

HORIZONS GREATER WASHINGTON INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 AND 2019



Certified Public Accountants



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Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Horizons Greater Washington Inc.

We have audited the accompanying financial statements of **Horizons Greater Washington Inc.** (a nonprofit 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 **Horizons Greater Washington Inc.** as of September 30, 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.

Kositzka, Wicks and Company

Alexandria, Virginia
June 28, 2021

Horizons Greater Washington Inc.

Statements of Financial Position

September 30,

2020

2019

Assets

Cash and cash equivalents	\$ 246,577	\$ 399,327
Grants and contributions receivable	199,000	352,457
Prepaid expenses	8,678	8,788
Investments held by third-party trustee	414,742	142,210
Total assets	<u>\$ 868,997</u>	<u>\$ 902,782</u>

Liabilities and net assets

Accounts payable	\$ 6,413	\$ 46,877
Accrued payroll costs	19,750	34,362
Deferred revenue	-	7,500
SBA Paycheck Protection Program loan	87,423	-
Total liabilities	<u>113,586</u>	<u>88,739</u>

Net assets

Without donor restrictions	628,288	584,043
With donor restrictions	127,123	230,000
Total net assets	<u>755,411</u>	<u>814,043</u>
Total liabilities and net assets	<u>\$ 868,997</u>	<u>\$ 902,782</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Statement of Activities

for the year ended September 30, 2020

	Without donor restrictions	With donor restrictions	Total
Revenue			
Contributions and grants	\$ 478,755	\$ 12,123	\$ 490,878
Special events revenue, net of direct benefits of \$18,327	283,045	-	283,045
Donated materials, services and rents	133,865	-	133,865
Government grants	180,486	-	180,486
Application fees	5,515	-	5,515
Other income	65	-	65
Investment income, net	10,592	-	10,592
Net assets released from restrictions	115,000	(115,000)	-
	<u>1,207,323</u>	<u>(102,877)</u>	<u>1,104,446</u>
Expenses			
Program services	738,912	-	738,912
Supporting services			
Management and general	227,754	-	227,754
Fundraising	196,412	-	196,412
	<u>1,163,078</u>	<u>-</u>	<u>1,163,078</u>
Change in net assets	44,245	(102,877)	(58,632)
Net assets, beginning of year	584,043	230,000	814,043
Net assets, end of year	<u>\$ 628,288</u>	<u>\$ 127,123</u>	<u>\$ 755,411</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Statement of Activities

for the year ended September 30, 2019

	Without donor restrictions	With donor restrictions	Total
Revenue			
Contributions and grants	\$ 689,131	\$ 230,000	\$ 919,131
Special events revenue, net of direct benefits of \$71,074	281,273	-	281,273
Donated materials and services	174,135	-	174,135
Government grants	141,442	-	141,442
Application fees	6,310	-	6,310
Other income	37	-	37
Investment income, net	792	-	792
	<u>1,293,120</u>	<u>230,000</u>	<u>1,523,120</u>
Expenses			
Program services	933,678	-	933,678
Supporting services			
Management and general	193,149	-	193,149
Fundraising	120,926	-	120,926
	<u>1,247,753</u>	<u>-</u>	<u>1,247,753</u>
Change in net assets	45,367	230,000	275,367
Net assets, beginning of year	538,676	-	538,676
Net assets, end of year	<u>\$ 584,043</u>	<u>\$ 230,000</u>	<u>\$ 814,043</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Statement of Functional Expenses for the year ended September 30, 2020

	Program services	Management and general	Fundraising	Total
Expenses				
Bank fees	\$ -	\$ 2,920	\$ -	\$ 2,920
Cost of direct benefits to donors	-	-	18,327	18,327
Dues and subscriptions	1,181	2,489	-	3,670
Employee benefits	12,032	1,901	4,168	18,101
Field trips	500	-	-	500
Food and hospitality	511	-	-	511
Insurance	664	9,095	-	9,759
Miscellaneous	192	1,007	-	1,199
Payroll processing fees	-	8,584	-	8,584
Payroll taxes	44,089	6,968	15,273	66,330
Printing and postage	1,699	-	4,142	5,841
Professional development	4,502	675	-	5,177
Professional fees	-	55,914	-	55,914
Recruitment	-	903	-	903
Salaries and wages	503,557	79,922	172,829	756,308
Supplies	56,385	735	-	57,120
Technology and telecommunications	25,148	8,030	-	33,178
Travel	1,256	1,942	-	3,198
	651,716	181,085	214,739	1,047,540
Donated materials and services				
Rent, contributed	81,288	-	-	81,288
Legal	-	45,937	-	45,937
Miscellaneous	-	732	-	732
Supplies	5,908	-	-	5,908
	87,196	46,669	-	133,865
Total expenses by function	738,912	227,754	214,739	1,181,405
Less expenses included with revenues on the statement of activities				
Cost of direct benefits to donors	-	-	(18,327)	(18,327)
Total expenses included in the expense section on the statement of activities	<u>\$ 738,912</u>	<u>\$ 227,754</u>	<u>\$ 196,412</u>	<u>\$ 1,163,078</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Statement of Functional Expenses for the year ended September 30, 2019

	Program services	Management and general	Fundraising	Total
Expenses				
Bank fees	\$ -	\$ 7,270	\$ -	\$ 7,270
Cost of direct benefits to donors	-	-	71,074	71,074
Dues and subscriptions	6,915	5,663	-	12,578
Employee benefits	8,062	3,206	4,640	15,908
Field trips	3,168	-	-	3,168
Food and hospitality	50,369	-	-	50,369
Insurance	9,938	3,580	-	13,518
Miscellaneous	11,465	41	-	11,506
Payroll processing fees	-	7,751	-	7,751
Payroll taxes	42,663	6,461	10,227	59,351
Pool rental	10,740	-	-	10,740
Printing and postage	2,907	-	1,908	4,815
Professional development	11,758	2,111	-	13,869
Professional fees	-	66,742	-	66,742
Recruitment	-	4,094	-	4,094
Salaries and wages	515,970	65,793	104,151	685,914
Supplies	8,264	2,002	-	10,266
Taxes and licenses	-	4,335	-	4,335
Technology and telecommunications	7,342	3,556	-	10,898
Transportation	74,832	-	-	74,832
Travel	3,488	2,206	-	5,694
	767,881	184,811	192,000	1,144,692
Donated materials and services				
Rent, contributed	101,750	-	-	101,750
Transportation	35,000	-	-	35,000
Food and hospitality	27,500	-	-	27,500
Miscellaneous	329	8,338	-	8,667
Supplies	1,218	-	-	1,218
	165,797	8,338	-	174,135
Total expenses by function	933,678	193,149	192,000	1,318,827
Less expenses included with revenues on the statement of activities				
Cost of direct benefits to donors	-	-	(71,074)	(71,074)
Total expenses included in the expense section on the statement of activities	\$ 933,678	\$ 193,149	\$ 120,926	\$ 1,247,753

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Statements of Cash Flows

for the years ended September 30,

2020

2019

Cash flows from operating activities

Change in net assets	\$ (58,632)	\$ 275,367
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gain on investments	(7,231)	(792)
Decrease (increase) in operating assets		
Grants and contributions receivable	153,457	(256,094)
Prepaid expenses	110	6,800
Increase (decrease) in operating liabilities		
Accounts payable	(40,464)	11,363
Accrued payroll costs	(14,612)	28,387
Deferred revenue	(7,500)	(8,728)
Net cash provided by operating activities	<u>25,128</u>	<u>56,303</u>

Cash flows from investing activities

Purchase of investments and reinvestments	<u>(265,301)</u>	<u>(25,451)</u>
Net cash used in investing activities	(265,301)	(25,451)

Cash flows from financing activities

Proceeds from SBA Paycheck Protection Program loan, net	<u>87,423</u>	<u>-</u>
Net cash provided by investing activities	87,423	-

Net change in cash and cash equivalents

(152,750) 30,852

Cash and cash equivalents, beginning of year

399,327 368,475

Cash and cash equivalents, end of year

\$ 246,577 \$ 399,327

Noncash investing and financing activities

Donated securities	<u>40,625</u>	<u>9,890</u>
Total in-kind contribution of assets	<u>\$ 40,625</u>	<u>\$ 9,890</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

1. Organization

Horizons Greater Washington Inc. (Horizons) is a nonprofit organization that develops public-private partnerships between independent and public school communities to provide academic, cultural, and recreational programs designed to empower economically disadvantaged students to realize their full potential. Horizons' primary sources of revenue are contributions and events.

Horizons Greater Washington Inc. is an award-winning, tuition-free academic and enrichment program serving students from under-resourced communities in Washington, DC and Maryland. We are an affiliate of Horizons National, a 501(c)(3) organization that oversees a network of 62 Horizons programs in 19 states and the District of Columbia. We operate independently of Horizons National - raising our own resources and managing our programs - but benefit from the exchange of information, research, and support across a national network. Our program first began in 2000 with one location in Washington, DC that offered a six-week summer academic enrichment program. A second DC program location opened in 2009, and in 2010, expansion led us to open a third location in Montgomery County, MD. We offer an intensive summer session, Saturday workshops, and afterschool programming throughout the school year that help our students build the tools they need to thrive in school and beyond while inspiring them to see themselves as learners and doers able to pursue their dreams. We believe that every child in the greater Washington, DC area should have the same opportunity to realize their full potential, regardless of background. Horizons is a proud recipient of the National Summer Learning Association Excellence Award.

2. Summary of significant accounting policies

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported in two categories as described below.

Net assets without donor restrictions are net assets available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Horizons maintains its cash in various bank accounts which, at times, may exceed federally insured limits. FDIC insurance on interest-bearing accounts is \$250,000 per depositor, per insured bank.

See independent auditor's report.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

At September 30, 2020 and 2019, Horizons' cash exceeded the FDIC limit by \$0 and \$152,203, respectively. Horizons has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Grants receivable and promises to give

Grants receivable and unconditional promises to give are recognized as revenue in the period promised. Conditional promises to give include both a measurable performance or other barrier and a right of return, and they are recognized when the conditions on which they depend are substantially met.

Balances are stated at the amount management expects to collect from outstanding balances within one year. Management provides for probably uncertain amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on historical experience, an assessment of economic conditions, and a review of subsequent collections as deemed necessary. All contributions are considered collectible on September 30, 2020, no allowance has been recorded.

Investments held by third-party trustee

Investments of Horizons are held by a third-party trustee, The Greater Washington Community Foundation (the Foundation). Under this agency fund agreement, Horizons has a non-endowed fund managed by the Foundation under the investment policies and investment direction of the Foundation. Horizons has an interest in the pooled investment funds maintained by the Foundation in the "Combined Investment Fund" (CIF). Distributions from the fund are available quarterly with prior written notice provided via email or letter by one of the assigned fund advisors as outlined in the agency fund agreement. Horizons pays an administrative fee to the Foundation of 1.1 percent for the accounting and reporting services, which are deducted from the investment assets in quarterly payments.

Property and equipment

Horizons capitalizes all property and equipment with a useful life of more than one year and an acquisition value of over \$5,000. Property and equipment are stated at cost and depreciated using the straight-line method over the estimated useful lives of the property or equipment. As of September 30, 2020 and 2019, there were no purchases of property and equipment meeting the capitalization threshold and therefore no property and equipment or depreciation reported.

Other financial assets and liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents, grants and contributions receivables, and prepaid expenses. Financial liabilities with carrying values approximating fair value include accounts payable, accrued payroll costs and deferred revenue. The carrying value of these financial assets and liabilities approximates fair value due to their short maturities and any associated interest rates approximate current market rates.

Contributions and grants

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Horizons reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor 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 and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

See independent auditor's report.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

Donated materials and services

Donated materials are recorded at their fair value at the date of the gift. Donated services are reported at fair value in the financial statements for voluntary donations of services when those services (1) create or enhance nonfinancial assets or (2) require specialized skills provided by individuals possessing those skills and would typically be purchased if not provided by donation.

Functional classification of expenses

The costs of program and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses are charged to programs and supporting services based on a combination of specific identification and allocation by management. Certain categories of expenses are attributed to more than one function and have been allocated on a reasonable basis that is consistently applied. Allocated expenses include salaries and wages, payroll taxes and employee benefits.

Fair value measurements

Accounting standards require companies to determine fair value based on the price that would be received to sell the asset or paid to transfer the liability to a market participant. A three-level hierarchy for disclosure of fair value measurements is based on the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels of the fair value hierarchy are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Income taxes

Horizons Greater Washington Inc. is exempt from federal income tax as a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation. Horizons did not have a liability for unrelated business income taxes for the years ended September 30, 2020 and 2019.

The material jurisdictions subject to potential examination by taxing authorities include the U.S. and the District of Columbia. Management does not believe that the ultimate outcome of any future examinations of open tax years will have a material impact on the Organization's results of operations. Tax years that are subject to examination by the IRS include the fiscal years ended September 30, 2017 through 2020.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

Recently adopted accounting pronouncements

The FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This guidance clarifies how entities will determine whether to account for a transfer of assets (or a reduction, settlement or cancellation of a liability) as an exchange transaction or a contribution and how they will determine whether a contribution is conditional. ASU 2018-08 is effective for annual reporting periods beginning after December 15, 2018. Horizons adopted the standard on its effective date, which was October 1, 2019.

New accounting pronouncements

The FASB issued ASU 2014-09 (as amended by ASU 2015-14), which provides a single comprehensive accounting standard for revenue recognition for contracts with customers and supersedes current industry-specific guidance. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2019. Horizons adopted the standard on its effective date, which was October 1, 2020.

Horizons will evaluate the impact of these pronouncements by the effective dates in accordance with accounting principles generally accepted in the United States of America.

3. Investments held by third-party trustee and fair value hierarchy

Level 1 investments consists of amounts held in a bank deposit program with a national broker. The carrying amount is considered to be a reasonable estimate of fair value.

Level 3 consists of investments held by a third-party trustee, The Greater Washington Community Foundation (the Foundation), based on the fair market value which is generally reported net asset values as obtained from the trustee on a quarterly basis. Underlying securities are comprised of both readily marketable securities and funds as well as hard-to-value securities. This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Although Horizons believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

The following table presents the investment assets within the hierarchy measured at fair value on a recurring basis at September 30:

See independent auditor's report.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

At September 30, 2020:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments held by third-party trustee:				
Cash/Money accounts	\$ 261,828	\$ -	\$ -	\$ 261,828
Money market fund	-	-	15,291	15,291
Combined investment fund	-	-	137,623	137,623
Total assets at fair value	<u>\$ 261,828</u>	<u>\$ -</u>	<u>\$ 152,914</u>	<u>\$ 414,742</u>

At September 30, 2019:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments held by third-party trustee:				
Money market fund	\$ -	\$ -	\$ 14,221	\$ 14,221
Combined investment fund	-	-	127,989	127,989
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,210</u>	<u>\$ 142,210</u>

Investment return for the years ending September 30, 2020 and 2019 was composed of the following:

	<u>2020</u>	<u>2019</u>
Dividend and interest income	\$ 4,336	\$ 2,540
Interest income on bank accounts	5	-
Realized and unrealized gains (losses)	7,231	(1,105)
Investment management fees	(980)	(643)
	<u>\$ 10,592</u>	<u>\$ 792</u>

The table below represents a reconciliation for all Level 3 investment assets measured at fair value on a recurring basis for the years ending September 30:

Balance, October 1, 2018	\$ 115,967
Purchases, issuances, sales	25,451
Dividend and interest income	2,540
Realized and unrealized gains (losses)	(1,105)
Investment management fees	(643)
Balance, September 30, 2019	<u>\$ 142,210</u>
Purchases, issuances, sales	\$ 261,945
Dividend and interest income	4,336
Realized and unrealized gains (losses)	7,231
Investment management fees	(980)
Balance, September 30, 2020	<u>\$ 414,742</u>

The investments held by the third-party trustee are valued based on the net asset value of the fund and are available for quarterly redemption or distributions with the prior written request of Horizons.

See independent auditor's report.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

4. Net assets with donor restrictions

Net assets with donor restrictions consisted of the following at September 30, 2020 and 2019:

	<u>9/30/2019</u>	<u>Additions</u>	<u>Releases from restrictions</u>	<u>9/30/2020</u>
Time restricted contributions receivable	\$ 230,000	\$ 12,123	\$ (115,000)	\$ 127,123

	<u>9/30/2018</u>	<u>Additions</u>	<u>Releases from restrictions</u>	<u>9/30/2019</u>
Time restricted contributions receivable	\$ -	\$ 230,000	\$ -	\$ 230,000

These net assets have been classified as donor-restricted based on the inherent time restrictions or purpose restrictions for which the purpose was not met during the year.

5. Retirement plan

Horizons sponsors a defined contribution 401(k) plan covering all full-time employees. Horizons does not make any matching contributions.

6. Commitments and contingencies

Horizons Greater Washington Inc. has executed memorandums of understanding (MOUs) with three host schools: St. Patrick's Episcopal Day School, Maret School, and Norwood School. These MOUs provide access to the facilities that allow Horizons to administer its programs and outline the in-kind nature of use of the facilities. For the years ended September 30, 2020 and 2019, all three host schools were able to provide a reasonable estimate of the value of in-kind materials and services.

In addition, these MOUs outline certain requirements for Horizons, which include background checks and minimum general liability insurance requirements among other minimum standards. The MOUs also specify that the head of each school serve as an ex-officio member of the Governing Board of Horizons. Termination of the MOUs is required in writing within 60 days of the close of the summer program or with written notice no later than December 31 for the following year's summer program.

Maret School also serves as the headquarters location for Horizons Greater Washington Inc.; however Maret School was unable to estimate the value of the use of the facilities year-round.

7. Related-party transactions

Horizons Greater Washington Inc. is an affiliate of Horizons National. As an affiliate, the Organization is required to make certain payments to the National office for expenses such as testing materials and conference fees. Payments to Horizons National totaled \$250 and \$5,698 as of September 30, 2020 and 2019, respectively. In turn, Horizons Greater Washington Inc. collaborates with and receives grants from the National office, which totaled \$8,928 and \$130,100 for the years ended September 30, 2020 and 2019, respectively.

See independent auditor's report.

Horizons Greater Washington Inc.

Notes to Financial Statements September 30, 2020 and 2019

8. Liquidity and availability of resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 246,577	\$ 399,327
Investments	414,742	142,210
Grants and contributions receivable	199,000	352,457
Time-restricted grants and contributions	(127,123)	(230,000)
	<u>\$ 733,196</u>	<u>\$ 663,994</u>

9. SBA Paycheck Protection Program loan

Under the "Coronavirus Aid, Relief, and Economic Security (CARES) Act" funds were appropriated for the SBA Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment. The Organization obtained a PPP loan in April 2020 in the amount of \$87,423. The loan was fully forgiven by the SBA on June 14, 2021.

10. Subsequent events

Horizons Greater Washington Inc. assessed events occurring subsequent to September 30, 2020 through June 28, 2021, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements.

On March 23, 2021, the Organization received loan funding through SBA's Paycheck Protection in the amount of \$146,543. The Organization expects to utilize the loan to pay for qualified business costs as outlined in the loan agreement and anticipates this loan will be fully forgiven during the year ending September 30, 2021.

On June 14, 2021, the Organization's first PPP loan in the amount of \$87,423 was fully forgiven by the SBA.

No other events have occurred that would require adjustment to or disclosure in the financial statements.