Table of Contents

	Page
Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-15

RIFKIN & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Daniel E. Rifkin, CPA David H. Aron, CPA Mitchell L. Gusler, CPA, CVA Kevin R. Francis, CPA Steven R. Katz, CPA Jason C. Lindenbaum, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors National Coalition Against Censorship, Inc. 19 Fulton Street, Suite 407 New York, NY 10038

We have audited the accompanying statements of financial position of National Coalition Against Censorship, Inc. (a not-for-profit corporation) as of December 31, 2020 and 2019, and the related statements of activities, changes in net assets 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 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 misstatements.

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 National Coalition Against Censorship, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Riflein & Company, L4

Bardonia, NY August 10, 2021

NATIONAL COALITION AGAINST CENSORSHIP, INC. STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2020 AND 2019

	-	-	-	
Λ	6		-	ΓS
	_	_	_	2

		2020		2019
<u>Current Assets</u>		4 020 722		700.013
Cash and cash equivalents	\$	1,020,723	\$	780,913
Unconditional promises to give and accounts receivable		12,980		133,200
Conditional promises to give and accounts receivable		50,000		C 020
Prepaid expenses		6,233		6,029
Investments	_	24,698	-	18,026
Total Current Assets	_	1,114,634	_	938,168
Fixed Assets				
Furniture and equipment		4,043		6,632
Less: accumulated depreciation		(2,820)		(4,671)
Net Fixed Assets	_	1,223	_	1,961
Other Assets				
Security deposits	_	22,699		22,699
Total Assets	\$	1,138,556	\$	962,828
LIABILITIES AND NET AS	<u>SETS</u>			
Current Liabilities:				
Accounts payable and accrued expenses	\$	24,077	\$	19,422
Total Current Liabilities				13,422
		24,077		19,422
Long-Term Liabilities:		24,077		19,422
Long-Term Liabilities: Security deposits	_	24,077	-	
		24,077	_	19,422
Security deposits Total Liabilities Net Assets:		24,077		19,422 1,600 21,022
Security deposits Total Liabilities Net Assets: Net assets without donor restrictions	_	24,077 1,042,621		19,422 1,600 21,022 918,356
Security deposits Total Liabilities Net Assets:		24,077		19,422 1,600 21,022 918,356 23,450
Security deposits Total Liabilities Net Assets: Net assets without donor restrictions		24,077 1,042,621		19,422 1,600 21,022 918,356

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements. NATIONAL COALITION AGAINST CENSORSHIP, INC. STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

			2020				2019
	Without Donor Restrictions		With Donor Restrictions		Total		Total
Revenue					7/22/22/2		
Foundations and trusts	\$ 143,409	\$	348,375	\$	491,784	\$	116,752
Individuals	245,337		-		245,337		205,802
Special events (net of expenses of \$16,504)	201,274		-		201,274		249,357
Corporations	124,055		-		124,055		152,520
Participating organizations	20,100				20,100		38,550
Rental income	18,598		2.0		18,598		42,840
Banned books			16,250		16,250		20,800
Interest and dividend income	1,872		-		1,872		3,594
Education and literature	275		-		275		286
Unrealized gain (loss) on investments	(58)				(58)		2,582
Total Revenue	757,862		364,625		1,119,487		833,083
Net Assets released from restriction	316,217		(316,217)			_	
Functional Expenses							
Program services	890,583				890,583		1,077,045
Management and general	78,865				78,865		77,181
Fundraising	115,675				115,675		150,659
Total Functional Expenses	1,085,123		-		1,085,123		1,304,885
Other Income							
Forgiveness of PPP loan	138,309	_	-	_	138,309	-	-
Change in Net Assets	124,265		48,408		172,673		(471,802)
Net Assets, January 1	 918,356	-	23,450		941,806		1,413,608
Net Assets, December 31	\$ 1,042,621	\$	71,858	\$	1,114,179	\$	941,806

See Independent Auditors' Report.

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

NATIONAL COALITION AGAINST CENSORSHIP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CC			Program	Program Services	es				Support Services	Services			2020	1.	2019
	Core	- 1	YFEP	-1	Art	1	Total Program Services	2 "	Management and General	-1	Fundraísing	1	Total	1	Total
Salaries and wages \$ 8	86,432	5	253,439	4	117,815	S	457,686	\$	12,592	S	45,274	S	515,552	S	681,484
	175,415		238		ı		175,653		35,296		42,283		253,232		193,775
ense	57,192		28,597		28,597		114,386		15,960		2,659		133,005		129,843
	9,283		18,195		9,654		37,132		1,004		3,679		41,815		53,189
Se	26,185		2,060		2,388		30,633		712		4,272		35,617		51,280
efits	10,048		10,416		9,064		29,528		798		2,926		33,252		89,515
are	26,426		397		170		26,993		2,510		1,883		31,386		33,083
Printing & publications	3,723		270		884		4,877		658		8,237		13,772		18,228
Professional fees					i				7,950				7,950		7,600
Insurance	5,157		449		116		5,722		798		132		6,652		7,196
Postage & shipping	1,809		75		162		2,046		144		3,442		5,632		5,979
Telephone	2,022		582		2,022		4,626		108		645		5,379		5,320
Meals	326		89		19		413		293		29		773		1,802
Depreciation	314		62		259		635		15		88		738		1,196
Travel	150		1		103		253		27		88		368	ļ	7,717
Total Expenses \$ 40	404,482	8	314,848	5	171,253	45	890,583	8	78,865	S	115,675	5	1,085,123	\$	1,304,885

See Independent Auditors' Report.

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

NATIONAL COALITION AGAINST CENSORSHIP, INC. STATEMENT OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Without Donor estrictions		Vith Donor Restrictions		Total		2019
Change in Net Assets	\$ 124,265	\$	48,408	\$	172,673	\$	(471,802)
Adjustments to reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:							
Depreciation	738		-		738		1,196
(Increase) Decrease in Operating Assets: Unconditional promises to give and							
accounts receivable	120,220				120,220		(116,290)
Conditional promises to give and accounts							
receivable	(50,000)				(50,000)		
Security deposits	(1,600)		-		(1,600)		
Prepaid expenses	(204)		•		(204)		5,359
Increase (Decrease) in Operating Liabilities:							
Accounts payable and accrued expenses	 4,655	-	-	_	4,655	_	5,999
Net Cash Used in Operating Activities	198,074	_	48,408	_	246,482	_	(575,538)
Cash Flows from Investing Activities							
Cash dividends	(522)		1.5		(522)		(401)
Receipts of donated publicly traded stock	(6,208)		-		(6,208)		(4,806)
Unrealized loss on investments	58				58		(2,582)
Net Cash Used in Investing Activities	 (6,672)		-		(6,672)	_	(7,789)
Net Increase (Decrease) in Cash	191,402		48,408		239,810		(583,327)
Cash and cash equivalents, January 1	780,913		-		780,913		1,364,240
Cash and cash equivalents, December 31	\$ 972,315	\$	48,408	\$	1,020,723	\$	780,913

See Independent Auditors' Report.

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

Note 1: Organization and Purpose

National Coalition Against Censorship, Inc. ("NCAC," or the "Organization") is an alliance of 50 national non-commercial organizations, including religious, artistic, professional, educational, lab and civil liberties groups, united in their defense of freedom of thought, inquiry, and expression. The Organization was formed in 1974 to educate the public and policy makers about threats to free expression, mobilize grassroots support for the First Amendment, facilitate communication between local activists and national organizations, and devise new educational, advocacy, and media strategies in order to create a more hospitable environment for laws and decisions protective of free speech and democratic values.

Note 2: Summary of Significant Accounting Policies

This summary of significant accounting policies of the National Coalition Against Censorship, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles as applicable in accordance with the recommendations of the American Institute of Certified Public Accountants in its audit and accounting guide, Not-for-Profit Organizations.

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Recently Issued Accounting Standards

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Presentation of Financial Statements of Not-for Profit Entities. In addition to changes in terminology used to describe categories of net assets through the financial statement, the disclosure related to functional allocation of expenses and liquidity was expanded.

Classes of Net Assets

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Some assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature). It is the policy of the Organization to account for donor restricted funds which are received and expended in the same year to be recorded as unrestricted.

Note 2: Summary of Significant Accounting Policies (continued)

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board for general operating purposes. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at the Organization's discretion.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the Organization considers all unrestricted, highly liquid investments with a maturity of three months or less, to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Marketable debt securities are listed as short-term investments regardless of their maturity dates, since they are tradeable within one year.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Property and Equipment

The Organization capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years.

Note 2: Summary of Significant Accounting Policies (continued)

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Fundraising Activities

The Board of Directors performs all fundraising activities. The Organization incurs no professional fundraising costs other than promotional expenses.

Functional Expense Allocation

The Organization allocates its expenses on a functional basis among program services and supporting services. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and amortization and occupancy which are allocated on a square footage basis. Telephone costs are allocated based on line counts by functional category. Expenses which can be identified specifically to program services or supporting activities are charged directly to that activity.

Major Programs and Services Provided

The Youth Free Expression Program (YFEP) empowers youth with knowledge, tools and opportunities to assert and defend their right to free expression. YFEP believes that denying young people the freedom to create, explore and inquire is counterproductive and dangerous. The program works directly with students, teachers, parents, school administrators, and local community members on issues affecting a young person's intellectual and creative freedom, including the removal of books from school classrooms and libraries, the removal of student-produced visual art, interference with student-produced newspapers and journalism, the cancellation of student-performed plays and musicals, the restriction of student speech on social media, legislative proposals that seek to label controversial content in public schools, and interference in health, history, and science curricula.

In 2020, YFEP responded to the Covid-19 crisis by creating a Virtual First Amendment Classroom for teachers suddenly teaching virtually. The initiative included several modules for educators to choose from, aimed at high school students.

A key initiative of YFEP is the Kids' Right to Read Project (KRRP), which promotes the freedom to read and access information by offering support, education, and advocacy to students, teachers, and librarians facing challenges or bans to educational materials in public schools and libraries. In 2020, KRRP investigated challenges nationwide, defending material coming under attack for content about religion, race, sex, sexual orientation, explicit language, and violence.

Examples of the dozens of books removed or threatened for removal included classics like To Kill a Mockingbird by Harper Lee, Of Mice and Men by John Steinbeck, and Roll of Thunder, Hear My Cry by Mildred D. Taylor. Two major pushes to ban a slate of classic texts gained national attention, one in Alaska and another in Burbank, California. We partnered with Grammy-winning

Note 2: Summary of Significant Accounting Policies (continued)

band Portugal the Man to provide free copies of the challenged classics to Alaska students. Books highlighting racism and race, including Ghost Boys by Jewell Parker Rhodes, came under heavy fire this year. KRRP also published a Handbook for Educators, a new resource in partnership with the National Council of Teachers of English. KRRP is co-sponsored by American Booksellers for Free Expression, Comic Book Legal Defense Fund and National Council of Teachers of English.

NCAC's Arts Advocacy Project (AAP) is the only national initiative that works with individual artists and curators involved in censorship disputes to resolve controversy and develop strategic educational initiatives that equip artists and institutions with the tools to promote artistic freedom. In 2020, we partnered with several international arts and free expression organizations, as well as prominent artists, to create a virtual gallery of art censored on social media. The project, called Don't Delete Art, consists of a digital art gallery, an advocacy campaign aimed at pushing for greater allowance for creative expression on social media platforms, and a resource center for artists struggling to navigate how to share their art on social media. AAP also worked systemically to promote artistic freedom by helping institutions, including both private and public universities, develop sound free expression policies following censorship incidents.

The Free Expression Network, an alliance of the 45 leading organizations dedicated to protecting and preserving First Amendment rights, promotes collaborative activities and information sharing under the leadership of NCAC. FEN members meet regularly to report on activities of mutual concern and to develop coordinated strategies. The FEN listserv facilitates collaborative activities, including joint campaigns and letters, amicus briefs, and legislative comments and testimony.

Public Education and Advocacy: Each year, NCAC receives hundreds of requests for assistance on censorship and inquiries about free speech rights from teachers, librarians, artists, the media, researchers, students and others. In addition to mainstream press, NCAC utilizes its social media – Facebook, Twitter, Instagram and YouTube – and its website, ncac.org, to educate and encourage involvement. NCAC also sends a biweekly e-newsletter to 12,000 email subscribers and biannual print editions of Censorship News to 8,000 direct mail subscribers. NCAC manages Censorpedia, an online participatory wiki of censorship incidents from the Iron Age to the 21st Century, and Artistrights.info, an online archive of artistic freedom cases coupled with resources on artists' free speech rights. NCAC lead multiple public statements cautioning against both restrictions to civil liberties in time of crisis and threats to the rights of protestors and journalists covering protests. NCAC also published two timeline resources tracking free speech issues related to the Covid-19 pandemic and ongoing racial justice protests that grew out of protests against the killing of George Floyd. In November, NCAC held its annual Celebration of Free Speech & Its Defenders event, co-chaired by executives from HarperCollins Children's Books and honored author Becky Albertalli, Grammy-winners Portugal

Note 2: Summary of Significant Accounting Policies (continued)

the Man and artist Karyn Olivier. More than 200 attendees participated in NCAC's first virtual benefit.

Income Tax Status

The Organization is exempt from federal income tax by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as an organization that is not a private foundation under Section 170(b)(l)(A)(vi) and 509. It is also exempt from New York State income taxes under current law. Therefore, no provisions for income taxes are made in the accompanying financial statements.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the IRS for three years after they were filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Financial Statements

The financial information shown for 2019 in the accompanying financial statements is included to provide a basis for comparison with 2020 and presents summarized totals only.

Note 3: Concentration of Credit Risk

The Organization maintains cash balances with multiple major financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes they are not exposed to any significant credit risk.

Note 4: Liquidity and Availability of Financial Assets

All financial assets at year-end are considered to be available for general expenditures within one year. As part of the Organization's liquidity management, it invests cash in excess of daily requirements in available for sale securities which can be sold in active markets within one year regardless of maturity date. It is not the Organization's intention to liquidate its investment holdings within the coming year, but the funds are available.

Total	\$	1,045,421	\$	798,939
Investments	_	24,698	-	18,026
Cash and cash equivalents	\$	1,020,723	\$	780,913
		2020		2019

Note 5: Restricted Net Assets

As of December 31, 2020, the Organization had net assets with donor restrictions. These assets were donor restricted donations that have not been met in the current period and are as follows:

	<u>2020</u>	2019
YFEP	\$ 52,500	\$
Banned books	 19,358	 23,450
Total Restricted Net Assets	\$ 71,858	\$ 23,450

Note 6: Fair Value Measurement of Investments

Generally Accepted Accounting Principles (GAAP) establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the company has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs are investments whose fair value is based on factors that are unobservable with little, if any, market activity. Level 3 inputs are generally based on the best information available which may include the reporting entity's own assumptions and data.

The Organization has Level 1 investments held with Fidelity Investments with a fair market value of \$24,698 and \$18,026 at December 31, 2020 and 2019, respectively.

Note 7: Retirement Plan

The Organization maintains a Simple IRA Plan in which all full-time employees expected to receive more than \$5,000 in compensation are eligible to make pre-tax contributions. The organization makes a 2% salary contribution regardless of employee participation.

In January 2019, NCAC brought the management of the retirement plan in-house and changed the administration of the plan to Fidelity Investment Services. All assets in the plan are the property of the participant. The Simple IRA Plan expense for was \$10,286 and \$13,578 for 2020 and 2019, respectively.

Note 8: Description of Leasing Arrangements

As of December 31, 2020, the Organization was obligated under a non-cancelable lease for office space in New York, NY. The operating lease was effective February 1, 2018 for a term of seven years with annual increases of 2.5%.

Future lease payments for the years ending December 31 are as follows:

2021	\$	136,074
2022		139,476
2023		142,963
2024		146,537
2025 and thereafter	-	12,236
Total	\$	577,286

Equipment Rentals

The organization has two leases for office equipment. The first lease with Pitney Bowes commenced April 1, 2019 and is effective for 48 months at the rate of \$181.80 per quarter. The second lease with Xerox commenced July 2016 and is effective for 60 months at the rate of \$233.25 per month.

Future lease payments for the years ending December 31 are as follows:

Total	\$	3,036
2023	-	182
2022		727
2021	\$	2,127

Note 8: Description of Leasing Arrangements (continued)

Sublease Income

The organization entered into a verbal sublease agreement with Media Coalition, Inc. in December 2010. The Base rent is paid in monthly installments as a percentage of the Organization's monthly rent. The Organization entered into a written sublease agreement for twelve months commencing February 2019 with Glamourgals Foundation, Inc. ended in March 2020.

Future sublease receipts for the years ending December 31 are as follows:

Total	\$	58,571
2025 and thereafter	_	1,265
2024		15,118
2023		14,417
2022		14,057
2021	\$	13,714

Note 9: Effect of Current Economic Conditions on Contributions

The Organization depends heavily on contributions and grants for its revenue. The ability of the Organization's contributors and grantors to continue giving amounts comparable with prior years may be dependent upon current and future economic conditions and the continued deductibility for income tax purposes of contributions and grants to the Organization. While the Organization's Board of Directors believes that economic conditions such as tax deductibility are stable enough for the Organization to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.

Note 10: Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 10, 2021, the date which the financial statements were available to be issued.

Note 11: Impact of COVID-19

COVID-19

Although COVID-19 appears to be coming under control in the United States, it has not been eliminated. The economic effect of the pandemic on the organization included the temporary closure of the facility to the public and the cancellation of the annual fundraising event. As the pandemic continues, this matter may negatively impact the results of the organization's operations, cash flows and financial position, though the full extent cannot be reasonably estimated at this time.

U.S. Small Business Administration Paycheck Protection Program (PPP)

On May 15, 2020, the Organization received loan proceeds under the Paycheck Protection Program ("PPP") in the amount of \$138,309 through PNC Bank. The Small Business Administration (SBA) determined that the first round of PPP loan was forgiven in full and the whole amount, \$138,309 has been recognized as income in the fiscal year ended December 31, 2020.

Note 12: Evaluation of Subsequent Events – COVID; PPP Loan

On March 2, 2021, the Organization received second draw of loan proceeds under the Paycheck Protection Program ("PPP") in the amount of \$138,006 through PNC Bank. Based on meeting certain criteria, a significant portion of the PPP Loan may be forgiven. The balance of the PPP Loan that is not forgiven will accrue interest at 1% per annum with interest payments deferred for 10 months. The outstanding balance is due in 2 years.