793</u>	<u>-</u>	<u>(32,905)</u>	<u>10,383</u>	<u>396,745</u>	<u>-</u>	<u>407,128</u>
	<u>\$ 171,875</u>	<u>\$ 3,819</u>	<u>\$ -</u>	<u>\$ 175,694</u>	<u>\$ 119,234</u>	<u>\$ 682,074</u>	<u>\$ (5,587)</u>	<u>\$ 795,721</u>

See independent accountants' review report

**Play Rugby, Inc.  
and Subsidiary**

Consolidating Schedules of Activities

	Year Ended December 31							
	2020				2019			
	(unaudited)				(audited)			
	Play Rugby, Inc.	Vita Sports Partners, Inc.	Elimination Entries	Consolidated	Play Rugby, Inc.	Vita Sports Partners, Inc.	Elimination Entries	Consolidated
<b>SUPPORT AND REVENUE</b>								
Direct public support	\$ 282,818	\$ 337,254	\$ -	\$ 620,072	\$ 323,413	\$ 780,500	\$ -	\$ 1,103,913
Program service fees	36,384	-	-	36,384	145,802	-	-	145,802
Fundraising events, net of expenses of \$23,246 and \$62,304	179,391	-	-	179,391	201,375	-	-	201,375
Governmental grant	-	-	-	-	108,937	-	-	108,937
Rental and other earned income	466	111,601	(29,823)	82,244	88,811	310,905	(136,427)	263,289
In-kind contributions	-	114,165	-	114,165	72,266	114,731	-	186,997
Total Support and Revenue	<u>499,059</u>	<u>563,020</u>	<u>(29,823)</u>	<u>1,032,256</u>	<u>940,604</u>	<u>1,206,136</u>	<u>(136,427)</u>	<u>2,010,313</u>
<b>EXPENSES</b>								
Program services	175,491	303,694	(359)	478,826	358,487	597,198	(41,601)	914,084
Supporting Services								
Management and general	214,227	655,278	(29,464)	840,041	383,452	339,642	(94,826)	628,268
Fundraising	<u>153,422</u>	<u>-</u>	<u>-</u>	<u>153,422</u>	<u>272,171</u>	<u>-</u>	<u>-</u>	<u>272,171</u>
Total Expenses	<u>543,140</u>	<u>958,972</u>	<u>(29,823)</u>	<u>1,472,289</u>	<u>1,014,110</u>	<u>936,840</u>	<u>(136,427)</u>	<u>1,814,523</u>
Change in Net Assets (Deficit)	(44,081)	(395,952)	-	(440,033)	(73,506)	269,296	-	195,790
<b>NET ASSETS (DEFICIT)</b>								
Beginning of year	<u>10,383</u>	<u>396,745</u>	<u>-</u>	<u>407,128</u>	<u>83,889</u>	<u>127,449</u>	<u>-</u>	<u>211,338</u>
End of year	<u>\$ (33,698)</u>	<u>\$ 793</u>	<u>\$ -</u>	<u>\$ (32,905)</u>	<u>\$ 10,383</u>	<u>\$ 396,745</u>	<u>\$ -</u>	<u>\$ 407,128</u>

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**Play Rugby, Inc.  
and Subsidiary**

Consolidating Schedule of Functional Expenses  
Year Ended December 31, 2020  
(with summarized totals for the year ended December 31, 2019)

	Play Rugby, Inc.				VITA Sports Partners, Inc.				Eliminations	2020	2019
	Program Services	Supporting Services Management and General		Fundraising	2020 Total	Program Services	Management and General	2020 Total		Consolidated Total (unaudited)	Consolidated Total (audited)
Salary and other personnel costs	\$ 152,643	\$ 110,314	\$ 92,643	\$ 355,600	\$ 10,964	\$ 10,964	\$ 21,928	\$ (466)	\$ 377,062	\$ 630,147	
Payroll taxes	16,832	12,164	10,216	39,212	-	-	-	-	39,212	63,307	
Program consultants	-	-	-	-	-	-	-	-	-	25,000	
Insurance	-	13,838	-	13,838	6,536	10,223	16,759	-	30,597	20,011	
Facilities, equipment, and training fees	4,105	40,134	-	44,239	156,441	244,691	401,132	(29,357)	416,014	592,034	
Travel and lodging	972	446	1,088	2,506	-	-	-	-	2,506	22,078	
Office expenses	939	10,499	8,359	19,797	109,432	171,164	280,596	-	300,393	91,015	
Professional fees	-	23,530	-	23,530	-	196,803	196,803	-	220,333	269,597	
Marketing and advertising	-	3,092	25	3,117	-	-	-	-	3,117	14,127	
Scholarships	-	-	-	-	8,505	-	8,505	-	8,505	17,010	
Fundraising expenses	-	-	57,112	57,112	-	-	-	-	57,112	76,526	
Interest and bank fees	-	-	7,225	7,225	-	-	-	-	7,225	9,120	
Depreciation and amortization	-	210	-	210	11,816	18,482	30,298	-	30,508	46,855	
Liquidation adjustments	-	-	-	-	-	2,951	2,951	-	2,951	-	
	175,491	214,227	176,668	566,386	303,694	655,278	958,972	(29,823)	1,495,535	1,876,827	
Less: Fundraising direct expenses	-	-	(23,246)	(23,246)	-	-	-	-	(23,246)	(62,304)	
<b>Total Expenses</b>	<b>\$ 175,491</b>	<b>\$ 214,227</b>	<b>\$ 153,422</b>	<b>\$ 543,140</b>	<b>\$ 303,694</b>	<b>\$ 655,278</b>	<b>\$ 958,972</b>	<b>\$ (29,823)</b>	<b>\$ 1,472,289</b>	<b>\$ 1,814,523</b>	

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