



**THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A THE OPPORTUNITY NETWORK**

Audited Financial Statements

August 31, 2021

Independent Auditor's Report

To the Board of Directors of
The New York Opportunity Network, Inc.
D/B/A The Opportunity Network

Report on the Financial Statements

We have audited the accompanying financial statements of The New York Opportunity Network, Inc. D/B/A The Opportunity Network, which comprise the statement of financial position as of August 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

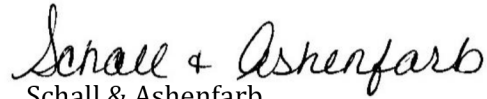
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The New York Opportunity Network, Inc. D/B/A The Opportunity Network as of August 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited The Opportunity Network's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 19, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.


Schall & Ashenfarb
Certified Public Accountants, LLC

March 9, 2022

THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A THE OPPORTUNITY NETWORK
STATEMENT OF FINANCIAL POSITION
AT AUGUST 31, 2021
(With comparative totals at August 31, 2020)

	<u>8/31/21</u>	<u>8/31/20</u>
Assets		
Cash and cash equivalents	\$4,244,991	\$3,112,918
Contributions receivable, net (Note 3)	3,529,105	1,336,519
Program income and other receivables	14,380	9,654
Prepaid expenses and other assets	242,768	215,128
Investment in annuity contract (Note 4)	1,011,084	937,000
Fixed assets, net (Note 5)	58,524	71,509
Security deposit	<u>28,000</u>	<u>27,750</u>
 Total assets	 <u><u>\$9,128,852</u></u>	 <u><u>\$5,710,478</u></u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$147,839	\$258,314
Deferred revenue	47,334	105,000
Paycheck Protection Program loan (Note 6)	886,792	753,550
Total liabilities	<u>1,081,965</u>	<u>1,116,864</u>
Net assets:		
Without donor restrictions	2,535,951	1,577,501
With donor restrictions (Note 7)	5,510,936	3,016,113
Total net assets	<u>8,046,887</u>	<u>4,593,614</u>
 Total liabilities and net assets	 <u><u>\$9,128,852</u></u>	 <u><u>\$5,710,478</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A THE OPPORTUNITY NETWORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021
(With comparative totals for the year ended August 31, 2020)

	Without Donor Restrictions	With Donor Restrictions	Total 8/31/21	Total 8/31/20
Public support and revenue:				
Contributions	\$1,457,975	\$5,806,936	\$7,264,911	\$4,030,406
Paycheck Protection Program grant (Note 6)	753,550		753,550	0
Employee Retention Tax Credit (Note 8)	337,954		337,954	0
Special events income (Note 9)	2,624,325		2,624,325	3,096,649
Program income	401,000		401,000	182,500
In-kind contributions (Note 10)	390,089		390,089	52,461
Interest and other income	32,103		32,103	33,401
Net assets released from restrictions (Note 7)	3,312,113	(3,312,113)	0	0
Total public support and revenue	<u>9,309,109</u>	<u>2,494,823</u>	<u>11,803,932</u>	<u>7,395,417</u>
Expenses:				
Program services	6,487,347		6,487,347	5,854,908
Supporting services:				
Management and general	975,396		975,396	885,616
Fundraising	962,000		962,000	861,631
Total supporting services	<u>1,937,396</u>	<u>0</u>	<u>1,937,396</u>	<u>1,747,247</u>
Total expenses	<u>8,424,743</u>	<u>0</u>	<u>8,424,743</u>	<u>7,602,155</u>
Change in net assets from operations	<u>884,366</u>	<u>2,494,823</u>	<u>3,379,189</u>	<u>(206,738)</u>
Non-operating activities:				
Change in cash surrender value of annuity contract	74,084		74,084	9,000
Total non-operating activities:	<u>74,084</u>	<u>0</u>	<u>74,084</u>	<u>9,000</u>
Change in net assets	958,450	2,494,823	3,453,273	(197,738)
Net assets - beginning of year	<u>1,577,501</u>	<u>3,016,113</u>	<u>4,593,614</u>	<u>4,791,352</u>
Net assets - end of year	<u>\$2,535,951</u>	<u>\$5,510,936</u>	<u>\$8,046,887</u>	<u>\$4,593,614</u>

The attached notes and auditor's report are an integral part of these financial statements.

THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A OPPORTUNITY NETWORK
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2021

(With comparative totals for the year ended August 31, 2020)

	Program Services				Supporting Services			
	Career				Supporting Services			
	OppNet Fellows	Fluency Partnerships and Portal	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses 8/31/21	Total Expenses 8/31/20*
Salaries	\$2,586,790	\$724,963	\$3,311,753	\$539,207	\$638,671	\$1,177,878	\$4,489,631	\$3,976,825
Payroll taxes and benefits	557,802	142,280	700,082	97,681	109,807	207,488	907,570	866,638
Professional fees (including in-kind) (Note 10)	148,903	28,486	177,389	183,283	107,711	290,994	468,383	512,462
Student stipends	88,768		88,768			0	88,768	0
Student activities (including in-kind) (Note 10)	608,484		608,484			0	608,484	497,096
Sub grantees		529,567	529,567			0	529,567	621,908
Communications and public relations		3,000	3,000	275		275	3,275	685
Special event expenses (Note 9)			0		190,186	190,186	190,186	119,404
Rent expense	318,240	28,560	346,800	48,960	12,240	61,200	408,000	347,110
Travel, meetings, and conferences	813	603	1,416	1,835	22	1,857	3,273	120,888
Supplies and office expenses (including in-kind) (Note 10)	437,929	11,617	449,546	15,328	12,073	27,401	476,947	142,131
Dues and filing fees	6,119	638	6,757	30,577	994	31,571	38,328	15,785
Equipment and software subscriptions	63,578	69,771	133,349	17,573	34,274	51,847	185,196	160,577
Insurance	21,347	1,916	23,263	3,284	821	4,105	27,368	32,006
Staff development and recruitment	65,305	13,779	79,084	18,333	5,010	23,343	102,427	82,678
Bank and credit card processing fees			0	15,095		15,095	15,095	12,739
Depreciation	25,776	2,313	28,089	3,965	991	4,956	33,045	93,223
Total expenses	4,929,854	1,557,493	6,487,347	975,396	1,112,800	2,088,196	8,575,543	7,602,155
Less: special event expenses with a direct benefit to donor			0		(150,800)	(150,800)	(150,800)	0
Total expenses for statement of activities	\$4,929,854	\$1,557,493	\$6,487,347	\$975,396	\$962,000	\$1,937,396	\$8,424,743	\$7,602,155

* - Reclassified for comparative purposes

The attached notes and auditor's report are an integral part of these financial statements.

THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A OPPORTUNITY NETWORK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2021
(With comparative totals for the year ended August 31, 2020)

	<u>8/31/21</u>	<u>8/31/20</u>
Cash flows from operating activities:		
Change in net assets	\$3,453,273	(\$197,738)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	33,045	93,223
Change in cash surrender value of annuity contract	(74,084)	(9,000)
Changes in assets and liabilities:		
Contributions receivable	(2,192,586)	(649,546)
Program income and other receivables	(4,726)	275,986
Prepaid expenses and other assets	(27,640)	(118,158)
Security deposit	(250)	250
Accounts payable and accrued expenses	(110,475)	120,988
Deferred revenue	(57,666)	(10,430)
Paycheck Protection Program loan	133,242	753,550
Deferred rent	0	(15,290)
	<u>1,152,133</u>	<u>243,835</u>
Net cash flows provided by operating activities		
Cash flows from investing activities:		
Purchases of fixed assets	(20,060)	(59,802)
	<u>(20,060)</u>	<u>(59,802)</u>
Net cash flows used for investing activities		
Net increase in cash and cash equivalents	1,132,073	184,033
Cash and cash equivalents - beginning of year	<u>3,112,918</u>	<u>2,928,885</u>
Cash and cash equivalents - end of year	<u><u>\$4,244,991</u></u>	<u><u>\$3,112,918</u></u>
Supplemental disclosures:		
Interest and income taxes paid	<u><u>\$0</u></u>	<u><u>\$0</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

**THE NEW YORK OPPORTUNITY NETWORK, INC.
D/B/A THE OPPORTUNITY NETWORK
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021**

Note 1 - Organization

The New York Opportunity Network, Inc. D/B/A The Opportunity Network is a New York not-for-profit corporation whose primary purpose is to develop future leaders by introducing talented, low-income high school students to college access and career development opportunities through relationships with professionals and private sector organizations. The Opportunity Network firmly believes that the students' unique interaction with executives, intensive network training, course work in careers, robust internships, and college counseling, can and do, change the course of their futures. The Opportunity Network's revenue is primarily from contributions and program service income.

The Opportunity Network's accomplished its mission through the following programs:

- OppNet Fellows - The OppNet Fellows program is an intensive six-year experience for students beginning the summer after 10th grade that cultivates their passions and skills to persist through college and launch the careers of their choice upon graduation.

Anchored in our proprietary Career Fluency® curriculum, which articulates the necessary skills and mindsets for college and career readiness, OppNet's Fellows program integrates individualized college guidance, robust networking opportunities for professional and personal growth, multi-industry career exposure, experiential learning for college success, and five summers of skill-building paid internships and enrichment programs.

- Career Fluency Partnerships and Portal - This program is an immersive capacity-building program for schools and youth-serving organizations across the country looking to accelerate postsecondary and workforce readiness for their students. Through tailored integration of the Career Fluency® curriculum, the Partnerships team designs a unique strategy for each Partner organization to reach their desired goals and amplify student outcomes.

The Opportunity Network has been notified by the Internal Revenue Service that it is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recording revenue and expenses when earned or incurred, rather than received or paid.

b. Basis of Presentation

The Opportunity Network reports information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets Without Donor Restrictions* – represents all activity without donor-imposed restrictions.
- *Net Assets With Donor Restrictions* – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity.

c. Revenue Recognition

The Opportunity Network follows the requirements of Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recorded at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. 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. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

Government grants have been evaluated and are considered to be conditional non-reciprocal transactions that fall under the scope of ASC 958-605. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved, and other conditions under the agreements are met. Cash received in advance of the conditions being met is treated as a liability.

Contributions and grants expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

The Opportunity Network follows the requirements of FASB's ASC 606 for recognizing revenue from contracts with customers. The Organization receives program income for providing intern training, networking, and professional development workshops which falls under ASC 606 and is included in the statement of activities. Revenue from training and workshops is recognized when at the point in time that the service is provided, and the performance obligation is complete. Fees that have not been collected at year end are reflected as accounts receivable. Amounts collected in advance are treated as deferred revenue.

Receivables are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for doubtful accounts exists as of August 31, 2021. Write-offs will be made in the period the receivable is deemed to be uncollectable.

d. Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to The Opportunity Network's ongoing services. Non-operating activities are limited to the change in the cash surrender value of The Opportunity Network's investment in an annuity contract.

e. Cash and Cash Equivalents

All liquid investments with an initial maturity of three months or less are considered to be cash and cash equivalents.

f. Concentration of Credit Risk

Financial instruments which potentially subject The Opportunity Network to concentration of credit risk consist of cash accounts with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. At year end, a significant portion of the funds is not insured by the Federal Deposit Insurance Corporation ("FDIC") or related entity; however, management feels they have little risk and has not suffered losses from the default of any financial institution.

g. Fixed Assets

Fixed assets that The Opportunity Network retains title to, and capital items purchased which benefit future periods are capitalized at cost, if purchased and fair value at the date received, if donated. Fixed assets are depreciated using the straight-line method over the estimated useful life of the assets.

Computers and equipment are depreciated over three years and leasehold improvements are amortized over the life of the lease.

h. In-Kind Contributions

In-kind contributions are recognized in circumstances where services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind. See Note 10 for further details.

Donated materials are recorded at fair value at the date of donation. Accounting standards define fair value as the price that would be received to sell an asset in an orderly transaction between participants at the measure date.

Board members and other individuals volunteer their time and perform a variety of services that assist The Opportunity Network. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

i. Management Estimates

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

j. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of The Opportunity Network.

Salaries were allocated based on time and effort. Payroll taxes and benefits were allocated using salaries as the basis.

The following costs were allocated based on usage by square foot:

- Rent expense
- Depreciation

All other expenses have been charged directly to the applicable program or supporting services.

k. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. 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 read in conjunction with The Opportunity Network's financial statements for the year ended August 31, 2020, from which the summarized information was derived.

l. Accounting for Uncertainty of Income Taxes

Management does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending August 31, 2018 and later are subject to examination by applicable taxing authorities.

m. New Accounting Pronouncements

FASB issued Accounting Standards Update ("ASU") No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the August 31, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.

FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the August 31, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The Opportunity Network is in the process of evaluating the impact these standards will have on future financial statements.

Note 3 - Contributions Receivable

Contributions receivable are expected in the following periods:

Year ending:	August 31, 2022	\$1,998,167
	August 31, 2023	784,719
	August 31, 2024	<u>784,719</u>
Total		3,567,605
Present value discount (1%)		<u>(38,500)</u>
Total Contributions Receivable		<u>\$3,529,105</u>

Note 4 - Investments in Annuity Contract

The Opportunity Network holds an annuity contract, where they are the primary beneficiary of 100% of the policy as a death benefit if the annuitant (the Founder) dies prior to the annuity date. The contract is reported as an asset on the statement of financial position at its cash surrender value, which was \$1,011,084 as of August 31, 2021 and \$937,000 as of August 31, 2020.

Note 5 - Fixed Assets

Fixed assets consist of the following:

	<u>8/31/21</u>	<u>8/31/20</u>
Leasehold improvements	\$391,527	\$391,527
Computers and equipment	<u>146,794</u>	<u>126,734</u>
	538,321	518,261
Less: accumulated depreciation	<u>(479,797)</u>	<u>(446,752)</u>
Total fixed assets, net	<u>\$58,524</u>	<u>\$71,509</u>

Note 6 - Paycheck Protection Program Loan

During the year ended August 31, 2020, The Opportunity Network obtained a loan of \$753,550 from the Small Business Administration ("SBA") through the Paycheck Protection Program ("PPP"). Terms of the loan indicated that if certain conditions were met, which included maintaining average work forces during periods subsequent to receipt of the loan funds that were not less than pre-determined historical periods, that the loan, or a portion thereof, would be forgiven.

The Opportunity Network accounted for the PPP loan in accordance with ASC 958-605 as a conditional contribution. During the year ended August 31, 2021, The Opportunity Network met all conditions for forgiveness and recognized the loan as revenue. In addition, The Opportunity Network was notified that full forgiveness was approved by the SBA.

During the year ended August 31, 2021, The Opportunity Network obtained a second loan from the SBA in the amount of \$886,792 through the Paycheck Protection Program that had similar terms as the first loan. The Organization met the conditions for full forgiveness subsequent to year-end and will recognize the revenue in fiscal year 2022.

Note 7 - Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

	<u>August 31, 2021</u>			
	Balance		Released	Balance
	<u>9/1/20</u>	<u>Contributions</u>	from <u>Restrictions</u>	<u>8/31/21</u>
Program restrictions:				
Fellows Program	\$1,449,969	\$3,090,000	(\$1,865,021)	\$2,674,948
Capacity Building	162,536	412,000	(143,824)	430,712
Other	<u>60,000</u>	<u>372,778</u>	<u>(203,160)</u>	<u>229,618</u>
Total program restrictions	1,672,505	3,874,778	(2,212,005)	3,335,278
Time restrictions	<u>1,343,608</u>	<u>1,932,158</u>	<u>(1,100,108)</u>	<u>2,175,658</u>
Total	<u>\$3,016,113</u>	<u>\$5,806,936</u>	<u>(\$3,312,113)</u>	<u>\$5,510,936</u>
	<u>August 31, 2020</u>			
	Balance		Released	Balance
	<u>9/1/19</u>	<u>Contributions</u>	from <u>Restrictions</u>	<u>8/31/20</u>
Program restrictions:				
Fellows Program	\$2,514,979	\$789,936	(\$1,854,946)	\$1,449,969
Capacity Building	0	235,573	(73,037)	162,536
Other	<u>0</u>	<u>90,000</u>	<u>(30,000)</u>	<u>60,000</u>
Total program restrictions	2,514,979	1,115,509	(1,957,983)	1,672,505
Time restrictions	<u>675,293</u>	<u>1,463,608</u>	<u>(795,293)</u>	<u>1,343,608</u>
Total	<u>\$3,190,272</u>	<u>\$2,579,117</u>	<u>(\$2,753,276)</u>	<u>\$3,016,113</u>

Note 8 - Employee Retention Tax Credit

During the year ended August 31, 2021, The Opportunity Network claimed the Employee Retention Tax Credit ("ERTC") in the amount of \$337,954. The ERTC was established by the coronavirus relief act issued by congress during 2020 and allows an employer to obtain fully refundable tax credits through their payroll tax filings for qualified wages paid after March 13, 2020, through September 30, 2021. To be eligible, an employer must incur payroll costs to retain employees and be adversely affected by the COVID-19 pandemic due to having operations suspended by a government order or demonstrating that they had a significant decline in gross receipts.

The Opportunity Network accounts for the ERTC as a conditional contribution in accordance with ASC 958-605. The conditions for eligibility outlined above were met for the quarters claimed during the year ended August 31, 2021, and the full amount was recognized as revenue during the year then ended.

Note 9 - Special Events

A summary of special events activity from the annual virtual benefit and other events is as follows:

	<u>8/31/21</u>	<u>8/31/20</u>
Gross revenue	\$2,775,125	\$3,096,649
Less: expenses with a direct benefit to donor	<u>(150,800)</u>	<u>0</u>
	2,624,325	3,096,649
Less: other event expenses	<u>(39,386)</u>	<u>(119,404)</u>
Net proceeds from events	<u>\$2,584,939</u>	<u>\$2,977,245</u>

Note 10 - In-Kind Contributions

In-kind contributions have been allocated as follows:

	<u>August 31, 2021</u>			
	<u>Total</u>	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>
Professional fees	\$17,700	\$0	\$17,700	\$0
Student activities	25,000	25,000	0	0
Supplies and office expenses	<u>347,389</u>	<u>346,344</u>	<u>571</u>	<u>474</u>
Total	<u>\$390,089</u>	<u>\$371,344</u>	<u>\$18,271</u>	<u>\$474</u>

	<u>August 31, 2020</u>			
	<u>Total</u>	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>
Professional fees	\$35,000	\$0	\$35,000	\$0
Student activities	9,507	8,000	1,507	0
Other event expenses	<u>7,954</u>	<u>0</u>	<u>0</u>	<u>7,954</u>
Total	<u>\$52,461</u>	<u>\$8,000</u>	<u>\$36,507</u>	<u>\$7,954</u>

Note 11 - Commitments

A non-cancelable sublease agreement for office space was entered into, which commenced on September 1, 2020 and expires on August 31, 2023. Future minimum payments are as follows:

Year ending:	August 31, 2022	\$416,000
	August 31, 2023	<u>424,000</u>
		<u>\$840,000</u>

Note 12 - Retirement Plan

The Opportunity Network administers a retirement plan under section 401(k) of the Internal Revenue Code. The plan offers employees an opportunity to contribute pre-tax dollars up to statutory limits. All full-time employees who have been working for at least one year are eligible. The employer match was suspended during the year ended August 31, 2021. Matching contributions prior to suspension were \$5,000 in 2021 and \$96,000 in 2020, and these contributions are vested upon three years of service.

Note 13 - Availability and Liquidity

The Opportunity Network maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, The Opportunity Network operates its programs within a board approved budget and relies on contributions and program income to fund its operations and program activities.

The following reflects The Opportunity Network's financial assets at August 31, 2021 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$4,244,991
Contributions receivable due within one year	1,998,167
Program income and other receivables	<u>14,380</u>
Total financial assets	\$6,257,538
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(3,335,278)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$2,922,260</u>

Note 14 - Subsequent Events

Subsequent events have been evaluated through March 9, 2022, the date the financial statements were available to be issued. Adjustments and disclosures have been made for all subsequent events that have occurred.

Note 15 - Other Matters

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an impact on the economies and financial markets of many countries, including the geographical area in which The Opportunity Network operates. As of the date of the financial statements, many of the travel restrictions and stay at home orders have been lifted, however, supply chains remain impacted. Management continues to monitor the outbreak, however, as of the date of these financial statements, the potential impact cannot be quantified.