

FOOTSTEPS, INC.

**Financial Statements
for the year ended
September 30, 2023**

Independent Auditor's Report

To the Board of Trustees
Footsteps, Inc.

Opinion

We have audited the accompanying financial statements of Footsteps, Inc. (the "Organization"), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses and cash flows for the year 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 the Organization as of September 30, 2023 and the results of its activities and its cash flows for the year 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 the Organization 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Organization has changed its method of accounting for operating leases as of October 1, 2022 due to the adoption of ASU 2016-02, *Leases* (Topic 842). Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are 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 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Condon O'Meara McGinty + Donnelly LLP

July 3, 2024

FOOTSTEPS, INC.

Statement of Financial Position

Assets

	September 30	
	2023	2022
Current assets		
Cash and cash equivalents	\$ 1,258,115	\$ 1,378,823
Investments, at fair value	980,993	871,458
Contributions receivable	1,726,029	527,138
Prepaid expenses	<u>39,503</u>	<u>19,681</u>
Total current assets	4,004,640	2,797,100
Leasehold improvements, furniture and equipment, net	236,349	263,256
Right-of-use asset – operating lease	<u>329,890</u>	<u>-</u>
Total assets	<u>\$ 4,570,879</u>	<u>\$ 3,060,356</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable	\$ 72,852	\$ 127,827
Accrued expenses	172,068	126,107
Current portion of operating lease payable	<u>231,165</u>	<u>-</u>
Total current liabilities	476,085	253,934
Operating lease payable, net of current portion	<u>98,725</u>	<u>-</u>
Total liabilities	<u>574,810</u>	<u>253,934</u>
Net assets		
Without donor restrictions	1,086,281	1,263,642
With donor restrictions	<u>2,909,788</u>	<u>1,542,780</u>
Total net assets	<u>3,996,069</u>	<u>2,806,422</u>
Total liabilities and net assets	<u>\$ 4,570,879</u>	<u>\$ 3,060,356</u>

See notes to financial statements.

FOOTSTEPS, INC.
Statement of Activities

	Year Ended September 30					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support						
Contributions	\$ 2,302,013	\$ 3,185,000	\$ 5,487,013	\$ 2,348,128	\$ 121,875	\$ 2,470,003
Contributed nonfinancial assets	30,188	-	30,188	-	-	-
Special event, net of direct benefits to donors of \$209,483 in 2023	454,193	-	454,193	-	-	-
Other income	-	-	-	162	-	162
Total public support before release from restrictions	2,786,394	3,185,000	5,971,394	2,348,290	121,875	2,470,165
Net assets released from restrictions	1,817,992	(1,817,992)	-	1,228,750	(1,228,750)	-
Total public support	4,604,386	1,367,008	5,971,394	3,577,040	(1,106,875)	2,470,165
Expenses						
Program services						
Counseling and support	2,231,193	-	2,231,193	1,671,576	-	1,671,576
Education	1,382,571	-	1,382,571	1,348,115	-	1,348,115
Total program services	3,613,764	-	3,613,764	3,019,691	-	3,019,691
Supporting activities						
Management and general	752,969	-	752,969	696,315	-	696,315
Fundraising	565,109	-	565,109	398,122	-	398,122
Total supporting activities	1,318,078	-	1,318,078	1,094,437	-	1,094,437
Total expenses	4,931,842	-	4,931,842	4,114,128	-	4,114,128
Excess (deficiency) of revenue over expenses before investment return	(327,456)	1,367,008	1,039,552	(537,088)	(1,106,875)	(1,643,963)
Investment return	150,095	-	150,095	(203,631)	-	(203,631)
Increase (decrease) in net assets	(177,361)	1,367,008	1,189,647	(740,719)	(1,106,875)	(1,847,594)
Net assets, beginning of year	1,263,642	1,542,780	2,806,422	2,004,361	2,649,655	4,654,016
Net assets, end of year	\$ 1,086,281	\$ 2,909,788	\$ 3,996,069	\$ 1,263,642	\$ 1,542,780	\$ 2,806,422

See notes to financial statements.

FOOTSTEPS, INC.

Statement of Functional Expenses
Year Ended September 30, 2023

(With Summarized Comparative Information for the year Ended September 30, 2022)

	2023									2022	
	Program Services					Supporting Activities				Total	
	Counseling and Support			Education	Total	Management and General	Fundraising	Total			
Identity Development	Family Supports	Community Engagement	Field and Movement Building	Total Counseling and Support	Economic Empowerment	Total Program Services	Management and General	Fundraising	Total	Total	
Personnel costs											
Salaries and wages	\$ 374,529	\$ 253,137	\$ 295,048	\$ 307,571	\$ 1,230,285	\$ 443,658	\$ 1,673,943	\$ 334,789	\$ 223,192	\$ 2,231,924	\$ 1,783,204
Benefits	73,071	43,838	57,143	44,901	218,953	80,249	299,202	65,340	25,230	389,772	276,500
Payroll taxes	30,890	20,989	24,250	25,376	101,505	36,345	137,850	28,165	18,380	184,395	149,754
Total personnel costs	478,490	317,964	376,441	377,848	1,550,743	560,252	2,110,995	428,294	266,802	2,806,091	2,209,458
Advertising and marketing	378	252	294	28,519	29,443	420	29,863	27,290	3,057	60,210	3,318
Professional fees and consultants	44,923	109,402	10,215	40,623	205,163	22,886	228,049	140,931	175,284	544,264	571,861
Supplies and office expenses	8,778	6,326	6,603	10,827	32,534	10,004	42,538	28,790	18,524	89,852	79,471
Information technology	8,243	4,508	5,062	7,939	25,752	15,471	41,223	11,933	6,998	60,154	54,461
Occupancy	52,528	34,205	35,094	38,920	160,747	57,824	218,571	42,548	18,054	279,173	293,219
Travel	1,449	1,318	5,360	3,334	11,461	1,907	13,368	4,969	1,303	19,640	8,196
Meetings and conferences	3,511	764	3,564	1,894	9,733	5,634	15,367	10,853	231	26,451	28,858
Insurance	939	550	648	631	2,768	1,036	3,804	4,751	360	8,915	8,032
Direct member assistance	15,597	49,393	91,527	2,249	158,766	5,046	163,812	70	-	163,882	115,023
Scholarships and direct financial support	-	28,435	-	-	28,435	700,425	728,860	-	-	728,860	693,271
Microgrants to individuals	-	-	10,950	-	10,950	-	10,950	-	-	10,950	8,017
Contributed nonfinancial assets	-	-	-	-	-	-	-	30,188	-	30,188	-
Catering, facility and other	-	-	-	-	-	-	-	-	209,483	209,483	-
Fundraising events	-	-	857	76	933	-	933	1,440	73,932	76,305	15,150
Depreciation and amortization	1,486	710	880	689	3,765	1,666	5,431	20,912	564	26,907	25,793
Total expenses by function	616,322	553,827	547,495	513,549	2,231,193	1,382,571	3,613,764	752,969	774,592	5,141,325	4,114,128
Less: direct expenses of special event net with revenue on the statement of activities	-	-	-	-	-	-	-	-	209,483	209,483	-
Total	\$ 616,322	\$ 553,827	\$ 547,495	\$ 513,549	\$ 2,231,193	\$ 1,382,571	\$ 3,613,764	\$ 752,969	\$ 565,109	\$ 4,931,842	\$ 4,114,128

See notes to financial statements.

FOOTSTEPS, INC.

Statement of Cash Flows

	Year Ended	
	September 30	
	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 1,189,647	\$(1,847,594)
Adjustments to reconcile increase (decrease) in net assets to net cash (used in) operating activities		
Depreciation and amortization	26,907	25,793
Amortization of right-of-use asset – operating lease	224,755	-
Realized (gain) on investments	-	(24,269)
Unrealized (gain) loss on investments	(109,535)	256,877
(Increase) decrease in assets		
Contributions receivable	(1,198,891)	1,041,740
Prepaid expenses	(19,822)	17,256
Increase (decrease) in liabilities		
Accounts payable	(54,975)	2,493
Accrued expenses	45,961	39,729
Repayment of operating lease payable	<u>(224,755)</u>	<u>-</u>
Net cash (used in) operating activities	<u>(120,708)</u>	<u>(487,975)</u>
Cash flows from investing activities		
Proceeds from sale of investments	-	100,000
Purchase of investments	-	(30,013)
Purchase of leasehold improvements and equipment	<u>-</u>	<u>(23,375)</u>
Net cash provided by investing activities	<u>-</u>	<u>46,612</u>
Net (decrease) in cash and cash equivalents	(120,708)	(441,363)
Cash and cash equivalents, beginning of year	<u>1,378,823</u>	<u>1,820,186</u>
Cash and cash equivalents, end of year	<u>\$ 1,258,115</u>	<u>\$ 1,378,823</u>

See notes to financial statements.

FOOTSTEPS, INC.**Notes to Financial Statements
September 30, 2023****Note 1 – Nature of organization**

Footsteps, Inc., a New York nonprofit corporation (the “Organization”) was established in 2003 as a 501(c)(3) Organization. The Organization supports and affirms individuals and families who have left, or are contemplating leaving, insular ultra-Orthodox Jewish communities in their quest to lead self-determined lives by offering the following programs:

Counseling and Support

Identity Development supports members through peer support groups, one-to-one supportive counseling, acculturation workshops, and referrals to mental health services.

Family Supports are geared towards parents fighting for the right to a relationship with their children as they leave ultra-Orthodoxy. Program activities include: case management, peer support drop-in groups and workshops, partnerships with lawyers and legal groups to provide legal consultation and representation, and a legal fund for members.

Community Engagement builds the strength of our network to ensure that members have friends and allies along their journey. Highlights include: social events, community building activities, and leadership development.

Field and Movement Building seeks to educate and mobilize the public around reform efforts and issues of concern to those leaving ultra-orthodoxy.

Education

Economic Empowerment supports members’ economic self-sufficiency through education, career and financial counseling programs, workshops and partnerships with trusted organizations. Educational scholarships, crisis supports, tutoring, and mentoring are also offered.

Note 2 – Summary of significant accounting policies**Basis of presentation**

The accompanying financial statements 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”). The following comprise the significant accounting policies of the Organization.

Net assets

Under accounting principles generally accepted in the United States of America, net assets and revenues, expenses, 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 stipulations and may be expendable for any purpose in performing the primary objectives of the Organization. Included in net assets without donor restrictions is a Board Reserve Fund of \$428,228 and \$410,559 as of September 30, 2023 and September 30, 2022, respectively.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)
September 30, 2023****Note 2 – Summary of significant accounting policies (continued)**Net assets with temporary donor restrictions

Net assets with temporary donor restrictions consist of net assets subject to donor-imposed stipulation that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, 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. The Organization's policy is to record contributions with donor-imposed restrictions that are met in the same year that the contributions are received as support without donor restrictions.

Net assets with perpetual donor restrictions

Net assets with perpetual donor restrictions consist of contributions that are restricted by the donor in perpetuity, but the income of such contributions is classified as either with or without donor restrictions. During 2018, the Organization received a \$1,000,000 donation to be held in an endowment fund. Any income earned is to be used to support scholarships.

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions received are recorded as net assets with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Cash and cash equivalents

Cash equivalents consist of highly liquid investments with original maturities of 90 days or less at the date of acquisition. Included in cash equivalents is a money market fund.

Investments

The Organization reports investments at fair value in the statement of financial position. The fair value of the investments is based on publicly quoted prices. Interest, dividends, realized and unrealized gains and losses are included in the statement of activities.

Fair values of financial instruments

The Organization's financial instruments consist of cash, cash equivalents and investments. The Organization estimates that the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The carrying amounts of cash and cash equivalents reported in the statement of financial position approximates fair value because of the short maturities of those instruments.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)**
September 30, 2023**Note 2 – Summary of significant accounting policies (continued)**Allowance for doubtful accounts

As of September 30, 2023 and September 30, 2022, the Organization deems all receivables to be collectible and, accordingly, does not have an allowance for doubtful accounts. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Leasehold improvements, furniture and equipment

Leasehold improvements are being amortized by the straight-line method over the estimated useful life of seven years. Furniture and equipment are being depreciated by the straight-line method over the estimated useful life of five years. Expenditures for repairs and maintenance are charged as an expense and major renewals and betterments are capitalized.

Contributed nonfinancial assets

The Organization is required to recognize donations of goods and services if they (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills and typically would have been purchased by the Organization. The Organization received contributed nonfinancial assets totaling \$30,188 for year ended September 30, 2023, which are recorded as revenue in the accompanying statement of activities. There were no contributed nonfinancial assets received for the year ended September 30, 2022.

Functional allocation of expenses

The cost of providing the various programs and other activities of the Organization have been summarized on a functional basis in the accompanying combined statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefitted. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including time and effort spent.

Comparative information

The financial statements include certain prior-year summarized comparative information in total but not by functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be reached in conjunction with the Organization's financial statements for the year ended September 30, 2022, from which the summarized information was derived.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)
September 30, 2023****Note 2 – Summary of significant accounting policies (continued)****Concentrations of credit risk**

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and contributions receivable. The Organization places its cash and cash equivalents with quality financial institutions. At times during the year, the balance in the cash accounts exceeded the FDIC insurance limit. However, the Organization has not experienced any losses in such accounts to date. Investments are exposed to various risks such as interest rate, market volatility and credit risk. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position. The Organization routinely assesses the financial strength of its financial institutions and investment portfolio. The contributions receivable are primarily from individual donors. Management monitors the collectability of the receivables. The Organization believes no significant risk of loss is likely as a result of credit risk concentrations with respect to its cash, cash equivalents, investments and contributions receivable.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through July 3, 2024, which is the date the financial statements were available to be issued.

New accounting pronouncement

Effective October 1, 2022, the Organization adopted FASB ASU No. 2016-02, *Leases* (Topic 842) ("ASC 842"). ASC 842 requires a lessee to recognize a right-of-use ("ROU") asset, which represents the right to control the use of a respective asset for the lease term, and a lease liability on the statement of financial position. The Organization has elected to record ASC 842 in its financial statements as of the beginning of the fiscal year of adoption and has elected to include leases with terms longer than twelve months.

In connection with the adoption of ASC 842, the Organization has recognized ROU assets and operating lease liabilities of \$554,645 as of October 1, 2022. The Organization has determined that it is not material to discount its leases to their net present value. The Organization's reporting for the comparative period presented in the financial statements is in accordance with previous lease accounting standards. The implementation of the standard did not have an impact on the Organization's operating results and cash flows.

FOOTSTEPS, INC.

Notes to Financial Statements (continued)
September 30, 2023

Note 3 – Liquidity and availability of financial assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to contributions and other revenue items. The following is a summary of the Organization's financial asset as of September 30, 2023 and September 30, 2022 that are available for general use within one year of the statement of financial position date reduced by amounts not available for general use within one year due to donor restrictions:

	2023	2022
Cash and cash equivalents	\$ 1,258,115	\$ 1,378,823
Investments, at fair value	980,993	871,458
Contributions receivable	1,726,029	527,138
Sub-total	3,965,137	2,777,419
Less: assets with donor restrictions	(2,909,788)	(1,542,780)
Total	\$ 1,055,349	\$ 1,234,639

Note 4 – Investments, at fair value

Investments consist of the following as of September 30, 2023 and September 30, 2022:

	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Exchange-traded funds				
Fixed income	\$ 280,487	\$ 240,443	\$ 280,487	\$ 246,325
Equities	612,127	740,550	612,127	625,133
Total	\$ 892,614	\$ 980,993	\$ 892,614	\$ 871,458

Investment return consists of the following as of September 30, 2023 and September 30, 2022:

	2023	2022
Interest and dividends	\$ 40,560	\$ 28,977
Gain (loss) on investments	109,535	(232,608)
Total	\$ 150,095	\$ (203,631)

Note 5 – Contributions receivable

Contributions receivable consist of the following at September 30, 2023 and September 30, 2022:

	2023	2022
Amounts due in:		
Less than one year	\$1,454,488	\$ 527,138
One to five years	271,541	-
Total	\$1,726,029	\$ 527,138

FOOTSTEPS, INC.

Notes to Financial Statements (continued)
September 30, 2023

Note 6 – Leasehold improvements, furniture and equipment, net

The summary of the property and equipment as of September 30, 2023 and September 30, 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Leasehold improvements	\$ 271,526	\$ 271,526
Furniture and equipment	<u>37,557</u>	<u>37,557</u>
Sub-total	309,083	309,083
Less: accumulated depreciation and amortization	<u>72,734</u>	<u>45,827</u>
Total	<u>\$ 236,349</u>	<u>\$ 263,256</u>

Note 7 – Operating lease

The Organization has a lease agreement for office space, which expires February 28, 2025. The lease, which commenced May 1, 2019, requires the Organization to pay an initial fixed monthly rent of \$16,289 increasing annually to a fixed monthly payment of \$19,854 in the final year of the lease. In addition to the minimum rent, the Organization is also required to pay its proportionate share of certain operating costs of the landlord. During March 2020, the lease agreement was amended in connection with a leasehold improvement joining the Organization's existing office suite with two contiguous spaces. The costs incurred totaling \$271,526 are recorded as leasehold improvements on the statement of financial position. As security for the lease, the Organization obtained a \$59,500 letter of credit for the benefit of the landlord. Rent expense during the 2023 and 2022 fiscal years totaled \$256,361 and \$230,697, respectively, which is included in occupancy expense on the statement of functional expenses.

Future minimum lease payment are as follows at September 30, 2023:

<u>Fiscal Year</u>	<u>Amount</u>
2024	\$ 231,165
2025	<u>98,725</u>
Total	<u>\$ 329,890</u>

The following is a summary of lease information for the year ended September 30, 2023:

Operating lease cost in fiscal year 2023	\$ 224,755
ROU assets recorded in connection with implementation of lease standard	554,645

FOOTSTEPS, INC.

**Notes to Financial Statements (continued)
September 30, 2023**

Note 8 – Net assets with donor restrictions

The following is a summary of the activity of the net assets with donor restrictions for the years ended September 30, 2023 and September 30, 2022:

	Balance September 30, 2022	Additions	Net Assets Released from Restrictions	Balance September 30, 2023
<u>Temporary Restrictions:</u>				
General Operations	\$ 91,905	\$ 2,270,000	\$ (1,226,905)	\$ 1,135,000
Scholarships	220,000	440,000	(219,587)	440,413
Capacity Building	-	50,000	(25,000)	25,000
Economic Empowerment	135,875	425,000	(251,500)	309,375
Family Justice	95,000	-	(95,000)	-
Sub-total	542,780	3,185,000	(1,817,992)	1,909,788
Perpetual Restrictions	1,000,000	-	-	1,000,000
Total	<u>\$ 1,542,780</u>	<u>\$ 3,185,000</u>	<u>\$ (1,817,992)</u>	<u>\$ 2,909,788</u>

	Balance September 30, 2021	Additions	Net Assets Released from Restrictions	Balance September 30, 2022
<u>Temporary Restrictions:</u>				
General Operations	\$ 751,905	\$ 121,875	\$ (781,875)	\$ 91,905
Scholarships	440,000	-	(220,000)	220,000
Capacity Building	8,000	-	(8,000)	-
Economic Empowerment	249,750	-	(113,875)	135,875
Family Justice	200,000	-	(105,000)	95,000
Sub-total	1,649,655	121,875	(1,228,750)	542,780
Perpetual Restrictions	1,000,000	-	-	1,000,000
Total	<u>\$ 2,649,655</u>	<u>\$ 121,875</u>	<u>\$ (1,228,750)</u>	<u>\$ 1,542,780</u>

Note 9 – Retirement plan

The Organization has a SIMPLE IRA retirement plan for all eligible employees. Eligible employees may contribute a portion of their salary, not to exceed limits established by the Internal Revenue Service. The Organization matches contributions equal to an employee's salary deferred to the plan up to a limit of 3% of the employee's compensation for the calendar year. The Organization's matching contributions for the years ended September 30, 2023 and September 30, 2022, was \$51,606 and \$33,390, respectively.

Note 10 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization as described in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code and not a private foundation. Accordingly, no provision for federal, state or local income taxes has been recorded.