Earn, Inc. DBA SaverLife

Financial Statements

December 31, 2021

INDEX TO FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Earn, Inc. DBA Saverlife

Opinion

We have audited the financial statements of Earn, Inc. DBA Saverlife (the "Organization"), which comprise the statements of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, 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.

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 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.

BAKER TILLY US, LLP

Baker Tilly US, LLP

San Francisco, California
October 19, 2022

EARN, INC. DBA SAVERLIFE
STATEMENT OF FINANCIAL POSITION
December 31, 2021
(with summarized comparative totals at December 31, 2020)

ASSETS

	2021	2020
Cash and cash equivalents	$ 2,369,747	$ 2,141,015
Contributions receivable	1,131,780	1,592,723
Accounts receivable	49,783	14,911
Employee Retention Credit (ERC) receivable	427,412	-
Prepaid expenses and other current assets	112,024	84,740
Property and equipment - net	7,130	14,951
Intangible assets - net	568,137	400,483
Total assets	$ 4,666,013	$ 4,248,823

LIABILITIES AND NET ASSETS

	2021	2020
Liabilities		
Accounts payable and accrued expenses	$ 724,117	$ 479,150
Saver incentives payable	19,018	44,081
Advances - due to savers	86,227	-
Deferred revenue	68,333	27,500
Total liabilities	897,695	550,731
Net Assets		
Net assets without donor restrictions:		
Board designated	1,675,000	1,475,000
Undesignated	310,147	5,329
Total net assets without donor restrictions	1,985,147	1,480,329
Net assets with donor restrictions	1,783,171	2,217,763
Total net assets	3,768,318	3,698,092
Total liabilities and net assets	$ 4,666,013	$ 4,248,823

EARN, INC. DBA SAVERLIFE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021
(with summarized comparative totals for the year ended December 31, 2020)

	2021			
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	2020
SUPPORT AND REVENUE:				
Contributions	$ 3,277,825	$ 1,652,000	$ 4,929,825	$ 4,930,714
Inherent contribution	295,303	-	295,303	-
Contributions - COVID response	-	-	-	2,906,209
Grant income - PPP loan (PPP)	322,004	-	322,004	320,857
Grant income - Employee Retention Credit (ERC)	427,412	-	427,412	-
Program service fees	117,650	-	117,650	269,808
In-kind contributions	196,802	-	196,802	279,225
Other revenue	4,551	-	4,551	10,846
Net assets released from restrictions	2,086,592	(2,086,592)	-	-
Total support and revenue	6,728,139	(434,592)	6,293,547	8,717,659
EXPENSES:				
Program services	5,035,600	-	5,035,600	7,834,995
Management and general	638,338	-	638,338	746,484
Fundraising	549,383	-	549,383	401,095
Total expenses	6,223,321	-	6,223,321	8,982,574
Change in net assets	504,818	(434,592)	70,226	(264,915)
Net assets - beginning of year	1,480,329	2,217,763	3,698,092	3,963,007
Net assets - end of year	$ 1,985,147	$ 1,783,171	$ 3,768,318	$ 3,698,092

The accompanying notes are an integral part of these financial statements.

EARN, INC. DBA SAVERLIFE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021
(with summarized comparative totals for the year ended December 31, 2020)

	2021				
	Program Services	Management and General	Fundraising	Total	2020
Personnel, payroll taxes, and benefits	$ 2,412,388	$ 368,992	$ 456,990	$ 3,238,370	$ 2,436,453
Saver incentives	166,220	-	-	166,220	394,391
COVID assistance	74,800	-	-	74,800	2,823,500
Consulting and professional fees	496,139	123,942	36,530	656,611	648,356
Web-based services	441,779	53,807	6,871	502,457	617,049
Marketing, website, and social media	420,823	27,098	-	447,921	388,835
Depreciation and amortization	323,206	954	889	325,049	124,594
Facilities	181,605	26,917	27,119	235,641	239,817
In-kind legal expense	196,802	-	-	196,802	279,225
Technology	131,377	-	-	131,377	158,630
Miscellaneous	96,593	24,017	4,601	125,211	142,757
Grant expense	50,000	-	-	50,000	636,932
Supplies and office expenses	25,362	9,736	9,583	44,681	60,360
Insurance	18,442	2,072	1,848	22,362	15,467
Travel expenses	64	803	4,952	5,819	3,765
Events	-	-	-	-	12,443
Total	$ 5,035,600	$ 638,338	$ 549,383	$ 6,223,321	$ 8,982,574

The accompanying notes are an integral part of these financial statements.

EARN, INC. DBA SAVERLIFE
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021
(with summarized comparative totals for the year ended December 31, 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 70,226	$ (264,915)
Adjustments to reconcile change in net assets to		
net cash provided by operating activities:		
Contributed intellectual property	(126,750)	-
Depreciation and amortization	325,049	124,594
Changes in operating assets and liabilities:		
Contributions receivable	460,943	913,775
Accounts receivable	(34,872)	80,167
Prepaid expenses and other current assets	(27,284)	(2,969)
Employee Retention Credit (ERC) receivable	(427,412)	-
Accounts payable and accrued expenses	244,967	191,677
Saver incentives payable	(25,063)	25,309
Advances - due to savers	86,227	-
Deferred revenue	40,833	(73,750)
Net cash provided by operating activities	586,864	993,888
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(2,710)
Acquisition of intangible assets	(358,132)	(363,408)
Net cash used in investing activities	(358,132)	(366,118)
NET INCREASE IN CASH AND CASH EQUIVALENTS	228,732	627,770
CASH AND CASH EQUIVALENTS - beginning of year	2,141,015	1,513,245
CASH AND CASH EQUIVALENTS - end of year	$ 2,369,747	$ 2,141,015
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITY		
Contributed intellectual property (refer to Note 4)	$ 126,750	$ -

The accompanying notes are an integral part of these financial statements.

1. ORGANIZATION

Earn, Inc. DBA Saverlife (the “Organization”), is a nonprofit organization incorporated in the State of California in December 2001. The Organization provides low-income adults and families with tools to build wealth, achieve financial goals, and develop a habit of saving. The Organization provides its services nationwide through an innovative technology-based platform.

During the year ended December 31, 2021, the Organization entered into an asset transfer agreement with Onward Financial, Inc. (refer to note 4).

The Organization’s programs are funded primarily through contributions.

2. SUMMARY OF SIGIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated $1,675,000 of these net assets for operating reserves and future program development.

Net assets with donor restrictions

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

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

Property and Equipment

Property and equipment purchased by the Organization is stated at cost. The cost of additions and major improvements over $2,000 are capitalized, while maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using the straight-line method over the estimated useful life. The estimated useful lives of these assets are as follows:

Furniture and equipment	5 to 15 years
Computer equipment	3 to 5 years
Leasehold improvements	Lesser of lease term or asset life

Intangible Assets

Intangible assets include purchased technology for use on the Organization's SaverLife platform ("SaverLife"). Intangible assets purchased by the Organization is stated at cost. The costs for additions and major improvements associated with SaverLife after the preliminary project stage has been completed are capitalized. Once SaverLife reaches implementation, costs are expensed as incurred. Donated intangibles are recorded at fair value on the date of donation. Other costs such as maintenance and repairs and training are expensed as incurred. All major upgrades and enhancements are capitalized. SaverLife is amortized using the straight-line method over the estimated useful life of 3 to 5 years.

Impairment of Long-Lived Assets

The Organization evaluates long-lived assets, such as property and equipment or intangibles, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by comparison of the carrying amount of an asset or an asset group to estimated undiscounted future net cash flows expected to be generated by the asset or asset group. If the carrying amount of an asset exceeds these estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the assets exceeds the fair value of the asset or asset group, based on discounted cash flows.

Deferred Rent

The Organization's lease agreement for their office building provides for rent escalations during the lease term. The Organization records rent expense on a straight-line basis over the term of the lease. Accordingly, deferred rent is recorded to the extent that rent expense exceeds actual rent payments. On December 31, 2021, deferred rent amounted to $5,789 and is included in accounts payable and accrued expenses on the Statement of Financial Position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivables

Accounts receivable are stated at the amount management expects to collect from outstanding customer balances. The Organization uses the allowance method to account for uncollectible receivables based on previous experience and management's analysis of specific customer balances. At December 31, 2021, there was no allowance for uncollectible receivables deemed necessary by management.

Revenue Recognition

Program Service Fees

Revenue recognition is evaluated under Accounting Standards Codification ("ASC") 606 through the following five steps: (i) identification of the contract or contracts with a customer; (ii) identification of the performance obligations in the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price in the contract; and (v) recognition of revenue when or as a performance obligation is satisfied.

The Organization enters into contracts with companies, referred to as "Program Partners". Program service fees represent implementation fees and annual program fees.

The Organization recognizes revenue over time for all annual program fees and recognizes implementation fees at a point in time once implementation is complete. The disaggregation of revenue is as follows:

Revenue recognized at a point in time	$	29,414
Revenue recognized over time		88,236
	$	117,650

Amounts paid in advance of services performed are classified as deferred revenue, and amounts received in advance from Program Partners for awards to be paid to savers are classified as Advances - due to savers on the Statement of Financial Position.

Contributions

Contributions are recognized at their fair value when the donor makes an unconditional promise to give. All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor 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 future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using interest rates applicable to the years in which the promises are received.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Contributions (continued)

Contributions receivable are stated at the amount management expects to collect from outstanding balances. Should it become necessary, management will provide for probable uncollectable amounts through a provision for bad debt expense based on its assessment of the current status of individual accounts. Balance remaining after management has used reasonable collection efforts would be written off through a charge to bad debt expense. At December 31, 2021, the Organization determined that the contribution receivables were fully collectable. As such, no allowance for doubtful accounts is considered necessary.

In-Kind Contributions

Donated services are recognized if the services (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are reflected as in-kind contributions at their estimated fair value at date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. For the year ended December 31, 2021, there was $196,802 of in-kind contributions (pro-bono legal services) on the statement of activities.

Income Taxes

The Organization is a tax-exempt organization under the provisions of the Internal Revenue Code, Section 501(c)(3), and the California Revenue and Taxation Code, Section 23701(d). Accordingly, no provision for federal and state income taxes has been reflected in these financial statements.

Management evaluated the Organization’s tax positions and concluded that the Organization had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Functional Allocation of Expenses

The costs of providing the Organization’s various programs and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the estimates of employees’ time and on usage of resources.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events and transactions for potential recognition or disclosure through October 19, 2022, the date the financial statements are available to be issued (refer to note 15).

Recently Issued Accounting Standards

During February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires lessees to recognize the assets and liabilities that arise from leases on the statement of financial position. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. FASB has issued subsequent standards that deferred the implementation date. Topic 842 (as amended) will be effective for the Organization for the year ending December 31, 2022. The Organization is currently evaluating its impact on its financial statements.

During June 2016, FASB issued Accounting Standards Update ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. FASB has issued subsequent standards to clarify, correct errors in or improve the guidance. ASU 2016-13 (as amended) will be effective for the Organization for the year ending December 31, 2023. The Organization is currently evaluating its impact on its financial statements.

During September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. ASU 2020-07 will be effective for the Organization for the year ending December 31, 2022. The Organization is currently evaluating the effect that ASU 2020-07 will have on its financial statements.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Management monitors levels of available financial assets to anticipate cash requirements for general expenditures as obligations come due on a monthly basis, at a minimum. Board designated net assets of $1,675,000, which are designated for operating reserves and future program development, are included in cash and cash equivalents, and per the Board designated reserve policy can be used for cash flow.

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

		2021
Cash and cash equivalents	$	2,369,747
Grants and contributions receivable		1,131,780
Employee Retention Credit (ERC) receivable		427,412
Accounts receivable		49,783
Total financial assets		3,978,722
Less: net assets with donor restrictions		(1,783,171)
Total financial assets available within one year for general expenditures	$	2,195,551

4. ASSET TRANSFER

On May 7, 2021, Organization entered into an asset transfer agreement ("Agreement") with Onward Financial, Inc. ("Onward") a Delaware nonprofit non-stock corporation. The Organization obtained certain assets and assumed certain liabilities under the terms of the Agreement.

In accordance with the accounting standards for business combinations, the Organization has accounted for the acquisition of the assets and assumptions of certain liabilities under the acquisition method of accounting. Under the acquisition method of accounting, the assets obtained and liabilities assumed at the date of acquisition are recorded at their respective fair values. The determination of the estimated fair value of the assets and liabilities requires management to make estimates and assumptions.

There was no consideration paid by the Organization to Onward. Accordingly, the Organization recorded an inherent contribution for amount of the fair value of the assets obtained over the liabilities assumed.

4. ASSET TRANSFER (continued)

The fair value of the assets acquired and the liabilities assumed at the date of acquisition are as follows:

Cash	$ 159,264
Intellectual property	126,750
Other assets	10,806
Onward credit cards	(1,517)
	$ 295,303

The organization recognized an inherent contribution in the amount of $295,303 on the Statement of Activities.

5. GRANTS AND CONTRIBUTIONS RECEIVABLE

At December 31, 2021, grants and contributions receivables amounted to $1,131,780. All receivables are due within one year.

6. PROPERTY AND EQUIPMENT

At December 31, 2021, property and equipment consisted of the following:

Computer equipment	$	55,427
Less: accumulated depreciation		(48,297)
	$	7,130

Depreciation expense amounted to $7,821 for the year ended December 31, 2021.

7. INTANGIBLE ASSETS

At December 31, 2021, intangible assets consisted of the following:

Technology platform	$ 2,584,141
Less: accumulated amortization	(2,016,004)
	$ 568,137

The following is the future estimated amortization of intangible assets:

Year ending December 31,		
2022	$	288,705
2023		194,241
2024		74,628
2025		10,563
	$	568,137

Amortization expense amounted to $317,228 for the year ended December 31, 2021.

8. LINE OF CREDIT

On March 2021, the Organization established a $1,000,000 line of credit with Signature Bank, which expired on March 4, 2022. The Organization did not utilize the line of credit during the year ended December 31, 2021. Effective March 4, 2022, the line was extended through March 3, 2023.

9. PAYCHECK PROTECTION PROGRAM

On March 18, 2021, the Organization received second round of loan proceeds in the amount of $322,004 under the Paycheck Protection Program (PPP2) which was established as part of the Coronavirus Aid, Relief and Economic Security ("CARES") Act and is administered through the Small Business Administration ("SBA"). The PPP provides loans to qualifying businesses in amounts up to 2.5 times their average monthly payroll expenses and was designed to provide a direct financial incentive for qualifying businesses to keep their workforce employed during the Coronavirus crisis. PPP loans are uncollateralized and guaranteed by the SBA and are forgivable after a "covered period" (eight or twenty-four weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible expenses, including payroll, benefits, mortgage interest, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries and wages more than 25% during the covered period. Any unforgiven portion is payable over 2 years if issued before, or 5 years if issued after, March 18, 2026 at an interest rate of 1% with payments deferred until the SBA remits the borrower's loan forgiveness amount to the lender, or, if the borrower

9. PAYCHECK PROTECTION PROGRAM (continued)

does not apply for forgiveness, borrower's loan forgiveness amount to the lender, or, if the borrower does not apply for forgiveness, ten months after the end of the covered period. PPP loan terms provide for customary events of default, including payment defaults, breaches of representations and warranties, and insolvency events and may be accelerated upon the occurrence of one or more of these events of default. Additionally, PPP loan terms do not include prepayment penalties.

During the year ended December 31, 2021, the Organization expended all of the PPP2 funds received on qualified expenses and believes that it met all the conditions attached to the PPP2, therefore the Organization has recorded grant revenue of $322,004 within its statement of activities for the year ended December 31, 2021. Legal release was received on September 27, 2021.

The SBA reserves the right to audit any PPP loan, regardless of size. These audits may occur after forgiveness has been granted. In accordance with the CARES Act, all borrowers are required to maintain their PPP loan documentation for six years after the PPP loan was forgiven or repaid in full and to provide that documentation to the SBA upon request.

10. EMPLOYEE RETENTION CREDIT

The Employee Retention Credit (ERC), which was included as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act and amended by the Consolidated Appropriations Act (CAA) and theAmerican Rescue Plan Act (ARPA), and the Infrastructure Investment and Jobs Act (IIJA), incentivizes employers severely impacted by the COVID-19 pandemic to retain their employees when they miht otherwise find it difficult to do so. The fully refundable tax credit is allowed against the employer's share of employment taxes for qualified wages paid after March 12, 2020 and before October 1, 2021. Credits in excess of the tax amounts paid by an employer are treated as overpayments and are also refunded to the employer. The ERC is calculated as a percentage of qualified wages (as defined in the CARES Act, as amended) paid by an eligible employer. The Organization qualified for the ERC as it experienced a significant decline in gross receipts when compared to the same calendar quarter in 2019 (for 2021, defined as 80% decline in gross receipts when compared to the same quarter in 2019). The Organization averaged less than 100 full-time employees (FTEs) during 2019, therefore, it was considered a small employer during 2021. As a small employer, all of the Organization's otherwise qualified wages were eligible for the ERC. For 2021 ERC equaled 70 percent of an employee's qualified wages up to $10,000 per employee per calendar quarter with a maximum annual credit of $21,000 for each employee.

The Organization accounts for this federal funding in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605 guidance for conditional contributions and, accordingly, revenues are measured and recognized when barriers are substantially met. The Organization will claim credits for the years ended December 31, 2021 of $427,412, on timely filed forms 941 which are included in Grant income - Employee Retention Credit in the Statement of Activities for the year ended December 31, 2021. As of December 31, 2021, the Organization had an ERC receivable of $427,412.

11. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2021, net assets with donor restrictions consist of the following:

Subject to passage of time	$ 952,000
Subject to specified purpose	
Financial services and operations	700,000
Saver Incentives	131,171
	$ 1,783,171

In the year ended December 31, 2021, net assets were released from restrictions by incurring expenditures satisfying the restricted purposes, or by occurrences of other events specified by donors, as follows:

Financial services and operations	$ 1,350,000
Passage of time	400,000
Saver Incentives	253,883
COVID assistance	82,709
	$ 2,086,592

12. COMMITMENTS

Commitments to Match Saver's Deposits

At December 31, 2021 the Organization had commitments of approximately $19,018 to provide incentives to savers who are in the process of saving but have not yet met program requirements.

Lease Commitments

The Organization leases office space and equipment under non-cancelable operating leases expiring through March 31, 2022. Future minimum annual lease payments approximate the following:

Year ended December 31,	
2022	$ 63,036
Total	$ 63,036

Facilities expense for the year ended December 31, 2021 was $235,641.

The lease was not renewed upon its expiration and the Organization's operations became fully remote.

13. RETIREMENT PLAN

All full-time employees are eligible to participate in a qualified 401(k) retirement plan (the "Plan"). Employees are eligible to contribute to the Plan on their dates of hire. The Organization's contributions, which cover employees who complete three months of service, are discretionary. Contributions are fully vested at all times. The Organization contributed $141,301 on behalf of employees participating in the plan for the year ended December 31, 2021.

14. CONCENTRATION OF RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and grants and contributions receivable. Risks associated with cash and cash equivalents are mitigated by banking with creditworthy institutions. Such balances with any one institution may, at times, be in excess of federally insured amounts (currently $250,000 per depositor).

At December 31, 2021, three donors accounted for approximately $952,000 or 81% of total contribution receivables. For the year ended December 31, 2021, three donors accounted for approximately $2,725,000 or 47% of total contribution revenue.

15. SUBSEQUENT EVENTS

As of March 31, 2022, the Organization's office lease ended and all employees are fully remote.