

**Getting Out and Staying Out, Inc.**

Audited Financial Statements

June 30, 2023

# Getting Out and Staying Out, Inc.

Audited Financial Statements

June 30, 2023

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## Independent Auditor's Report

To the Board of Directors of  
Getting Out and Staying Out, Inc.

### Opinion

We have audited the financial statements of Getting Out and Staying Out, Inc. ("GOSO"), which comprise the statements of financial position as of June 30, 2023, 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 GOSO as of June 30, 2023, and the results of its operations 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 audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GOSO and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GOSO's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

#### **Report on Summarized Comparative Information**

We have previously audited GOSO's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 27, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects with the audited financial statements for which it was derived.

*Sax CPAs LLP*

New York, NY  
May 10, 2024

# Getting Out and Staying Out, Inc.

## Statement of Financial Position

At June 30, 2023

(With comparative totals at June 30, 2022)

	<u>June 30,</u>	
	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>ASSETS</b>		
Cash and cash equivalents	\$ 569,927	\$ 597,128
Government grants receivable	1,496,843	1,285,627
Pledges receivable, net	631,500	642,500
Other receivables	98,300	94,640
Prepaid expenses	55,235	7,318
Fixed assets, net	276,110	315,216
Security deposits	229,262	229,262
Operating lease right-of-use asset	4,730,729	-
	<u>4,730,729</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,087,906</u></b>	<b><u>\$ 3,171,691</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 360,375	\$ 273,782
Loans payable	250,000	101,274
Line of credit payable	134,000	-
Deferred rent	-	264,056
Economic Injury Disaster Loan	500,000	500,000
Operating lease liability	5,025,661	-
Total liabilities	<u>6,270,036</u>	<u>1,139,112</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	803,419	1,021,960
Net assets with donor restrictions	1,014,451	1,010,619
Total net assets	<u>1,817,870</u>	<u>2,032,579</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 8,087,906</u></b>	<b><u>\$ 3,171,691</u></b>

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

# Getting Out and Staying Out, Inc.

## Statement of Activities

For The Year Ended June 30, 2023  
(With comparative totals for the year ended June 30, 2022)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total 6/30/23</b>	<b>Total 6/30/22</b>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Contributions	\$ 1,256,547	\$ 700,000	\$ 1,956,547	\$ 2,606,172
Government grant income	4,279,699		4,279,699	3,145,321
Special event income (net of expenses with a direct benefit to donors)	240,077		240,077	605,379
In-kind contribution	30,000		30,000	238,441
Program income	63,454		63,454	106,483
Other income	192,233		192,233	15,107
Net assets released from restriction	696,168	(696,168)	-	-
Total public support and revenue	<b>6,758,178</b>	<b>3,832</b>	<b>6,762,010</b>	<b>6,716,903</b>
<b>EXPENSES</b>				
Program services	5,156,245	-	5,156,245	4,613,481
Supporting services:				
Management and general	1,215,772		1,215,772	1,754,431
Fundraising	604,702	-	604,702	493,098
Total supporting services	1,820,474	-	1,820,474	2,247,529
Total expenses	<b>6,976,719</b>	<b>-</b>	<b>6,976,719</b>	<b>6,861,010</b>
<b>Change in net assets</b>	<b>(218,541)</b>	<b>3,832</b>	<b>(214,709)</b>	<b>(144,107)</b>
<b>NET ASSETS, <i>beginning of year</i></b>	1,021,960	1,010,619	2,032,579	2,176,686
<b>NET ASSETS, <i>end of year</i></b>	<b>\$ 803,419</b>	<b>\$ 1,014,451</b>	<b>\$ 1,817,870</b>	<b>\$ 2,032,579</b>

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

## Getting Out and Staying Out, Inc.

### Statement of Functional Expenses

For The Year Ended June 30, 2023

(With comparative totals for the year ended June 30, 2022)

	<u>Supporting Services</u>			<u>Total Supporting Expenses</u>	<u>Total Expenses 6/30/23</u>	<u>Total Expenses 6/30/22</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>			
Salaries	\$ 3,179,108	\$ 565,412	\$ 373,339	\$ 938,751	\$ 4,117,859	\$ 3,207,062
Payroll taxes and employee benefits	673,714	119,822	79,118	198,940	872,654	576,982
Professional fees	354,567	313,227	37,170	350,397	704,964	1,401,096
Client assistance	171,314	-	-	-	171,314	218,086
Occupancy	447,354	79,563	52,535	132,098	579,452	804,442
Office expenses	103,183	69,483	19,114	88,597	191,780	133,865
Telephone and internet	71,156	12,655	8,356	21,011	92,167	56,040
Equipment and maintenance	68,301	9,083	13,381	22,464	90,765	146,918
Insurance	37,624	6,692	4,418	11,110	48,734	39,115
Travel and meetings	-	8,873	-	8,873	8,873	4,089
Special event expenses	-	-	180,973	180,973	180,973	244,481
Other expenses	-	6,893	-	6,893	6,893	38,902
Bad debt expense	-	15,190	-	15,190	15,190	91,351
Depreciation	49,924	8,879	5,863	14,742	64,666	58,831
Total expenses	<u>5,156,245</u>	<u>1,215,772</u>	<u>774,267</u>	<u>1,990,039</u>	<u>7,146,284</u>	<u>7,021,260</u>
Less: direct special event expenses netted with revenue	-	-	(169,565)	(169,565)	(169,565)	(160,250)
<b>Total expenses for statement of activities</b>	<b><u>\$ 5,156,245</u></b>	<b><u>\$ 1,215,772</u></b>	<b><u>\$ 604,702</u></b>	<b><u>\$ 1,820,474</u></b>	<b><u>\$ 6,976,719</u></b>	<b><u>\$ 6,861,010</u></b>

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

# Getting Out and Staying Out, Inc.

## Statement of Cash Flows

For The Year Ended June 30, 2023  
(With comparative totals for the year ended June 30, 2022)

	<b>June 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (214,709)	\$ (144,107)
Adjustments to reconcile change in net assets to net cash flows used for operating activities:		
Depreciation	64,666	58,831
Change in operating lease right-of-use asset and liability	30,876	-
Changes on assets and liabilities:		
Government grants receivable	(211,216)	(347,018)
Pledges receivable, net	11,000	235,349
Other receivables	(3,660)	(16,054)
Prepaid expenses	(47,917)	73,229
Accounts payable and accrued expenses	86,593	54,071
Deferred rent	-	33,279
Net cash flows used for operating activities	(284,367)	(52,420)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of furniture, equipment, and leasehold improvements	(25,560)	(79,225)
Net cash flows used for investing activities	(25,560)	(79,225)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of loans payable	(101,274)	(479,976)
Loan proceeds	384,000	100,000
Net cash flows provided by/(used for) financing activities	282,726	(379,976)
<b>Net decrease in cash and cash equivalents</b>	<b>(27,201)</b>	<b>(511,621)</b>
<b>CASH AND CASH EQUIVALENTS, <i>beginning of year</i></b>	<b>597,128</b>	<b>1,108,749</b>
<b>CASH AND CASH EQUIVALENTS, <i>end of year</i></b>	<b>\$ 569,927</b>	<b>\$ 597,128</b>
<b>SUPPLEMENTAL INFORMATION</b>		
Taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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



# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 1 - Organization

Getting Out and Staying Out, Inc. ("GOSO") is dedicated to drastically reducing the recidivism rate for 16 to 24-year-old men by ensuring economic independence through purposeful education and directed employment. GOSO also manages the SAVE program that works in the community to interrupt gun violence by deploying credible messengers that partner with community stakeholders to decrease violence in our catchment area.

GOSO is a not-for-profit organization and 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 similar New York State regulations. GOSO has been designated as an organization which is not a private foundation.

### Note 2 - Summary of Significant Accounting Policies

#### a. Basis of Accounting

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

#### b. Recently Adopted Accounting Standard

Effective July 1, 2022, GOSO adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. GOSO elected transition relief that allows entities, in the period of adoption, to present the current period under FASB's Accounting Standards Codification ("ASC") 842 and the comparative period under FASB ASC 840. It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing FASB ASU No. 2016-02, GOSO recognized right-of-use ("ROU") assets of \$5,246,927 and lease liabilities totaling \$5,510,983 in its statement of financial position as of the July 1, 2022 commencement date of their lease for space.

#### c. Basis of Presentation

GOSO reports information regarding its financial position and activity according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* - represents all activity without donor-imposed restrictions.
- *Net Assets With Donor Restrictions* - represents contributions and the net residual of assets with donor-imposed restrictions that are expected to be satisfied by performing certain activities or through the passage of time.

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *d. Revenue Recognition*

GOSO follows the requirements of FASB ASC 958-605 for recording contributions, which are recognized when a contribution becomes unconditional in nature. Contributions are recorded in the net asset classes referred to 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 were received, they are classified as without donor restrictions.

GOSO evaluates whether contributions are conditional or unconditional. Contributions are considered to be conditional when both a barrier must be overcome for GOSO to be entitled to the revenue and a right of return of the asset or right of release from the obligation exists.

Government grants have been evaluated and are considered to be non-reciprocal; therefore, they are also treated as contributions under FASB ASC 958-605. In addition, government grants meet the criteria of being conditional. 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.

GOSO follows the requirements of FASB ASC 606 for recognizing revenue from contracts with customers. GOSO receives program income for workshops and training which falls under FASB ASC 606 and is included in the statement of activities. Revenue is recognized at the point in time the workshop 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 June 30, 2023.

#### *e. Cash and Cash Equivalents*

GOSO considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

#### *f. Concentration of Credit Risk*

Financial instruments that potentially subject GOSO to a concentration of credit risk consist of checking and savings accounts that are placed with financial institutions that management deems to be creditworthy. At year-end and at various times during the year GOSO may have uninsured balances. Management feels they have little risk and has not experienced any losses due to bank failure.

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *g. Fixed Assets*

Fixed assets consist of leasehold improvements, furniture, and equipment that GOSO retains title to, which exceed certain dollar thresholds and benefit future periods. Fixed assets are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation is calculated using the straight-line method over the estimated useful life of the asset (5 years) or remaining term of the lease.

#### *h. Leases*

GOSO determines if an arrangement is or contains a lease at inception. Leases are included in ROU assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The change in operating lease right-of-use asset and liability on the statement of cash flows includes the amortization of the ROU asset and cash payments for leases offset by the accretion of the discounted lease liability. Operating lease expense is recognized on a straight-line basis over the lease term. GOSO does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that GOSO will exercise that option.

#### *i. In-Kind Contributions*

Donated services are recognized in circumstances where those 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.

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

#### *j. 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.

#### *k. Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. 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 to provide for the overall support and direction of GOSO.

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 2 - Summary of Significant Accounting Policies - Continued

#### k. Functional Allocation of Expenses - Continued

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. 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 to provide for the overall support and direction of GOSO.

Salaries were allocated using time and effort as the basis. The following costs were allocated using the salary allocation as the basis:

- Payroll taxes and employee benefits
- Payroll services, IT services, and custodial fees included in professional fees.
- Occupancy
- Office expenses
- Telephone and internet
- Equipment and maintenance
- Insurance
- Depreciation

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

#### 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 June 30, 2020 and later are subject to examination by applicable taxing authorities.

#### m. Summarized Comparative Financial 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 GOSO's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

### Note 3 - Pledges Receivable

Pledges receivable are expected to be received in the following periods:

	June 30,	
	2023	2022
For the years ending June 30,		
2023	\$ -	\$ 444,500
2024	444,500	131,500
2025	121,000	68,500
2026	68,000	-
	<u>633,500</u>	<u>644,500</u>
Less: discount to fair value (1%)	(2,000)	(2,000)
Net pledges receivable	<u>\$ 631,500</u>	<u>\$ 642,500</u>

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 4 - Fixed Assets

Fixed assets consist of the following:

	June 30,	
	2023	2022
Office furniture and equipment	\$ 285,805	\$ 260,449
Leasehold improvements	173,324	173,120
	459,129	433,569
Less accumulated depreciation	(183,019)	(118,353)
Total fixed assets, net	<u>\$ 276,110</u>	<u>\$ 315,216</u>

### Note 5 - Loans Payable

GOSO had the following loans payable at June 30, 2023 and June 30, 2022:

- On March 28, 2022, GOSO received a bridge loan from the Sea Change Capital Partners, Inc. in the amount of \$100,000 for working capital to cover operating expenses. The full balance including accrued interest expense of \$1,274 was outstanding at June 30, 2022. The loan and interest were repaid in full in July 2022 and there was no outstanding balance at June 30, 2023.
- On June 20, 2023, GOSO received an interest-free loan from a board member for \$250,000. This amount was outstanding as of June 30, 2023 and repaid in full subsequent to year-end.

### Note 6 - Economic Injury Disaster Loan

In April 2021, GOSO entered into a loan agreement with the Small Business Administration ("SBA") in the amount of \$500,000 through the Economic Injury Disaster Loan ("EIDL") Program for working capital. Payments on the loan will begin thirty months from the date of the note. Interest will accrue at 2.75% per annum. Monthly installments of \$2,189, including principal and interest will be payable over 30 years from the date of the note. The loan is collateralized by all assets of GOSO. The full balance of \$500,000 was outstanding at June 30, 2023 and 2022.

Minimum scheduled principal payments are as follows:

For the years ending June 30,

2024	\$ 8,413
2025	12,911
2026	13,271
2027	13,640
2028	14,020
2029 and thereafter	437,745
Total	<u>\$ 500,000</u>

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 7 - Operating Lease Right-of-Use Asset and Operating Lease Liability

GOSO evaluated current contracts to determine which met the criteria of a lease under FASB ASC 842. GOSO occupies office space in New York under a lease agreement that expires in March 2031. The lease does not include any extension or purchase options. This lease is considered to be an operating lease.

The ROU asset represents GOSO's right to use the underlying assets for the lease term, and the lease liability represents GOSO's obligation to make lease payments arising from this lease. The ROU asset and lease liability were calculated based on the present value of future lease payments over the lease terms. GOSO has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liability as of June 30, 2023 was 2.9%. As of June 30, 2023, the weighted average remaining lease term for GOSO's operating lease is 7.75 years.

For the year ended June 30, 2023, total operating lease cost was \$683,112. Cash paid for operating leases for the year ended June 30, 2023 was \$652,236. There were no noncash investing and financing transactions related to leasing other than the right-of-use asset obtained in exchange for the lease liability recorded at the date of commencement.

Future maturities of lease liabilities are presented in the following table:

Year ending:		
	June 30, 2024	\$ 652,236
	June 30, 2025	688,961
	June 30, 2026	740,376
	June 30, 2027	740,376
	June 30, 2028	740,376
	Thereafter	2,036,034
Total lease payments		5,598,359
Less: present value discount		(572,698)
Total lease liability at June 30, 2023		<u>\$ 5,025,661</u>

### Note 8 - Net Assets With Donor Restrictions

The following summarizes the activity of net assets with donor restrictions:

	June 30, 2023			
	Beginning Balance 7/1/22	Contributions	Released from Restrictions	Ending Balance 6/30/23
Program restricted:				
Vocational training and employment development	\$ 446,538	\$ 250,000	\$ (162,588)	\$ 533,950
Facility renovations and improvements	-	250,000	(125,000)	125,000
Other programs	11,080	200,000	(111,080)	100,000
Total program restricted	457,618	700,000	(398,668)	758,950
Time restricted	553,001	-	(297,500)	255,501
Total	<u>\$ 1,010,619</u>	<u>\$ 700,000</u>	<u>\$ (696,168)</u>	<u>\$ 1,014,451</u>

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 8 - Net Assets With Donor Restrictions - Continued

	June 30, 2022			
	Beginning Balance 7/1/21	Contributions	Released from Restrictions	Ending Balance 6/30/22
Program restricted:				
Vocational training and employment development	\$ -	\$ 712,600	\$ (266,062)	\$ 446,538
SAVE East Harlem	12,000	-	(12,000)	-
Other programs	2,108	12,500	(3,528)	11,080
Total program restricted	14,108	725,100	(281,590)	457,618
Time restricted	860,350	137,500	(444,849)	553,001
Total	\$ 874,458	\$ 862,600	\$ (726,439)	\$ 1,010,619

### Note 9 - Special Events

GOSO held a Gala event during the years ended June 30, 2023 and June 30, 2022. A summary of the special events proceeds is as follows:

	June 30,	
	2023	2022
Gross revenue	\$ 409,642	\$ 765,629
Less: expenses with a direct benefit to donor	(169,565)	(160,250)
	240,077	605,379
Less: other event expenses	(11,408)	(84,231)
Total revenue	\$ 228,669	\$ 521,148

### Note 10 - In-Kind Contributions

In-kind contributions were allocated as follows:

	June 30, 2023			
	Program	Management and General	Fundraising	Total
Professional fees	\$ -	\$ 30,000	-	\$ 30,000
Total	\$ -	\$ 30,000	-	\$ 30,000

# Getting Out and Staying Out, Inc.

## Notes to Financial Statements

June 30, 2023

### Note 10 - In-Kind Contributions - Continued

	June 30, 2022			Total
	Program	Management and General	Fundraising	
Professional fees	\$ -	\$ 228,591	\$ -	\$ 228,591
Client assistance	8,900	-	-	8,900
Office expenses	-	950	-	950
Total	<u>\$ 8,900</u>	<u>\$ 229,541</u>	<u>\$ -</u>	<u>\$ 238,441</u>

The valuation of in-kind contributions is based on fair market value on the basis of recent comparable prices for retaining similar services or purchasing similar goods in the New York City Metropolitan area. There are no associated donor restrictions.

### Note 11 - Retirement Plan

GOSO maintains a tax deferred 401(k) retirement plan on behalf of participating employees. All employees who are at least 21 years of age and have completed three consecutive months of employment may participate by designating a percentage of their salaries, subject to regulatory limits, to be contributed to the plan on a pre-tax basis. Contributions to the plan are fully vested immediately. GOSO did not make any contributions to the plan during the year ended June 30, 2023 or June 30, 2022.

### Note 12 - Availability and Liquidity

GOSO 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 plan, GOSO operates its programs within a board approved budget and relies on grants, contributions, and earned income to fund its operations and program activities.

The following reflects GOSO's financial assets at June 30, 2023 that are available to meet cash needs for general expenditures within one year:

Cash and cash equivalents	\$ 569,927	
Government grants receivable	1,496,843	
Pledges receivable due within one year	444,500	
Other receivables	98,300	
Total financial assets		\$ 2,609,570
Less amounts not available for general expenditures:		
Donor contributions restricted to specific purposes		<u>(758,950)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 1,850,620</u>

### Note 13 - Subsequent Events

Subsequent events have been evaluated through May 10, 2024, the date the financial statements were available to be issued. Adjustments and disclosures have been made for all material subsequent events that have occurred.