T’ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Financial Statements

Years Ended September 30, 2020 and 2019

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[a Non-Profit Organization]

Financial Statements

Years Ended September 30, 2020 and 2019

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Independent Auditor's Report

Board of Trustees
T'ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Report on the Financial Statements

We have audited the accompanying financial statements of T'ruah: The Rabbinic Call For Human Rights [a Non-Profit Organization], which comprise the statements of financial position as of September 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 T'ruah: The Rabbinic Call For Human Rights [a Non-Profit Organization] as of September 30, 2020 and 2019, 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.

Sax LLP

Parsippany, New Jersey
March 5, 2021

T’ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Statements of Financial Position

September 30, 2020 and 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 617,347	$ 260,862
Grants and contributions receivable	77,904	212,168
Other current assets	16,149	11,855
Total current assets	711,400	484,885
NET PROPERTY AND EQUIPMENT	26,769	45,634
OTHER ASSETS		
Investments	4,095	-
Security deposit	27,841	27,841
Total other assets	31,936	27,841
TOTAL ASSETS	**$ 770,105**	**$ 558,360**
LIABILITIES AND NET ASSETS		
CURRENT LIABILITES		
Accounts payable and accrued expenses	$ 111,140	$ 114,294
Deferred revenue	24,531	80,770
Related party loan payable	50,000	100,000
Line of credit	-	73,508
Total current liabilities	185,671	368,572
NON CURRENT LIABILITIES		
Paycheck protection program ("PPP") loan payable	186,890	-
Sub-lease security deposit	2,500	2,500
Total non current liabilities	189,390	2,500
TOTAL LIABILITIES	375,061	371,072
NET ASSETS		
Without donor restrictions	395,044	187,288
Total net assets	395,044	187,288
TOTAL LIABILITIES AND NET ASSETS	**$ 770,105**	**$ 558,360**

See Accompanying Notes to Financial Statements.

T'ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Statement of Activities

Year Ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Contributions	$ 884,847	$ -	$ 884,847
In-kind contributions	50,911	-	50,911
Grants and contracts	602,944	-	602,944
Program service fees	27,059	-	27,059
Honoraria and other income	23,282	-	23,282
Rental Income	30,028	-	30,028
Miscellaneous Income	190	-	190
Investment income (loss)	(229)	-	(229)
Special events	279,539	-	279,539
Less donor received benefits	(18,140)	-	(18,140)
Total public support and contracts	1,880,431	-	1,880,431
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of donor restrictions	-	-	-
FUNCTIONAL EXPENSES			
Program services	1,271,214	-	1,271,214
General and administrative	137,849	-	137,849
Fundraising expenses	263,612	-	263,612
Total supporting service expenses	401,461	-	401,461
Total functional expenses	1,672,675	-	1,672,675
Increase in net assets	**207,756**	**-**	**207,756**
NET ASSETS, ***beginning of year***	187,288	-	187,288
NET ASSETS, ***end of year***	**$ 395,044**	**$ -**	**$ 395,044**

See Accompanying Notes to Financial Statements.

T'ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Statement of Activities

Year Ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Contributions	$ 914,645	$ -	$ 914,645
In-kind contributions	17,527	-	17,527
Grants and contracts	545,750	-	545,750
Program service fees	15,151	-	15,151
Honoraria and other income	34,795	-	34,795
Miscellaneous Income	1,441	-	1,441
Investment income	129	-	129
Special events	159,572	-	159,572
Less donor received benefits	(43,639)	-	(43,639)
Total public support and contracts	1,645,371	-	1,645,371
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of donor restrictions	-	-	-
FUNCTIONAL EXPENSES			
Program services	1,125,688	-	1,125,688
General and administrative	157,233	-	157,233
Fundraising expenses	263,471	-	263,471
Total supporting service expenses	420,704	-	420,704
Total functional expenses	1,546,392	-	1,546,392
Increase in net assets	**98,979**	-	**98,979**
NET ASSETS, ***beginning of year***	88,309	-	88,309
NET ASSETS, ***end of year***	**$ 187,288**	**$ -**	**$ 187,288**

See Accompanying Notes to Financial Statements.

T'ruah: The Rabbinic Call For Human Rights
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Statement of Functional Expenses

Year Ended September 30, 2020

	Program Services	Supporting Service Expenses: General and Administrative	Supporting Service Expenses: Fundraising Expenses	Total Functional Expenses
Salaries	$ 680,534	$ 85,455	$ 106,375	$ 872,364
Payroll taxes and employee benefits	155,718	19,918	23,900	199,536
Program expenses	96,218	517	109	96,844
Office expense	10,926	1,319	1,583	13,828
Telephone and electronic communications	51,244	6,570	7,884	65,698
Insurance	7,706	312	374	8,392
Printing and copying	10,480	345	34,720	45,545
Postage	4,656	1,073	24,175	29,904
Professional fees	101,985	6,687	15,023	123,695
Travel	27,406	683	5,235	33,324
Rent and utilities	110,559	14,174	17,009	141,742
Charity filing fees	-	-	4,261	4,261
Bank and merchant fees	685	796	17,196	18,677
Depreciation	13,097	-	5,768	18,865
	$ 1,271,214	**$ 137,849**	**$ 263,612**	**$ 1,672,675**

See Accompanying Notes to Financial Statements.

T’ruah: The Rabbinic Call For Human Rights
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Statement of Functional Expenses

Year Ended September 30, 2019

	Program Services	Supporting Service Expenses: General and Administrative	Supporting Service Expenses: Fundraising Expenses	Total Functional Expenses
Salaries	$ 593,514	$ 79,824	$ 102,050	$ 775,388
Payroll taxes and employee benefits	168,644	23,902	28,997	221,543
Program expenses	77,374	-	-	77,374
Office expense	10,690	1,643	1,783	14,116
Telephone and electronic communications	44,458	5,979	7,644	58,081
Insurance	8,094	379	485	8,958
Printing and copying	18,792	1,181	33,331	53,304
Postage	2,876	1,054	15,870	19,800
Professional fees	35,812	25,675	23,250	84,737
Travel	42,772	1,013	10,296	54,081
Rent and utilities	107,344	14,437	18,457	140,238
Charity filing fees	-	1,900	-	1,900
Bank and merchant fees	2,220	246	15,541	18,007
Depreciation	13,098	-	5,767	18,865
	$ 1,125,688	**$ 157,233**	**$ 263,471**	**$ 1,546,392**

See Accompanying Notes to Financial Statements.

T'ruah: The Rabbinic Call For Human Rights
[a Non-Profit Organization]

Statements of Cash Flows

Years Ended September 30, 2020 and 2019

	2020	2019
CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Increase in net assets	$ 207,756	$ 98,979
Adjustments to reconcile increase in net assets		
to net cash provided by (used for) operating activities		
Depreciation	18,865	18,865
Related party loan payable forgiveness	(10,000)	-
(Increase) decrease in assets		
Grants and contributions receivable	134,264	(193,388)
Other current assets	(4,294)	14,156
(Decrease) increase in liabilities		
Accounts payable and accrued expenses	(3,154)	(2,173)
Deferred revenue	(56,239)	72,225
Sub-lease security deposit	-	2,500
	287,198	**11,164**
CASH FLOWS PROVIDED BY (USED FOR) INVESTING ACTIVITIES		
Purchase of investments	(4,095)	-
	(4,095)	**-**
CASH FLOWS PROVIDED BY (USED FOR) FINANCING ACTIVITIES		
Proceeds from line of credit	-	23,508
Repayments from line of credit	(73,508)	-
Proceeds from Paycheck Protection Program ("PPP") loan	186,890	-
Proceeds from related party loan payable	-	100,000
Repayments of related party loan payable	(40,000)	-
	73,382	**123,508**
Net increase in cash and cash equivalents	**356,485**	**134,672**
CASH AND CASH EQUIVALENTS, *beginning of year*	260,862	126,190
CASH AND CASH EQUIVALENTS, *end of year*	**$ 617,347**	**$ 260,862**

See Accompanying Notes to Financial Statements.

Note 1 - Summary of Significant Accounting Policies

a. Nature of Organization

T'ruah: The Rabbinic Call for Human Rights (the “Organization” or “T’ruah”) brings together rabbis and cantors from all streams of Judaism, together with all members of the Jewish community, to act on the Jewish imperative, to respect and advance the human rights of all people. Grounded in Torah and our Jewish historical experience and guided by the Universal Declaration of Human Rights, we call upon Jews to assert Jewish values by raising our voices and taking concrete steps to protect and expand human rights in North America, Israel, and the occupied Palestinian territories.

b. *Basis of Presentation and Use of Estimates*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

c. Net Asset Presentation

In accordance with Accounting Standards Update (“ASU”) 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*, the Organization classifies and reports information regarding its financial position and activities in two classes of net assets – with donor restrictions and without donor restrictions.

Net Assets with Donor Restrictions - Contain donor-imposed restrictions that permit the Organization to use or spend the donated assets as specified. The restrictions are satisfied either by the passage of time/or the actions of the Organization.

Net Assets without Donor Restrictions – Consist of amounts that can be spent at the discretion of the Organization and have no donor restrictions associated with them.

d. Adoption of Accounting Policy

The Organization adopted ASU 2018-08, *Not-For*-Profit Entities (Topic 985): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, as of October 1, 2019. The ASU clarifies the distinction between grants and similar contracts with government agencies and others as exchange transactions or contributions, as well as distinguishing between conditional and unconditional contributions. The Organization adopted the standard prospectively for contributions received for the fiscal year ended September 30, 2020. The adoption of the standard resulted in grants, including government grants, being accounted for as contributions. The Organization does not make significant contributions and the impact of ASU 2018-08 related to contributions made is not expected to be material to the financial statements.

Note 1 - Summary of Significant Accounting Policies - Continued

e. Cash and Cash Equivalents

The Organization considers cash on deposit, cash on hand, and certificates of deposit with an original maturity of less than three months (if any) to be cash and cash equivalents.

f. Investments

Donated investments are reflected as contributions at their fair value at the date of receipt.

g. Receivables and Bad Debts

Contributions are recognized when a donor makes a promise to give to T'ruah that is, in substance unconditional. It is the Organization's policy to write off contributions receivable at the time they are believed to be uncollectible.

h. Property and Equipment

Property and equipment is recorded at cost. Depreciation of property and equipment is being provided by the straight-line method over the estimated useful lives of the related assets once put into service.

i. Revenue Recognition

Contributed income is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of restrictions on net assets due to either the Organization fulfilling donor-imposed restrictions, or the passage of time are reported as net assets released from restriction. Restrictions that expire in the reporting period in which the support is recognized are reported as an increase in net assets without donor restrictions.

Contributions, grants, and government support, including unconditional promises to give, are recognized as revenues in the period received and recorded in the appropriate net asset category in accordance with donor-imposed restrictions. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions are substantially met. Contributions of assets other than cash or reported at their estimated fair value.

Grants and contributed income of cash or other assets that must be used to acquire long lived assets are recorded as contributions with donor restrictions until the assets are acquired and placed in service, except where funding agreements require alternative accounting treatment.

Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor-imposed stipulation or by state law.

Earned revenue is recognized as services are provided. Other income is recognized as it is earned.

The Organization recognizes in-kind services in accordance with applicable accounting standards if the services received; (a) create or enhance non-financial assets, or (b) require specialized skills, and are provided by individuals processing those skills, and will typically need to be purchased if not provided by donation.

Note 1 - Summary of Significant Accounting Policies - Continued

i. Revenue Recognition - Continued

Contributed income is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of restrictions on net assets due to either the Organization fulfilling donor-imposed restrictions, or the passage of time are reported as net assets released from restriction. Restrictions that expire in the reporting period in which the support is recognized are reported as an increase in net assets without donor restrictions.

In accordance with ASC subtopic 958-605, *Revenue Recognition*, the Organization must determine whether a contribution or a promise is conditional or unconditional for transactions deemed to be a contribution. The contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance related barrier or other measurable barrier a stipulation that limits discretion by the recipient on the conduct of an activity and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

j. Income Tax Status

The Organization is a non-profit corporation, exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509 (a). U.S. GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial to comply with the provisions of this guidance.

k. Functional Allocation of Expenses

Expenses incurred to directly carry out program activities are allocated to the applicable programs on a specific identification basis. Any expenditures not directly chargeable (indirect expenses) are allocated on the basis of time records and on estimates made by the Organization's management.

l. Concentration of Credit Risk for Cash Held at Financial Institutions

The Organization at times maintains cash balances in excess of federally insured amounts.

m. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Note 1 - Summary of Significant Accounting Policies - Continued

n. Pending Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* (Topic 606), requiring 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 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In June 2020, the FASB issued ASU 2020-05 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2019. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

In February 2016, FASB issued ASU 2016-02, *Leases* (Topic 842), which sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. The standard is effective for periods beginning after December 15, 2021, with early adoption permitted. The Organization is in the process of evaluating the impact of this new guidance.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments* - *Credit Losses* (Topic 326). The new ASU replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit-loss estimates. The update requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. Credit losses relating to available-for-sale debt securities should be recorded through an allowance for credit losses. For private companies and not-for-profit organizations, the update is effective for fiscal years beginning after December 15, 2022. The Company is currently evaluating the effect that this new guidance will have on the financial statements and related disclosures.

Note 1 - Summary of Significant Accounting Policies - Continued

n. *Pending Accounting Pronouncements - Continued*

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. It also requires a not-for-profit organization to provide additional disclosures on the contributed nonfinancial assets with the intent to improve transparency in the reporting of contributed nonfinancial assets. The ASU is effective for fiscal years beginning after June 15, 2021.

o. *Reclassifications*

Certain reclassifications were made to the prior year amounts in order to conform to the current year presentation.

p. *Subsequent Events*

The Organization has evaluated subsequent events for potential recognition or disclosure through March 5, 2021 the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	September 30,	
	2020	2019
Cash and cash equivalents	$ 617,347	$ 260,862
Investments	4,095	-
Grants and contributions receivable	77,904	212,168
	$ 699,346	$ 473,030

The Organization's practice is to manage financial assets to be available for its general expenditures, liabilities, and other obligations. In the event of an unanticipated liquidity need, the Organization could also draw upon its available line of credit (see Note 7).

Note 3 - Property and Equipment, Net

Property and equipment, net, at cost, consists of the following as of September 30, 2020 and 2019:

	September 30, 2020	September 30, 2019
Computers and software	$ 94,323	$ 94,323
Furniture and equipment	21,810	21,810
Total	116,133	116,133
Less accumulated depreciation	89,364	70,499
Property and equipment, net	$ 26,769	$ 45,634

Note 4 - Grant Activity

As of September 30, 2020, the Organization has $142,619 of conditional grant awards that are expected to be recognized as contributions in the fiscal year ended September 30, 2021 when the conditions of the grants are met.

Note 5 - Donated Services

The Organization records the value of donated specialized services based upon the fair market value at the date of donation. Voluntary donations of goods and services are recorded when those goods or services create or enhance nonfinancial assets or require specialized skills provided by donors possessing those skills and which would typically be purchased if not provided by donation. The donations were included in both revenue and expenses. The Organization recorded in-kind professional fees of $50,911 and $17,527 at September 30, 2020 and 2019, respectively, which is included in both revenue and expenses.

Note 6 - Operating Lease Commitment

On July 15, 2014, the Organization entered into an operating lease for its office location. The lease, which expires on August 31, 2019, contains a rent concession regarding the commencement of lease payments over the life of the lease. Accordingly, the Organization was not required to begin lease payments for the agreement until November 1, 2014.

On January 18, 2017, the Organization entered into an amendment to the original lease agreement. The lease amendment provides that the Organization will receive two months of free rent. The lease will now expire on April 30, 2022. Payment terms changed effective with the amended lease. The lease is subject to escalations for increases in real estate taxes and other maintenance charges.

Total rent expense, as recognized on a straight-line basis for each of the years ended September 30, 2020 and 2019, was $124,092.

Note 6 - Operating Lease Commitment - Continued

Future minimum lease payments are as follows:

For the years ending September 30,		
2021	$	132,710
2022		79,037
	$	211,747

Note 7 - Line of Credit

During the year ended September 30, 2018, the Organization entered into a line of credit with Chase Bank. Under this line of credit, the Organization may borrow up to $100,000. Interest is accrued on the outstanding balance at the rate of .85% per annum above the Prime Rate (3.25% and 5.00% at September 30, 2020 and 2019, respectively), and is due on demand and no maturity date. As of September 30, 2020 and 2019, there were outstanding borrowings of $0 and $73,508, respectively.

Note 8 - Related Party Loan Payable

During the year ended September 30, 2018, the Organization entered into a loan payable with a related party in the amount of $100,000. The loan payable calls for no interest and is due on demand with no maturity date. During the year ended September 30, 2020, the Organization paid $40,000 towards the outstanding principal. In addition, $10,000 was forgiven and contributed to the Organization as an unrestricted contribution. As of September 30, 2020, the outstanding balance was $50,000.

Note 9 - Paycheck Protection Program (“PPP”) Loan

On April 28, 2020, the Organization entered into a promissory note evidencing an unsecured loan in the amount of $186,890 made to the Organization under the Paycheck Protection Program (the “Loan”). The Paycheck Protection Program (“PPP”) was established under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act and is administered by the U.S. Small Business Administration (“SBA”). The Loan to the Organization is being made through Dime Community Bank (the “Lender”).

Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of loan granted under the PPP.

Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any covered payments of mortgage interest, rent, and utilities. In the event the Loan, or any portion thereof, is forgiven pursuant to the PPP, the amount forgiven is applied to outstanding principal and interest. The Organization intends to use all proceeds from the Loan to maintain payroll, make lease and utility payments.

Note 9 - Paycheck Protection Program ("PPP") Loan - Continued

Interest on the loan accrues at 1.00% beginning the date the loan proceeds were received by the Organization. In the event the Loan is not forgiven, principal payments are not required to be made until a recommendation is made by the Bank to the SBA to not forgive all or portion of the loan. If the loan were not to be forgiven, then the Organization would have two years from that date to repay the loan. The Organization does have the ability to ask to the bank for an extension of loan maturity to five years if needed consistent with the terms of Paycheck Protection Program Flexibility Act ("Flexibility Act"). However, the Lender needs to agree to such extension.

Note 10 - Risk and Uncertainty

The Organization's continuing operations have been affected by the recent and ongoing outbreak of the coronavirus ("COVID-19") which was declared a pandemic by the World Health Organization in March 2020. Actions taken around the world to help mitigate the spread of COVID-19 include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and the actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including New York City, where the Organization operates and where the virus hit early and extremely hard. Management observed that 2020 Q1 revenue decreased in comparison with 2019 Q1 revenue. The Organization's programs were either suspended or gradually transferred onto virtual platforms. The Organization did receive emergency grants which provided some relief from the coronavirus. However, as COVID-19 is still impacting many regions of the country, there is still uncertainty regarding the future impact on the Organization's programming and finances.

Note 11 - Prior Period Adjustment

During the year, the Organization discovered that it had a bank account with Chase Bank in the amount of $100,000. The $100,000 was from funds received through a loan agreement in September 2018 with a board member, who is a related party of the Organization. As a result, the Organization has restated its financial statements for the year ended September 30, 2019. The effect of the correction on the September 30, 2019 balances was to increase related party loan payable by $100,000 and increase cash by $100,000. There was no effect on net assets.