WORTHWHILE WEAR, INC.
Financial Report
December 31, 2022 and 2021

dunlapSLK
A Professional Corporation
Certified Public Accountants & Business Advisors

WORTHWHILE WEAR, INC.
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Independent Auditors' Report

To the Board of Directors
Worthwhile Wear, Inc.
Sellersville, Pennsylvania

Opinion

We have audited the financial statements of Worthwhile Wear, Inc., which comprise the statement of assets, liabilities, and net assets - modified cash basis as of December 31, 2022, and the related statements of revenues, expenses, and changes in net assets - modified cash basis, and functional expenses - modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and net assets of Worthwhile Wear, Inc. as of December 31, 2022, and the changes in its net assets for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Worthwhile Wear, Inc. 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.

Other Matter

The 2021 financial statements were reviewed by other accountants and their report thereon, dated June 22, 2022, stated they were not aware of any material modifications that should be made to those statements for them to be in accordance with the modified cash basis of accounting. A review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1 and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 Worthwhile Wear, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Worthwhile Wear, Inc.'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 Worthwhile Wear, Inc.'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.

DunlapSLK, PC

Chalfont, Pennsylvania
November 13, 2023

WORTHWHILE WEAR, INC.
Statements of Assets, Liabilities, and Net Assets -
Modified Cash Basis
December 31, 2022 and 2021

	2022 (Audited)	2021 (Reviewed)
Assets		
Cash	$ 322,415	$ 213,322
Cash Held in Escrow	9,938	18,686
Deposits	19,690	19,690
Construction in Progress	-	154,896
Property and Equipment, Net	639,203	151,284
Total Assets	$ 991,246	$ 557,878
Liabilities and Net Assets		
Current Liabilities		
Current Portion of Notes Payable	$ 98,859	$ 7,159
Credit Cards Payable	8,104	10,848
Payroll Taxes Payable	-	2,227
Sales Tax Payable	3,913	995
Escrow Liability	9,938	18,686
Total Current Liabilities	120,814	39,915
Long-Term Liabilities		
Notes Payable	15,510	22,669
Total Liabilities	136,324	62,584
Net Assets, Without Donor Restrictions	854,922	495,294
Total Liabilities and Net Assets	$ 991,246	$ 557,878

See notes to financial statements.

WORTHWHILE WEAR, INC.
Statements of Revenues, Expenses, and
Changes in Net Assets - Modified Cash Basis
Years Ended December 31, 2022 and 2021

	2022 (Audited)	2021 (Reviewed)
Revenues		
Contributions and Grants	$ 691,752	$ 341,751
Grant Revenue - PPP	-	109,240
Thrift Store and Product Sales	1,012,835	372,239
Special Events	365,978	311,965
Program Services	13,850	105,663
Other Income	879	6,036
Total Revenues	2,085,294	1,246,894
Expenses		
Program Services	1,357,372	772,552
Supporting Services		
Management and General	184,844	93,763
Fundraising	183,450	125,655
Total Expenses	1,725,666	991,970
Increase in Net Assets	359,628	254,924
Net Assets, Without Donor Restrictions		
Beginning of Year	495,294	240,370
End of Year	$ 854,922	$ 495,294

See notes to financial statements.

WORTHWHILE WEAR, INC.
Statement of Functional Expenses -
Modified Cash Basis
Year Ended December 31, 2022
(Audited)

	Program Services				Supporting Services		
	Thrift Store / Product Sales	The Well	Worth-It	Total Program Expenses	Management and General	Fundraising	Total Expenses
Salaries	$ 440,416	$ 217,149	$ 79,563	$ 737,128	$ 122,747	$ 69,691	$ 929,566
Rent	212,782	-	-	212,782	-	-	212,782
Payroll Taxes	38,833	19,689	6,375	64,897	10,356	5,331	80,584
Utilities	64,065	16,300		80,365	185	-	80,550
Fundraising Expenses	-	-	-	-	-	61,811	61,811
Other Direct Program Costs	285	43,096	4,024	47,405	60	355	47,820
Professional Fees	194	27,981	1,374	29,549	15,156	1,350	46,055
Depreciation	19,737	21,302	603	41,642	428	-	42,070
Insurance	9,857	16,831	4,403	31,091	8,202	1,825	41,118
Promotion and Advertising	5,199	1,297	175	6,671	1,426	27,683	35,780
Credit Card and Bank Fees	21,741	100	-	21,841	4,366	1,387	27,594
Office	10,786	1,348	1,802	13,936	3,187	6,484	23,607
Benefits	8,543	2,203	1,241	11,987	5,282	6,325	23,594
Repairs and Maintenance	7,664	12,332	-	19,996	-	-	19,996
Communications	4,326	5,355	1,281	10,962	470	35	11,467
Travel and Meals	316	77	3,683	4,076	6,411	2	10,489
Cost of Goods Sold	10,304	-	-	10,304	-	-	10,304
Other Volunteer and Employee Expenses	2,477	1,257	90	3,824	4,247	910	8,981
Meetings	515	2,056	2,075	4,646	1,218	-	5,864
Interest	2,915	-	-	2,915	210	-	3,125
Miscellaneous	848	438	69	1,355	893	261	2,509
Vehicle Expenses	-	-	-	-	-	-	-
Total	$ 861,803	$ 388,811	$ 106,758	$ 1,357,372	$ 184,844	$ 183,450	$ 1,725,666

See notes to financial statements.

WORTHWHILE WEAR, INC.
Statement of Functional Expenses -
Modified Cash Basis
Year Ended December 31, 2021
(Reviewed)

	Program Services					**Supporting Services**		
	Thrift Store / Product Sales	The Well	Worth-It	Overseas Outreach	Total Program Expenses	Management and General	Fundraising	Total Expenses
Salaries	$ 171,529	$ 194,384	$ 68,302	$ 4,588	$ 438,803	$ 69,129	$ 67,393	$ 575,325
Rent	77,674	-	-	-	77,674	321	-	77,995
Payroll Taxes	21,454	19,208	7,726	920	49,308	12,041	20,856	82,205
Utilities	16,329	5,970		-	22,299	-	-	22,299
Fundraising Expenses	-	-	-	-	-	-	20,805	20,805
Other Direct Program Costs	-	26,180	5,832	-	32,012	-	4,422	36,434
Professional Fees	818	28,918	365	18	30,119	289	289	30,697
Depreciation	4,729	14,307	1,590	-	20,626	-	607	21,233
Insurance	6,431	13,547	3,148	43	23,169	5,309	1,911	30,389
Promotion and Advertising	4,881	1,362	790	-	7,033	-	3,158	10,191
Credit Card and Bank Fees	9,832	-	-	-	9,832	-	3,829	13,661
Office	9,405	4,257	16	-	13,678	553	31	14,262
Benefits	-	-	-	-	-	-	-	-
Repairs and Maintenance	5,287	5,156	-	-	10,443	-	-	10,443
Communications	3,121	1,703	585	-	5,409	2,536	476	8,421
Travel and Meals	1,463	2,359	777	16	4,615	917	654	6,186
Cost of Goods Sold	16,114	-	-	-	16,114	-	-	16,114
Other Volunteer and Employee Expenses	-	-	-	-	-	-	-	-
Meetings	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	37	-	37
Miscellaneous	337	363	126	8	834	1,559	611	3,004
Vehicle Expenses	307	7,860	2,264	153	10,584	1,072	613	12,269
Total	$ 349,711	$ 325,574	$ 91,521	$ 5,746	$ 772,552	$ 93,763	$ 125,655	$ 991,970

See notes to financial statements.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION

Worthwhile Wear, Inc. (Worthwhile) is a not-for-profit corporation that serves present and potential victims of the sex slave trade. Its efforts focus on reaching girls and women already trapped in forced prostitution as well as creating opportunities to provide alternatives to entering the sex slave trade. Worthwhile's programs are designed to combat poverty and a lack of education, which are two key factors at the root of sex trafficking. Worthwhile was incorporated in April 2012 in Delaware.

Whenever possible Worthwhile partners with existing organizations, local governments, and law enforcement agencies to achieve its goals. Worthwhile has established the following programs to address their objectives.

Thrift Store and Product Sales - Worthwhile collects donated clothing and household goods at two locations in Bucks and Montgomery County, PA. These donated items are sold at their thrift stores. Worthwhile also sells merchandise produced from its Overseas Outreach program as well as goods crafted by participants in organizations that have a similar mission as that of Worthwhile. These goods are sold through Worthwhile's thrift store operations.

The Thrift stores provide additional financial support for Worthwhile's restorative programs for survivors of human trafficking. The stores also provide vocational training and employment for women participating in The Well program.

The Well - The Well is located in Bucks County, Pennsylvania, in an area zoned for residential group homes. It was opened during the summer of 2014 largely through the efforts of volunteers who donated labor and materials. The program provides housing for up to two years and is designed to assist sexually exploited women to cope with their past and prepare for their future through education, employment, and housing assistance. There is no cost to the participants in the program.

Worth-It - Worth - It is another program for survivors of sexual exploitation. It is designed to connect participants to area service providers that can meet their specialized needs and educate them about the legal issues pertaining to their situations.

Overseas Outreach - As human sex trafficking is a global matter, Worthwhile organized vocational training and employment programs, primarily in the cities of Mumbai and Pune in India. The goal of these programs is to provide a source of income for girls and women as an alternative to sexual slavery.

Meleny's House - As described more fully in Note 7, during the year ended December 31, 2022, Worthwhile completed renovations on a home leased from a local church to expand its residential program. Meleny's house provides apartment style living to women in the leadership phase of The Well program to give them more independence and autonomy while still being supported by staff and programming at The Well.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
Worthwhile's policy is to prepare its financial statements on the modified cash basis of accounting. The statements of revenues, expenses, and changes in net assets - modified cash basis, and statements of assets, liabilities, and net assets- modified cash basis reflect only cash received and disbursed. Consequently, revenues are recognized when collected rather than when earned, and expenditures are recognized when paid rather than when incurred. Worthwhile has modified its cash reporting to include capitalization and depreciation of purchased long-lived assets and recording of borrowed funds for their acquisition. They recognize security deposits, escrow liabilities, credit card payables, withheld payroll tax liabilities and sales tax payables, if applicable. The accompanying financial statements, therefore, are not intended to present financial position and results of operations in comformity with accounting principles generally accepted in the United States of America, which require the accrual basis of accounting.

Financial Statement Presentation
Worthwhile is required to report information regarding its assets, liabilities, net assets, revenues and expenses based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> **Net Assets Without Donor Restrictions –** Net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Worthwhile. These net assets may be used at the discretion of management.
>
> **Net Assets With Donor Restrictions –** Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Worthwhile or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of revenues, expenses, and changes in net assets - modified cash basis.

Worthwhile had no net assets with donor restrictions that are temporary or perpetual in nature at December 31, 2022 and 2021.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions are recorded as revenue when received and are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of revenues, expenses, and changes in net assets - modified cash basis.

Contributed Services

There are many individuals who volunteer their time and perform a variety of tasks that assist Worthwhile in carrying out its programs. The value of the portion of these services which meet the requirement for recognition in the financial statements has not been recorded under the modified cash basis of accounting.

Contributed Facilities

There is no recognition of contributed facilities in these modified cash basis financial statements for bargain rentals contained in the leases described in Note 7.

Contributed Materials

Worthwhile's thrift operations raise funds to support its programs. All the merchandise sold by the store, with the exception of other product sales from the overseas outreach program, is donated by the general public. The Well program receives donated materials used for improvements to its residence, out-buildings, and grounds. These donations are not recognized in the accompanying financial statements as Worthwhile reports its financial results on the modified cash basis of accounting.

Income Tax Status

Worthwhile Wear, Inc. is a tax-exempt organization under Internal Revenue Code Section 501(c)(3). Accordingly, its income related to its tax exempt purpose is not subject to federal or state income taxes. Worthwhile was organized in the state of Delaware as a non-profit organization and conducts its operations in Pennsylvania. It is exempt from Delaware and Pennsylvania taxation under the applicable provisions of the non-profit organization statuses of the respective states. Worthwhile did not have any unrelated business income tax for the years ended December 31, 2022 and 2021 that would be subject to federal or state income taxes.

Worthwhile accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold in 2022 and 2021.

Worthwhile’s Forms 990, *Federal Return of Organization Exempt from Income Tax,* that were filed in the previous three years remain subject to examination by the Internal Revenue Service.

Cash

Worthwhile maintains its cash accounts in one commercial bank. The amount on deposit occasionally exceeds the Federal Deposit Insurance Corporation insured limit. Worthwhile has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk on cash.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Worthwhile evaluates property and equipment to capitalize. Worthwhile capitalizes all expenditures that have an economic useful life that extends beyond twelve months and that was purchased in excess of $5,000 for property, furniture, equipment at cost. Major replacements and betterments are capitalized while maintenance and repairs are expensed as incurred. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The estimated useful lives of depreciable assets are:

Classifications	Years
Vehicles	5
IT Assets and Servers	5
Building and Building Improvements	10
Furniture and Equipment	10
Leasehold Improvements	10

Depreciation expensed totaled $42,070 and $21,233 for the years ended December 31, 2022 and 2021, respectively.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of functional expenses - modified cash basis. Accordingly, certain costs have been allocated on the basis of time and effort among program services and supporting services benefited.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Funds Held Under Escrow

At times, Worthwhile will co-manage a participant's finances during her time in the residential shelter to ensure that her funds are used appropriately. At the end of the participant's stay at the shelter (which can be anytime up to a two-year maximum) any remaining funds are the sole property of the participant. During 2022, escrow deposits of $15,436 were received and escrow disbursements totaled $24,184, resulting in a balance of $9,938 at December 31, 2022. During 2021, escrow deposits of $45,572 were received and escrow disbursements totaled $35,349, resulting in a balance of $18,686 at December 31, 2021. These funds are included in the statements of assets, liabilities, and net assets - modified cash basis.

2. GRANT REVENUE - PPP

In January 2021, Worthwhile received PPP funding in the amount of $109,240 through the Paycheck Protection Program (PPP). PPP funds are a form of low interest loans where some or all of the principal and interest may be eligible for forgiveness, subject to compliance and approval based on timing and use of funds in accordance with PPP guidelines. In August 2021, Worthwhile received notice that the loan was fully forgiven. Accordingly, this loan has been recorded as grant revenue in the statement of revenues, expenses, and changes in net assets - modified cash basis for the year ending December 31, 2021.

3. CONSTRUCTION IN PROGRESS AND PROPERTY AND EQUIPMENT

During the year ended December 31, 2021 there was construction in progress of $154,896, which consisted of costs incurred in the ongoing renovations of the Collegeville Thrift Store and Meleny's House as described in Note 7. These renovations were completed in 2022 and reclassed to leasehold improvements on the statement of assets, liabilities, and net assets - modified cash basis. No amortization was taken on this construction during the year ended December 31, 2021.

A summary of property, furniture, equipment, and vehicles at December 31 is as follows:

	2022	2021
Leasehold Improvements	$ 615,542	$ 157,216
Furniture and Equipment	89,403	20,940
Vehicles	48,315	48,315
	753,260	226,471
Less Accumulated Depreciation	(114,057)	(75,187)
Property and Equipment, Net	$ 639,203	$ 151,284

4. LINE OF CREDIT

Worthwhile had a line of credit with Univest National Bank and Trust (Univest) with a borrowing capacity of $125,000. It was payable on demand with no set maturity date. Interest was charged on the outstanding balance at the lender's prime rate and was payable monthly. On February 3, 2022, the line of credit agreement was modified to increase the borrowing capacity to $300,000 with a maturity date of February 2025. Interest is charged on the outstanding balance at the Wall Street Journal Prime rate of 7.5% at December 31, 2022. There was no outstanding balance on either line of credit at December 31, 2022 and 2021.

5. AVAILABILITY AND LIQUIDITY

Financial Assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022, consist of cash in the amount of $322,415. Worthwhile maintains a $300,000 line of credit, as discussed in Note 4. As of December 31, 2022, the full amount remains available for use. Management believes that Worthwhile has sufficient financial assets on hand to meet operating cash flow needs.

6. NOTES PAYABLE

A. Chrysler Capital - Van

During the year ended, December 31, 2021, Worthwhile purchased a 2020 Chrysler Pacifica van for $35,793 financed through Chrysler Capital. The loan, which is non-interest bearing, is payable in equal monthly payments of $597 and matures in 2026. At December 31, 2022 and 2021, the outstanding balance on the loan was $15,510 and $29,828, respectively.

B. Construction Loan

In August 2021, Worthwhile made an agreement with a related party, described in Note 10, to loan up to $350,000 for Worthwhile to renovate the second thrift store location. The loan has an interest rate of 4% per annum, calculated yearly beginning on August 1, 2021. In April 2022, Worthwhile made a draw of $100,000 and made interest-only payments for the remainder of 2022 totaling $2,915. At the completion of the construction period, the total combined amount from each draw is converted to a principal and interest loans with payments amortized over a seven year period, with monthly payments. Worthwhile intends to pay back the loan by December 31, 2023.

Aggregate maturities on these loans are as follows:

Year Ending December 31,	Amount
2023	$ 98,859
2024	7,158
2025	7,158
2026	1,194
	$ 114,369

7. LEASES

A. Plumsteadville Thrift Store

Worthwhile operates a thrift store in Plumsteadville, which was opened in 2019 under a two-year lease with no common maintenance costs. During 2021, the lease was extended for an additional two-year term ending March 31, 2023 at $6,000 per month, with no common maintenance costs. Future payments under this lease are $18,000 in 2023. Rental expense for 2022 and 2021 was $72,000 and $70,000, respectively.

7. LEASES (continued)

B. Collegeville Thrift Store

During the year ended December 31, 2021, Worthwhile leased retail space in Collegeville under a lease dated July 8, 2021, for the dual purpose of opening a second thrift store and creating administrative offices. The lease commencement date was August 1, 2021; the rent commencement date was January 1, 2022. The lease term is for 93 months, of which the first nine months are rent free. Effective in month ten, the base monthly rents started at $7,674 and rises to $8,900 over the term of the lease. Worthwhile paid a security deposit of $19,690 and one month of advance rent of $7,674, which was recorded as rent expense in 2021. Worthwhile is responsible for its share of common maintenance costs, real estate taxes and insurance, estimated to be $144,000 annually. Rental expense for 2022 and 2021 was $139,912 and $7,674, respectively.

The following are the annual rentals for the next five years called under the terms of the lease:

Year Ending December 31,	Amount
2023	$ 92,668
2024	94,984
2025	97,359
2026	99,793
2027	102,288
Thereafter	184,944
	$ 672,036

C. The Well

The residence used in the Well Program is leased under an agreement with Bucks County at an annual rental of $1. The term of this lease between Bucks County and Worthwhile Wear is 29 years, which commenced on June 1, 2014 and will terminate on the last day of May 2043, unless the lease is renewed for an additional term.

D. Meleny's House

During 2021, a church offered its unused parsonage to Worthwhile under an agreement of a $1 lease for 29 years. Worthwhile renovated the parsonage in 2022 into three independent apartment units as an expansion of the Well Program. Either party may terminate the lease after three years and if the lease is terminated prior to the initial term ending September 30, 2050, the church will pay Worthwhile a prorated portion of the total renovation costs incurred.

8. RETIREMENT BENEFITS

During the year ended December 31, 2022, eligible employees were able to participate in a simple IRA plan with an employer match of 3% and an optional employee deferral. Worthwhile contributed $1,927 during the year ended December 31, 2022.

9. NET ASSETS WITH DONOR RESTRICTIONS

During 2022 and 2021, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors. The following summarizes net assets released from restrictions:

	2022	2021
Renovations - Collegeville Thrift and Meleny's House	$ 180,009	$ -
The Well	7,512	72,948
Worth-It	20,300	-
Total Net Assets Released from Restrictions	$ 207,821	$ 72,948

10. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2022, Worthwhile made a draw of $100,000 on a construction loan from the parents of a board director. The loan is described in detail in Note 6B.

During the year ended December 31, 2022, Worthwhile paid for installation of security systems and cameras at the new Collegeville thrift store location to a company owned by a board director, in the amount of $13,309.

11. SPECIAL FUNDRAISING EVENTS

During the years ended December 31, 2022 and 2021, Worthwhile conducted fundraising events designed to raise funds and create awareness about the work done by the organization. During the year ended December 31, 2021, the Gala was held virtually. The table below summarizes support received and related costs for these events.

	2022		
	Gala	ACT Challenge	Total
Special Event Revenue			
Contribution Portion	$ 228,188	$ 58,316	$ 286,504
Exchange Portion	79,474	-	79,474
Gross Special Event Revenue	307,662	58,316	365,978
Less Expenses	(77,664)	(986)	(78,650)
Net Special Event Revenue	$ 229,998	$ 57,330	$ 287,328

	2021		
	Gala (Virtual)	ACT Challenge	Total
Special Event Revenue			
Contribution Portion	$ 226,666	$ 85,299	$ 311,965
Exchange Portion	-	-	-
Gross Special Event Revenue	226,666	85,299	311,965
Less Expenses	(16,684)	(4,121)	(20,805)
Net Special Event Revenue	$ 209,982	$ 81,178	$ 291,160

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 13, 2023, the date the financial statements were available to be issued and determined the following needs to be disclosed.

In June 2023, Worthwhile received Employee Retention Credits (ERC) in the amount of $277,285.