EXPERIENCE CAMPS

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

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CONTENTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Experience Camps
Westport, Connecticut

Opinion

We have audited the accompanying financial statements of Experience Camps (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the nine months then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Experience Camps as of September 30, 2021, and the changes in its net assets and its cash flows for the nine months 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. 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 Experience Camps and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Experience Camps' ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Experience Camps' 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 Experience Camps' 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.

Berkow, Schechter & Company LLP

Berkow, Schechter & Company LLP

Stamford, Connecticut
February 10, 2022

EXPERIENCE CAMPS
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2021

<u>ASSETS:</u>	
CURRENT ASSETS:	
Cash and cash equivalents	**$ 797,052**
Pledges receivable, net (Note 9)	**23,068**
Donations receivable	**33,466**
Prepaid expenses	**44,936**
Investments (Note 8)	**4,869,700**
Total Current Assets	**5,768,222**
NON-CURRENT ASSETS:	
Property and Equipment:	
Computers	**3,712**
Net of accumulated depreciation (Note 4)	**(3,712)**
	-
Pledges receivable, net (Note 9)	**104,119**
Security deposit	**2,500**
Total Non-current Assets	**106,619**
TOTAL ASSETS	**5,874,841**
<u>LIABILITIES AND NET ASSETS:</u>	
CURRENT LIABILITIES:	
Accounts payable	**2,526**
Accrued and other expenses	**65,648**
Credit card payable	**19,559**
Paycheck Protection Program (Note 3)	**173,619**
Total Current Liabilities	**261,352**
TOTAL LIABILITIES	**261,352**
NET ASSETS:	
Without donor restrictions	**5,472,382**
With donor restrictions (Note 13)	**141,107**
TOTAL NET ASSETS	**5,613,489**
TOTAL LIABILITIES AND NET ASSETS	**$ 5,874,841**

EXPERIENCE CAMPS
STATEMENT OF ACTIVITIES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

	Without Donor Restrictions	With Donor Restrictions	**Total**
REVENUES, GAINS AND OTHER SUPPORT			
Donations	$ 674,755	$ 3,648	**$ 678,403**
Grants	95,500	10,000	**105,500**
Special events, revenue (Note 11)	162,268	-	**162,268**
Special events, expenses	(17,789)	-	**(17,789)**
Investment income (Note 8)	306,308	-	**306,308**
Inkind services (Note 5)	7,000	-	**7,000**
Net assets released from donor restrictions	540,250	(540,250)	**-**
Total Revenues, Gains and Other Support	1,768,292	(526,602)	**1,241,690**
FUNCTIONAL EXPENSES			
Program services	1,721,582	-	**1,721,582**
Fundraising	562,121	-	**562,121**
Management and general	79,432	-	**79,432**
Total Functional Expenses	2,363,135	-	**2,363,135**
CHANGE IN NET ASSETS	(594,843)	(526,602)	**(1,121,445)**
Net Assets, Beginning of Nine-month Period	6,067,225	667,709	**6,734,934**
Net Assets, End of Nine-month Period	$ 5,472,382	$ 141,107	**$ 5,613,489**

EXPERIENCE CAMPS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

		Supporting Activities			
	Program Services	Management & General	Fundraising	Supporting Subtotal	**Total**
Personnel					
Wages	$ 621,154	$ 26,332	$ 330,524	$ 356,856	**$ 978,010**
Payroll taxes	54,006	2,263	27,680	29,943	**83,949**
Benefits	37,800	899	31,811	32,710	**70,510**
Total Personnel Costs	712,960	29,494	390,015	419,509	**1,132,469**
Other Expenses					
Professional fees	136,396	29,744	112,743	142,487	**278,883**
Program	741,944	-	-	-	**741,944**
Office	23,402	11,269	14,236	25,505	**48,907**
Software licensing fees	17,532	3,244	27,782	31,026	**48,558**
Travel and meetings	30,005	1,990	4,335	6,325	**36,330**
Insurance	30,280	1,151	1,957	3,108	**33,388**
Occupancy	15,234	2,540	7,621	10,161	**25,395**
Marketing	13,829	-	3,432	3,432	**17,261**
Total Other Expenses	1,008,622	49,938	172,106	222,044	**1,230,666**
Total Functional Expenses	$ 1,721,582	$ 79,432	$ 562,121	$ 641,553	**$ 2,363,135**

EXPERIENCE CAMPS
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	**$ (1,121,445)**
Adjustments to reconcile change in net assets to net cash provided by / (used in) operating activities:	
Change in value of investments	**45,471**
Changes in operating assets and liabilities:	
Pledges receivable	**532,772**
Donations receivable	**399,065**
Accounts payable	**(474)**
Credit card	**12,136**
Accrued and other expenses	**(19,151)**
Net Cash Used In Operating Activities	**(151,626)**
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of securities	**(2,531,321)**
Proceeds from sale of securities	**1,981,117**
Net Cash Used In Investing Activities	**(550,204)**
CASH FLOWS FROM FINANCING ACTIVITIES:	
Paycheck protection program (PPP)	**173,619**
Net Cash Provided By Financing Activities	**173,619**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**(528,211)**
Cash and Cash Equivalents, Beginning of Nine-month Period	**1,325,263**
CASH AND CASH EQUIVALENTS, END OF NINE-MONTH PERIOD	**$ 797,052**

NOTE 1 - NATURE OF ORGANIZATION

Experience Camps, (the "Organization") is a 501(c)(3) national not-for-profit that delivers year-round support for children and teens who have experienced the death of a parent, sibling, or primary caregiver. The Organization is seeking to address, and advocate for the 5.3 million U.S. children grieving the death of a parent, sibling, or caregiver. The organization's goals are to make grief support programs accessible to a larger population of grieving children, educate the public about the importance of talking about and addressing grief among children, and gain insights into how children, particularly those of color, are impacted by grief. Since 2009, Experience Camps has transformed the lives of thousands of children by reframing the experience of their grief and empowering them with the confidence, skills, and support to move forward with their lives. The programs are designed to help kids rediscover childhood, develop coping skills, and establish bonds with others who understand what it's like to lose someone so important to them. The Organization was incorporated in the State of Maine in 2007. The Organization has its mission statement as providing bereavement support to grieving children.

The Organization's program services include the following major components:

Summer Camp and Year-Round Support: The Organization's one-week, overnight summer camp and year-round programs help to reframe the experience of grief and empower kids to develop invaluable coping skills that enable them to move forward with their lives. Through compassion, connection, and play, the programs empower grieving children to embody a life full of hope and possibility.

Overnight summer camp programs provide campers a safe environment where kids can explore their grief, break the isolation they may feel with their non-camp peers, and have a whole lot of fun. They have the opportunity to meet and connect with kids who are coping with similar challenges, build confidence, encourage laughter and navigate their grief through friendship, teamwork, athletics, and the common bond of loss. Under the guidance of professional bereavement staff, campers have the opportunity to share stories and remember the one who died, while exploring skills that will help them after camp. The program is designed to maximize each camper's time with his or her bunkmates to give him or her time to bond and build the trust that leads to open communication. A full day of fun and rewarding activity takes place in the beautiful outdoors, surrounded by accepting friends, supportive counselors and fresh air.

In addition to the summer camp programs, the Organization provides a community of support for grieving children that extends beyond the bunk. The Organization provides services all year-round that includes grief resources and opportunities to reconnect. One of these key resources is the Issue Leadership platform which is working to change the culture of avoidance of grief, gathering insights into how society deals with grief to promote better ways to cope with this pervasive public-health issue. The Organization's goal is to impact millions of children.

Over the last five years, the Organization's demand for camp has increased 500% and COVID-19 means tens of thousands more kids are now being impacted by childhood grief. The pandemic has multiplied the difficulties of navigating grief as it has wrought major challenges in the grief

NOTE 1 - NATURE OF ORGANIZATION (CONTINUED)

rituals and disrupted ways for kids to move forward with their grief by returning to the routine of in-person schooling and social activities. As the Organization continues to grow, it is identifying new, innovative programs that will help more grieving children gain access to a community of support via scalable, year-round grief programs that meet children where they are.

Studies have shown that children of color are three times more likely than white children to experience the death of multiple family members before turning the age of 30, and are especially vulnerable. The Organization continues to enhance its recruitment and outreach efforts in communities of color who frequently do not have access to grief support services, and continue to ensure an inclusive environment at camp.

Leaders in Training: This program is designed to build resilient youth leaders through mentorship, training and peer support. The Organization’s oldest campers are invited to join the Organization’s Leaders In Training program. Campers participate in a 2-year program that starts after their sophomore year of high school and gradually applies increasing degrees of life lessons, character development, grief processing, and leadership goals. The Organization’s emerging leaders mentor younger campers, model empathy and resilience, and learn that - even during the complexity of their teen years, when it can feel like nobody understands - they are not alone.

The Organization’s principal source of revenue is money contributed by the general public.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Financial Statement Presentation

The financial statement presentation follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Non-for-Profit Entities*. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the nonprofit Organization or by the passage of time. When a donor restriction expires, the net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Prepaid Expenses

Prepaid expenses represent expenditures related to events conducted in subsequent year.

Revenue Recognition

Contributions: All contributions are considered available for the general program of the Organization, unless specifically restricted by the donor. The Organization reports all monetary gifts as support with donor restrictions if they are received with donor stipulations that limit their use or are subject to time restrictions.

Promises to Give: Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met or expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. A donor restriction expires when a stipulated time restrictions ends or when a purpose restriction is accomplished. Upon expiration of the restriction, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at net present value of their estimated future cash flows. The discount on the amount is computed at the date of the pledges, using the 2-year treasury rate applicable to the years in which the promises are expected to be received. The interest rate used was 0.28%. Amortization of the discount is recognized as contribution revenue.

Contributed Materials and Services: The Organization recognizes contributions of materials at their estimated fair value at the date of donation. The Organization reports gifts of equipment and other nonmonetary contributions as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

Donated services are defined as services that require specialized skills that would otherwise have been purchased by the Organization. No amounts have been reflected in the financial statements for donated services of volunteers because they do not meet the criteria for recognition in the financial statements under accounting principles generally accepted in the United States of America.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three (3) months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The statement of functional expenses presents expenses by program and supporting service function, and by natural classification. Functional expenses have been allocated between program services, and supporting services based upon actual costs and percentage of personnel time devoted to each area. Certain overhead costs have been allocated based upon analysis of aggregate charges within each functional area.

Property and Equipment

The Organization records property and equipment at cost, or if received by donation, at estimated fair value at the time such items are received. Property and equipment with a cost or fair value in excess of $1,000 with a useful life in excess of one year are capitalized. Major repairs and replacements that extend the useful life of property are similarly capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Vehicles, furniture, fixtures, and equipment are depreciated using the straight-line method over their useful lives which range from five to ten years. Leasehold improvements are amortized over the shorter of the remaining life of the lease or the actual asset life. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from accounts, and any related gain or loss is reflected in income for the period.

Fair Value Measurements

The Organization follows FASB guidance on fair value, which, among other things, defines fair value, establishes a hierarchal framework for measuring fair value, and expands disclosure about fair value measurements. Fair value is defined as 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. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as “inputs”) used in pricing the asset or liability, as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access the measurement date.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, with fair value being determined through the use of models or other valuation methodologies.

Level 3: Inputs are observable for the asset or liability and are used to the extent that observable inputs do not exist. Level 3 inputs require significant management judgment and estimation. Factors considered include the purchase cost, prices of recent private placements of the same issuer, liquidity of the investment, changes in financial condition of the issuer, and valuations of similar companies.

Inputs generally refer to the assumptions that market participants use to make valuation decisions. The inputs or methods used for valuing investments are not necessarily an indication of the risk associated with those investments. The valuation methodologies used may involve a significant degree of judgement. Accordingly, the degree of judgment exercised by the Organization in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Going Concern

The financial statements have been prepared under the going concern basis of accounting. Under this presumption, the Organization is reasonably expected to remain in existence and honor all its commitments for the foreseeable future.

New Accounting Pronouncements

ASU 2016-02 Leases (Topic 842): In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASU) No. 2016-02, Leases (Topic 842). The ASU's core principle is to increase transparency and comparability among organizations by requiring recognition or rights and obligations from lease contracts longer than one year as assets and liabilities on the balance sheet.

The pattern of expense recognition in the statement of activities will depend on a lease's classification. For not-for-profit organizations, the standard takes effect for fiscal years beginning after December 15, 2021 **.** The Organization is evaluating the effect that ASU No. 2016-02 will have on its financial statements and related disclosures.

ASU 2020-07(Topic 958): In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Non-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. This ASU focuses on improving transparency in the reporting of contributed

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

nonfinancial assets. Under the new standard's requirements, gifts-in-kind are to be presented as a separate line item on the statement of activities, with additional disclosures. The ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual periods beginning after June 15, 2021. Early adoption is permitted.

The Organization has adopted 2020-07. No significant impact was noted as a result of the adoption.

NOTE 3 - PAYCHECK PROTECTION PROGRAM

During 2021, the Organization applied for, and received a second round loan in the amount of $173,619 from the Small Business Administration ("SBA") under the terms of the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, March 2020. The Organization has not obtained forgiveness on repayment of the Paycheck Protection Program funds from the SBA.

During 2020, the Organization received the first loan in the amount of $128,357, from the Small Business Administration ("SBA") under the Payment Protection Program. The $128,357 was forgiven in full, in accordance with provisions outlined in the CARES Act, and accordingly, recognized as revenue.

NOTE 4 - FIXED ASSETS

Fixed assets is stated at cost, less accumulated depreciation.

	2021
Computer equipment	$ 3,712
Less: accumulated depreciation	(3,712)
Total Fixed Assets	$ -

NOTE 5 - CONTRIBUTED NONFINANCIAL ASSETS

For the nine months ended September 30, 2021, the Organization recognized contributed nonfinancial assets in the statement of activities related to medical services provided at camp, for the amount of $7,000.

Fair value techniques: These in-kind donations are valued at their fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used.

Donor restriction and use: The Organization did not monetize any contributed nonfinancial assets. The services related to medical services provided during the camping season, and were used in Organization's summer camp program. Unless otherwise noted, contributed nonfinancial assets did not have donor restrictions for the nine months ended September 30, 2021.

NOTE 5 - CONTRIBUTED NONFINANCIAL ASSETS (CONTINUED)

A vital component of the Organization's work with children struggling with grief, is its network of 377 volunteers. For the nine months ended September 30, 2021, the Organization tracked and reported volunteer hours. The average volunteer gave 40 hours during the summer camp to their activities with grieving children. As a result, the total volunteer hours listed was 15,080. The value of these hours is substantial, based on the hourly earnings provided by the Bureau of Labor Statistics. The Organization's volunteers are highly trained and closely supervised in their counseling activities. Similar services in Maine are valued at $15.00 per hour as of September 30, 2021. The total value estimated for these services for the nine months ended September 30, 2021 was $226,200. When including the value of these services, total program expenses as a percentage of total expenses increased from 73% to 75%. However, these donated services do not meet the criteria under generally accepted accounting principles to be recorded as contributed services.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use (if any) because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Cash and cash equivalents	$ 797,052
Donations receivable	33,466
Pledges receivables, net	127,549
Prepaid expenses	44,936
Investments	4,869,700
Total	5,872,703
Less:	
Receivables not collectible within one year	104,119
Legacy funds	721,233
Total	825,352
Financial assets available to meet cash needs for general expenditure within one year	$ 5,047,351

As part of its liquidity management, the Organization structures its financial assets to be available to satisfy its general expenditures, current liabilities, and other obligations as they come due. The Organization evaluates its net assets without donor restrictions position annually and ensures availability of cash and investments through a tiered portfolio structure. Tier I includes investments in cash and cash equivalents, which minimizes exposure to market risks and preserves constant dollar value.

Tier II serves as a longer term investment pool and is designed to provide moderate growth through a diversified allocation of equity, fixed income and alternative investments. The investments are overseen by the investment committee as well as an external investment advisor. Tier II components are intended to provide cash proceeds from investment returns to supplement the annual operating and capital budgets.

NOTE 7 - TAX STATUS

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is not subject to federal income taxes. The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) annually, with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The entity has determined it has no activities subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS, for the nine months ended September 30, 2021.

Generally, federal and state authorities may examine the Organization's informational tax returns for up to three (3) years from date of filing. Consequently, income tax returns for years prior to 2018 are no longer subject to examination by tax authorities.

NOTE 8 - INVESTMENTS

The Organization reports investment income and unrealized gains and losses as increases or decreases in net assets without donor restrictions in the Statements of Activities and Change in Net Assets, unless a donor or law temporarily or permanently restricts their use. Restricted gains and investment income whose restrictions are met in the same year are reported as increases in net assets without donor restrictions.

Investments at fair market value at September 30, 2021 was $4,869,700.

The following schedule summarizes the Organization's return on investments and its classification in the statement of activities for the nine months ended September 30, 2021.

	Without Donor Restrictions	With Donor Restrictions	2021
Interest and dividend income	$ 97,260	$ -	$ 97,260
Net realized and unrealized gains	218,728	-	218,728
Investment expenses	(9,680)	-	(9,680)
Total Investment Income	$ 306,308	$ -	$ 306,308

Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividend), is reflected in the statement of activities net of fees.

The following table presents information about the Organization's investments measured at fair value on a recurring basis as of September 30, 2021, and indicates the fair value hierarchy of the valuation techniques used.

NOTE 8 - INVESTMENTS (CONTINUED)

Asset	Fair value measurements at reporting date using Level 1	Level 2	Level 3	Balance September 30 2021
Mutual funds	$ 1,551,144	$ -	$ -	$ 1,551,144
Equities	1,790,639	-	-	1,790,639
Fixed income	929,719	-	-	929,719
Alternative investments	-	598,198	-	598,198
Total Investments	$ 4,271,502	$ 598,198	$ -	$ 4,869,700

The extent of the impact of the coronavirus (COVID-19) pandemic on the financial performance of the Organization's investments will depend on future developments. These include the duration and spread of other new COVID-19 virus mutations, and related effects, restrictions, and the impact of COVID-19 on the financial markets and the overall economy, all of which are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Organization's investment results may be affected.

NOTE 9 - PLEDGES RECEIVABLE

The Organization, through its campaign, had entered into agreement with its donors involving future nonreciprocal transfers of cash. The agreements are recorded as pledges receivable, if the agreement is in substance, an unconditional promise to give. The long-term pledges receivable are shown at present value using a discount rate of 0.28%. The discount on the pledge was $509 as at September 30, 2021.

Pledges receivable at September 30, 2021 are as follows:

	2021
Gross pledges receivable	$ 127,696
Less: Discount to net present value	(509)
Net pledges receivable	$ 127,187

	2021
Amounts due in:	
Less than one year	$ 23,068
Two years, and over	104,628
Total	$ 127,696

NOTE 10 - ADVERTISING COSTS

Advertising costs are expensed as incurred. During the nine months ended September 30, 2021, the Organization expensed $17,261 for advertising costs.

NOTE 11 - SPECIAL EVENTS

Special events generate revenue for the Organization as well as raise awareness about the Organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly.

The special events revenues and expenses are directly related to fundraising for the nine months ended September 30, 2021, is as follows:

	2021
Special event revenue	$ 162,268
Less: Cost of direct benefits to donors	(17,789)
Total	$ 144,479

NOTE 12 - CONCENTRATION OF CREDIT RISK

Cash and cash equivalents are insured up to $250,000 by the Federal Deposit Insurance Corporation (the "FDIC"). The Securities Investors Protection Corporation (SIPC), insures the money market fund up to $500,000. At times cash and cash equivalent amounts may be in excess of that amount. However, the Organization maintains its cash and cash equivalents at high-credit, quality financial institutions. The Organization also regularly monitors the financial condition of the banking institutions along with their cash balances and endeavors to keep potential risk at a minimum.

NOTE 13 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to specific, externally imposed limitations made by a donor, or are time restricted. The restrictions expire upon the passage of time or once specific actions are undertaken by the Organization. The net assets are then released and reclassified to net assets without donor restrictions when these restrictions are satisfied. Net assets with donor restrictions consisted of the following:

	2021
Time restriction	$ 127,187
Purpose restriction	13,920
Total	$ 141,107

NOTE 13 - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets released from restrictions by satisfying the restricted purposes for the nine months ended September 30, 2021 were as follows:

	2021
Time restriction	$ 532,500
Purpose restriction	7,750
Total	$ 540,250

NOTE 14 - LEASES

The Organization entered into a three year operating lease agreement for office space in Westport, Connecticut that commenced in December of 2019, and ends in November of 2022. Future annual minimum lease payments due as of September 30, 2021 are as follows:

Year	Rent
2022	28,611
2023	-
2024	-
2025	-
2026	-
Thereafter	-
Total	$ 28,611

The lease requires additional rent payments equal to the increase in taxes, insurance and common area charges. The total operating lease expense including utilities for the nine months ended September 30, 2021 was approximately $25,395.

NOTE 15 - SUBSEQUENT EVENTS

In accordance with ASC 855, the Organization evaluated subsequent events through February 10, 2022, the date these financial statements were available to be issued. There are no material subsequent events that have occurred subsequent to the financial position date through, February 10, 2022, that required recognition or additional disclosure in these financial statements.