



350.ORG

FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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Independent Auditors' Report

Board of Directors
350.Org
Washington, D.C.

We have audited the accompanying financial statements of 350.Org (the Organization) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, 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.

Auditors' 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 auditors' 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 auditors consider 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 350.Org as of September 30, 2020, 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.

Board of Directors
350.Org

Prior Period Adjustments- Correction of Errors

As described in Note 16 to the financial statements, errors resulted in the failure to recognize certain revenue and expenses for the year ended September 30, 2019. Accordingly, the beginning net assets with and without donor restrictions for the year ended September 30, 2020, have been restated to reflect these corrections. Our opinion is not modified with respect to this matter.

Councilor, Buchanan + Mitchell, P.C.

Washington, D.C.
April 16, 2021

Certified Public Accountants

350.ORG

STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2020

Assets

Cash and Cash Equivalents	\$ 8,024,015
Investments	75,769
Grants and Contributions Receivable, Net	2,489,370
Accounts Receivable	8,088
Due from 350.Org Action Fund	421,013
Travel Card Advances	63,918
Prepaid Expenses and Other Current Assets	285,853
Deposits	377,324
Property and Equipment, Net	<u>91,326</u>
Total Assets	<u><u>\$ 11,836,676</u></u>

Liabilities and Net Assets

Accounts Payable and Accrued Expenses	\$ 781,688
Accrued Vacation	724,588
Grants Payable	142,070
PPP Refundable Advance	<u>1,291,827</u>
Total Liabilities	2,940,173
Net Assets	
Without Donor Restrictions	4,582,452
With Donor Restrictions	<u>4,314,051</u>
Total Net Assets	<u>8,896,503</u>
Total Liabilities and Net Assets	<u><u>\$ 11,836,676</u></u>

See accompanying Notes to Financial Statements.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue			
Grants and Contributions	\$ 19,731,228	\$ 5,311,396	\$ 25,042,624
Donated Services	4,193	-	4,193
Investment Income	11,447	-	11,447
Other Income, Net	1,000	-	1,000
Releases from Restriction	2,875,249	(2,875,249)	-
Total Revenue	22,623,117	2,436,147	25,059,264
Expenses			
Program Services			
Field	10,951,728	-	10,951,728
Communications	2,944,786	-	2,944,786
Digital	1,729,434	-	1,729,434
Total Program Services	15,625,948	-	15,625,948
Supporting Services			
Management and General	3,008,731	-	3,008,731
Fundraising	720,357	-	720,357
Total Supporting Services	3,729,088	-	3,729,088
Total Expenses	19,355,036	-	19,355,036
Change in Net Assets	3,268,081	2,436,147	5,704,228
Net Assets, Beginning of Year (Prior to Restatement)	1,517,325	1,777,904	3,295,229
Prior Period Adjustments	(202,954)	100,000	(102,954)
Net Assets, Beginning of Year (After Restatement)	1,314,371	1,877,904	3,192,275
Net Assets, End of Year	\$ 4,582,452	\$ 4,314,051	\$ 8,896,503

See accompanying Notes to Financial Statements.

350.ORG

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Program Services			Total Program Services	Supporting Services		Total
	Field	Communications	Digital		Management and General	Fundraising	
Salaries	\$ 3,068,499	\$ 742,402	\$ 466,822	\$ 4,277,723	\$ 1,428,134	\$ 531,017	\$ 6,236,874
Taxes and Employee Benefits	793,552	155,889	126,044	1,075,485	378,422	94,666	1,548,573
Volunteer Training	13,090	10,586	-	23,676	-	-	23,676
Conferences and Meetings	257,620	13,001	8,755	279,376	23,203	-	302,579
Consulting	5,332,448	1,518,590	644,872	7,495,910	649,148	23,875	8,168,933
Advertising	56,512	54,332	-	110,844	5,251	2,726	118,821
Telephone	17,858	3,383	912	22,153	11,491	82	33,726
Website	27,401	5,084	245,891	278,376	14,026	-	292,402
Insurance	44,652	11,900	5,965	62,517	9,039	2,966	74,522
Printing and Publications	4,652	-	-	4,652	628	240	5,520
Postage and Shipping	4,762	2,209	-	6,971	792	1,258	9,021
Repairs and Maintenance	1,966	18	-	1,984	2,571	-	4,555
Professional Fees	608,350	172,125	114,731	895,206	34,554	7,329	937,089
Miscellaneous	145,518	40,765	20,681	206,964	21,135	11,514	239,613
Equipment Rental and Purchases	25,310	3,780	7,587	36,677	14,703	111	51,491
Dues and Subscriptions	87,592	157,002	65,323	309,917	187,846	26,602	524,365
Professional Development	1,545	285	1,200	3,030	12,742	596	16,368
Occupancy	152,004	17,616	9,632	179,252	154,274	-	333,526
Travel	261,279	23,918	5,118	290,315	47,647	13,926	351,888
Supplies	5,455	31	195	5,681	4,108	490	10,279
Depreciation and Amortization	41,663	11,870	5,706	59,239	9,017	2,959	71,215
Total Expenses	\$ 10,951,728	\$ 2,944,786	\$ 1,729,434	\$ 15,625,948	\$ 3,008,731	\$ 720,357	\$ 19,355,036

See accompanying Notes to Financial Statements.

350.ORG

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Cash Flows from Operating Activities	
Change in Net Assets	\$ 5,704,228
Adjustments to Reconcile Change in Net Assets to to Net Cash Provided by Operating Activities	
Depreciation and Amortization	71,215
Prior Period Adjustments	(102,954)
Donated Securities Received	(970,178)
Proceeds from Sales of Donated Securities	1,935,446
Loss on Disposal of Property and Equipment	12,747
Increase in Grants and Contributions Receivable, Net	(350,066)
Decrease in Accounts Receivable	43,625
Increase in Due from 350.Org Action Fund	(111,923)
Decrease in Travel Card Advances	43,729
Decrease in Prepaid Expenses and Other Current Assets	205,290
Decrease in Deposits	121,652
Decrease in Accounts Payable and Accrued Expenses	(1,036,619)
Increase in Accrued Vacation	116,826
Decrease in Grants Payable	(357,916)
Increase in PPP Refundable Advance	<u>1,291,827</u>
Net Cash Provided by Operating Activities	6,616,929
Cash Flows from Investing Activities	
Purchases of Property and Equipment	<u>(8,804)</u>
Net Cash Used in Investing Activities	<u>(8,804)</u>
Net Increase in Cash and Cash Equivalents	6,608,125
Cash and Cash Equivalents, Beginning of Year	<u>1,415,890</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 8,024,015</u></u>

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

350.Org (the Organization) is a dynamic and highly collaborative climate change campaign, building a global grassroots movement to solve the climate crisis. The Organization works with volunteers in countries around the world, using online tools to facilitate strategic campaigns, grassroots organizing, and public engagement actions in order to communicate both the realities of science and principles of justice and help realize the solutions that will ensure a better future for all.

The Organization is supported primarily by grants and contributions.

The major programs of the Organization are as follows:

Field: The Field program works to bring international and national policy more in line with the scientific necessities of tackling the climate crisis. This work is accomplished by building broad and deep connections to support an international network of climate activists, as well as identifying key moments to elevate an issue and advocate for social change.

Communications: The Communications program works to shape the terms of debate on climate change internationally and domestically through a creative and incisive narrative, and a sophisticated media strategy encompassing both traditional and new media.

Digital: The Digital program works to facilitate dialogue and organizing amongst individuals, organizers, and organizations in the global climate movement around the world. This work is accomplished through online media such as emails, blogs, and social networks, multimedia such as photo galleries and videos, and web tools such as online maps that allow users to more quickly and easily understand how to connect to a global movement for change.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

Income Taxes

The Internal Revenue Service has determined the Organization to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and not to be a private foundation within the meaning of Section 509(a) of the Code. However, income from certain activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. The Organization had no net unrelated business income for the year ended September 30, 2020.

The Organization requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include, or reflect, any uncertain tax positions. The Organization's IRS Form 990 is subject to examination generally for three years after filing.

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all cash held in demand deposit accounts to be cash and cash equivalents, including amounts held in cash in the investment account.

Investments

Equity investments are recorded at fair value using quotations on national exchanges. Debt securities are recorded at fair value using readily available pricing sources for comparable investments. Investment income, including realized and unrealized gains and losses, is included in the statement of activities.

Accounts Receivable

The Organization records accounts receivable at estimated net realizable value. The Organization reviews the collectability of the receivables on a regular basis; no reserve for doubtful accounts has been established because management expects to collect receivables in full.

Grants and Contributions Receivable

The Organization records grants and contributions receivable at estimated net realizable value. The Organization reviews the collectability of the receivables on a regular basis; no reserve for doubtful accounts has been established because management expects to collect receivables in full.

Property and Equipment

The Organization capitalizes all property and equipment acquisitions greater than \$1,000. Property and equipment are recorded at cost, if purchased, or at fair market value, if donated. Depreciation is computed using the straight-line method over the useful lives of the assets. Maintenance and repairs are charged to expense when incurred.

Revenue Recognition

Unconditional grants and contributions are recorded as support at fair value when received or when promised. Unconditional grants and contributions that are restricted by the donor for purpose or time are reported as increases in net assets with donor restrictions, depending on the existence and/or nature of the restriction. When the stipulated time restriction ends or the purpose of the restriction is met, 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.

Conditional grants and contributions are reported as refundable advances until the date that the conditions have been substantially met or explicitly waived by the donor.

Contributed securities are recorded at fair value on the date of the gift.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*Donated Services*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Volunteers also provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Net Assets

For financial statement purposes, net assets are classified as follows:

Net Assets Without Donor Restrictions: include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation.

Net Assets With Donor Restrictions: include those net assets whose use by the Organization has been donor-restricted by specific time or purpose limitations.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include certain benefits, occupancy, dues and subscriptions, bank and credit card fees, insurance, and depreciation and amortization. These expenses are allocated on the basis of either total salaries or total other costs. Expenses directly identifiable to specific programs and supporting activities are presented accordingly.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. ADOPTION OF NEW ACCOUNTING STANDARDS*Adoption of Accounting Standards Update 2018-08*

During the year ended September 30, 2020, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides additional guidance in (1) evaluating whether transactions should be accounted for as contributions (within the scope of ASC 958) or as exchange (reciprocal) transactions (subject to ASC 606); and (2) distinguishing between conditional and unconditional contributions.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

2. ADOPTION OF NEW ACCOUNTING STANDARDS (CONTINUED)

Adoption of Accounting Standards Update 2018-08 (Continued)

Management believes that the adoption of this ASU enhances the comparability of financial information among not-for-profit entities. This change in accounting principle was adopted on a modified prospective basis in fiscal year 2020. As a result, there was no cumulative-effect adjustment to opening net assets as of October 1, 2019. The impact of adoption was not material to the financial statements.

Adoption of Accounting Standards Codification Topic 606

During the year ended September 30, 2020, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. Management believes that the adoption of this standard provides better consistency and comparability across non-profit and for-profit entities. The standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaces most existing revenue recognition guidance in U.S. GAAP. This change in accounting principle was adopted using the modified retrospective method as of October 1, 2019. The initial application was applied to all contracts open at adoption. Analysis of the various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue; however, the presentation and disclosure of revenue has been enhanced.

3. CONCENTRATIONS

As of September 30, 2020, approximately 60% of grants and contributions receivable were due from two donors.

The Organization maintains cash balances at a financial institution. The accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times during the year, the Organization's cash balances exceeded the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Certain employees in the United States are members of the Progressive Workers Union, which engages in collective bargaining with the Organization.

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's cash flows have seasonal variations due to the timing of grants and contributions, and vendor payments. The Organization manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

4. LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The following reflects the Organization's financial assets as of September 30, 2020, reduced by amounts not available for general operating expenditure within one year:

<u>Financial Assets</u>	<u>Amount</u>
Cash and Cash Equivalents	\$ 8,024,015
Grants and Contributions Receivable	1,994,600
Accounts Receivable	8,088
Due from 350.Org Action Fund	421,013
Travel Card Advances	63,918
Investments Available for Operating Purposes	75,769
Less Amount Restricted by Donors for Purpose	<u>(465,033)</u>
Total Financial Assets Available within One Year	<u>\$ 10,122,370</u>

In addition, the Organization's Board of Directors created a target for an Operational Reserve Fund equal to three to four months' average operating expenses, approximately \$4.5 to \$6 million currently, which would be able to be utilized with authorization of a majority of the Board of Directors.

5. RELATED PARTY TRANSACTIONS

The Organization shares office space and other related expenses and services with 350.Org Action Fund (the Fund), a nonprofit organization exempt under Section 501(c)(4) of the Internal Revenue Code. Costs have been allocated between the Organization and the Fund based upon salaries and other contractual arrangements. Total expenses allocated to the Fund for the year ended September 30, 2020, were approximately \$152,000. Subsequent to year end, the September 30, 2020 balance owed to the Organization was paid.

6. CONDITIONAL CONTRIBUTIONS AND PPP REFUNDABLE ADVANCE

The Organization has received a Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of \$1,291,827. PPP provides up to eight or twenty-four weeks of cash-flow assistance through 100% federally guaranteed loans to eligible recipients to maintain payroll during the COVID-19 public health emergency and cover certain other expenses. The first loan payment is deferred for six months. Assuming the Organization maintains its workforce and meets certain requirements, up to 100% of the loan is forgivable by the SBA if the loan proceeds are used to cover the first eight or twenty-four weeks of payroll, and certain other expenses. The Treasury Department anticipates that no more than 40% of the forgiven amount may be for non-payroll costs. Also, if the Organization does not retain its entire workforce, the level of forgiveness is reduced by the percentage of the decrease. Loans under PPP have an interest rate of 1% and a maturity of two to five years, if not forgiven. However, at September 30, 2020, the Organization is accounting for this SBA loan as a conditional contribution since repayment has not yet been waived, and as such, the loan proceeds are included in PPP refundable advance on the statement of financial position.

At September 30, 2020, the Organization has a \$1 million grant, extending into 2021, which is conditional and will be recognized as grants and contributions revenue as qualifying expenses are incurred.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes as of September 30, 2020:

<u>Purpose</u>	<u>Amount</u>
North America	\$ 95,335
Europe	74,580
Fossil Fuel Divestment	103,910
Worldwide Programme	32,177
Organizational Development	159,031
Time Restricted	3,849,018
Total Net Assets With Donor Restrictions	<u>\$ 4,314,051</u>

Net assets were released from donor restrictions for the year ended September 30, 2020, as follows:

<u>Purpose</u>	<u>Amount</u>
North America	\$ 324,225
Asia	331,236
Europe	224,421
Fossil Fuel Divestment	113,227
Keep It In The Ground Campaign	89,120
Worldwide Programme	18,000
Organizational Development	243,669
Global Divestment Finance	225,000
Newspaper Ads	39,000
Time Restricted	1,267,351
Net Assets Released from Restrictions	<u>\$ 2,875,249</u>

8. RETIREMENT PLANS

The Organization has a defined contribution plan in the U.S. and a tax-advantaged pension scheme in the U.K. The Organization's contributions to the retirement plans were approximately \$148,000 for the year ended September 30, 2020.

9. PROPERTY AND EQUIPMENT

Property and equipment consisted of equipment in the amount of \$237,691, less accumulated depreciation and amortization of \$146,365 as of September 30, 2020.

10. OPERATING LEASES

The Organization has various leases for office space and is obligated under the leases through October 2022.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

10. OPERATING LEASES (CONTINUED)

Future minimum rental payments required under the leases with terms in excess of one year are as follows:

<u>For the Years Ending September 30,</u>	<u>Amount</u>
2021	\$ 53,900
2022	4,900
Total Minimum Lease Payments	<u>\$ 58,800</u>

Occupancy expense includes rental reimbursements made to employees.

11. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consisted of the following as of September 30, 2020:

<u>Description</u>	<u>Amount</u>
Receivable in Less than One Year	\$ 1,994,600
Receivable in One to Five Years	499,829
Total Grants and Contributions Receivable	2,494,429
Less Discount to Net Present Value	(5,059)
Net Grants and Contributions Receivable, Net	<u>\$ 2,489,370</u>

Grants and contributions receivable have been discounted to present value using an annual discount rate of approximately 0.7%.

12. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

Level 1 - inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets (examples include equity securities);

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate and municipal bonds); and

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value require significant management judgment (examples include certain private equity securities, alternate investments and split-interest agreements).

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

12. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following presents the Organization's assets measured at fair value as of September 30, 2020:

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Equities	\$ 17,063	\$ 17,063	\$ -	\$ -
Exchange Traded Funds	4,907	4,907	-	-
Municipal Bond	53,799	-	53,799	-
Total	<u>\$ 75,769</u>	<u>\$ 21,970</u>	<u>\$ 53,799</u>	<u>\$ -</u>

13. COMMITMENTS AND CONTINGENCIES

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and nonprofits around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

The Organization has various contracts for consulting and other services, some of which include penalties for cancellation or early termination. Management believes the risk in these situations to be minimal.

14. DONATED SERVICES

During the year ended September 30, 2020, the Organization received donated legal services of approximately \$4,200. The expenses are included in professional fees and allocated to: general and administrative (13%), programs (83%), and fundraising (4%) in the statement of functional expenses.

15. FOREIGN OPERATIONS

The Organization operates in several countries outside the United States through employees, contract staff and consultants, and branch operations. The financial results of operations of the Organization's South African and the United Kingdom branch operations are prepared using the U.S. dollar as the functional currency. As a result, the transactions that are denominated in foreign currencies are remeasured into U.S. dollars, and any resulting gains or losses are included in miscellaneous expenses in the statement of activities. For the year ended September 30, 2020, foreign currency transactions netted to a loss of approximately \$40,000. Assets of the Organization's branches outside the United States were approximately \$88,000 at September 30, 2020.

16. PRIOR PERIOD ADJUSTMENTS

Net assets with donor restrictions at the beginning of the year ended September 30, 2020 have been restated to correct for a pledge receivable that had not been recorded in the prior fiscal year in error. The effect of the correction was to increase the change in net assets with donor restrictions for the year ended September 30, 2019, by \$100,000. The increase in beginning net assets with donor restrictions was \$100,000.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

16. PRIOR PERIOD ADJUSTMENTS (CONTINUED)

In addition, net assets without donor restrictions at the beginning of the year ended September 30, 2020 have been restated to correct for expenses that were erroneously not recognized in the prior fiscal year. The effect of the correction was to decrease the change in net assets without donor restrictions for the year ended September 30, 2019, by \$202,954. The decrease in beginning net assets without donor restrictions was \$202,954.

17. SUBSEQUENT EVENTS

During January 2021, the Small Business Administration (SBA) waived repayment of the Organization's SBA loan under the Paycheck Protection Program (PPP) in the amount of \$1,291,827.

Subsequent events were evaluated through April 16, 2021, which is the date the financial statements were available to be issued.