

THE GREEN CHAIR PROJECT

Financial Statements

December 31, 2021 and 2020

(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

The Board of Directors
The Green Chair Project:

Opinion

We have audited the accompanying financial statements of The Green Chair Project (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and 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 financial statements referred to above present fairly, in all material respects, the financial position of The Green Chair Project as of December 31, 2021 and 2020, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Green Chair Project and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these 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 The Green Chair Project's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 The Green Chair Project'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 The Green Chair Project'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.

Batchelor, Jilley & Roberts, LLP

August 4, 2022

THE GREEN CHAIR PROJECT

Statements of Financial Position

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 1,407,331	954,522
Short-term investments, certificates of deposit	-	300,000
Accounts receivable	10,749	40,974
Pledges receivable	33,250	25,000
Inventory	1,068,865	596,281
Prepaid expenses	<u>13,773</u>	<u>4,164</u>
Total current assets	2,533,968	1,920,941
Property and equipment, net	4,219,071	4,251,833
Pledges receivable, net of reserve and discount	<u>-</u>	<u>26,030</u>
Total assets	\$ <u>6,753,039</u>	<u>6,198,804</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	85,714	32,616
Accrued expenses	39,331	63,792
Deferred revenue	3,850	9,900
Current portion of long-term debt	<u>34,945</u>	<u>35,197</u>
Total current liabilities	163,840	141,505
Long-term debt	<u>1,210,293</u>	<u>1,395,970</u>
Total liabilities	<u>1,374,133</u>	<u>1,537,475</u>
Net assets:		
Without donor restrictions	5,348,615	4,635,758
With donor restrictions	<u>30,291</u>	<u>25,571</u>
Total net assets	<u>5,378,906</u>	<u>4,661,329</u>
Total liabilities and net assets	\$ <u>6,753,039</u>	<u>6,198,804</u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Statement of Activities

Year ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue:			
Grants	\$ 183,148	-	183,148
Contributions	1,303,256	-	1,303,256
Program fees	167,927	-	167,927
Fundraising:			
Cash contributions	306,234	-	306,234
Non-cash contributions	78,162	-	78,162
Capital campaign -			
cash contributions	-	28,500	28,500
Non-cash contributions - other	2,433,524	-	2,433,524
Interest income	115	-	115
Other revenue	3,166	-	3,166
Net assets released from restrictions- restrictions satisfied by costs incurred and expiration of time	<u>23,780</u>	<u>(23,780)</u>	<u>-</u>
Total revenue and support	<u>4,499,312</u>	<u>4,720</u>	<u>4,504,032</u>
Expenses:			
Program services	3,101,243	-	3,101,243
Fundraising	345,818	-	345,818
Management and general	<u>339,394</u>	<u>-</u>	<u>339,394</u>
Total expenses	<u>3,786,455</u>	<u>-</u>	<u>3,786,455</u>
Change in net assets	712,857	4,720	717,577
Net assets, beginning of year	<u>4,635,758</u>	<u>25,571</u>	<u>4,661,329</u>
Net assets, end of year	\$ <u>5,348,615</u>	<u>30,291</u>	<u>5,378,906</u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Statement of Activities

Year ended December 31, 2020

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Support and revenue:			
Grants	\$ 333,312	-	333,312
Contributions	1,001,789	-	1,001,789
Program fees	685,141	-	685,141
Fundraising:			
Cash contributions	199,363	-	199,363
Non-cash contributions	46,380	-	46,380
Capital campaign -			
cash contributions	131,788		131,788
Non-cash contributions - other	2,594,061	-	2,594,061
Interest income	27	-	27
PPP loan forgiveness	134,142	-	134,142
Other revenue	8,856	-	8,856
Net assets released from restrictions-			
restrictions satisfied by costs incurred			
and expiration of time	<u>3,429</u>	<u>(3,429)</u>	<u>-</u>
Total revenue and support	<u>5,138,288</u>	<u>(3,429)</u>	<u>5,134,859</u>
Expenses:			
Program services	4,003,877	-	4,003,877
Fundraising	257,763	-	257,763
Management and general	<u>276,076</u>	<u>-</u>	<u>276,076</u>
Total expenses	<u>4,537,716</u>	<u>-</u>	<u>4,537,716</u>
Change in net assets	600,572	(3,429)	597,143
Net assets, beginning of year	<u>4,035,186</u>	<u>29,000</u>	<u>4,064,186</u>
Net assets, end of year	\$ <u>4,635,758</u>	<u>25,571</u>	<u>4,661,329</u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Statement of Functional Expenses

Year ended December 31, 2021

	Program Services	Supporting Services		Total
		Fundraising	Management and General	
Furnishings assistance	\$ 1,816,783	-	-	1,816,783
Bedding assistance	438,906	-	-	438,906
Utilities	20,098	642	642	21,382
Maintenance	18,508	591	591	19,690
Property insurance	5,691	182	182	6,055
Salaries expense	502,399	256,877	237,850	997,126
Retirement	17,838	-	-	17,838
Professional fees	33,878	-	33,879	67,757
Travel	4,808	-	-	4,808
Transportation	45,557	-	-	45,557
Software/online services	2,669	-	8,007	10,676
Special events	-	76,388	-	76,388
Capital campaign costs	-	5,727	-	5,727
Bank fees	-	-	14,112	14,112
Marketing	-	-	5,315	5,315
Miscellaneous	25,704	184	318	26,206
Telephone and internet	3,355	-	3,355	6,710
Office expense	-	-	29,916	29,916
Interest expense	39,515	1,261	1,261	42,037
Dues and memberships	1,242	-	-	1,242
Insurance	20,939	668	668	22,275
Depreciation and amortization	103,353	3,298	3,298	109,949
	\$ <u>3,101,243</u>	<u>345,818</u>	<u>339,394</u>	<u>3,786,455</u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Statement of Functional Expenses

Year ended December 31, 2020

	Program Services	Supporting Services		Total
		Fundraising	Management and General	
Furnishings assistance	\$ 2,487,919	-	-	2,487,919
Bedding assistance	231,673	-	-	231,673
Disaster expense	308,905	-	-	308,905
Utilities	18,235	582	582	19,399
Maintenance	25,696	820	820	27,336
Property insurance	2,580	82	82	2,744
Salaries expense	415,166	203,337	188,275	806,778
Retirement	25,213	-	-	25,213
Professional fees	-	-	33,012	33,012
Travel	3,915	-	-	3,915
Transportation	75,644	-	-	75,644
Software/online services	20,577	-	-	20,577
Special events	-	46,168	-	46,168
Capital campaign costs	-	2,043	-	2,043
Bank fees	-	-	14,285	14,285
Marketing	-	-	6,087	6,087
Miscellaneous	245,012	241	241	245,494
Telephone and internet	-	-	4,214	4,214
Office expense	-	-	23,988	23,988
Interest expense	31,317	999	999	33,315
Dues and memberships	1,142	-	-	1,142
Insurance	13,383	427	427	14,237
Bad debts	1,500	-	-	1,500
Depreciation and amortization	96,000	3,064	3,064	102,128
	\$ <u>4,003,877</u>	<u>257,763</u>	<u>276,076</u>	<u>4,537,716</u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Statements of Cash Flows

Years ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Increase in net assets	\$ 717,577	597,143
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	109,949	102,128
Loss on disposal of assets	-	724
Changes in operating assets and liabilities:		
Accounts receivable	30,225	59,470
Pledges receivable	17,780	40,916
Inventory	(472,584)	2,442
Prepaid expenses	(9,609)	(1,443)
Accounts payable	53,098	14,800
Accrued expenses	(24,461)	53,154
Deferred revenue	<u>(6,050)</u>	<u>9,900</u>
Net cash provided by operating activities	<u>415,925</u>	<u>879,234</u>
Cash flows from investing activities:		
Redemption (purchase) of CD's	300,000	(300,000)
Purchases of property and equipment	<u>(77,187)</u>	<u>(26,046)</u>
Net cash provided by (used in) investing activities	<u>222,813</u>	<u>(326,046)</u>
Cash flows from financing activities:		
Payments on line of credit	-	(75,450)
Payments on note payable	(185,929)	(175,224)
Proceeds from EIDL loan	<u>-</u>	<u>150,000</u>
Net cash used in financing activities	<u>(185,929)</u>	<u>(100,674)</u>
Net increase in cash and cash equivalents	452,809	452,514
Cash and cash equivalents, beginning of year	<u>954,522</u>	<u>502,008</u>
Cash and cash equivalents, end of year	\$ <u><u>1,407,331</u></u>	<u><u>954,522</u></u>
Supplemental disclosure of cash flow information:		
Interest paid during year	\$ <u><u>42,037</u></u>	<u><u>33,316</u></u>

See accompanying notes to financial statements.

THE GREEN CHAIR PROJECT

Notes to Financial Statements

December 31, 2021 and 2020

(1) Summary of Significant Accounting Policies

The Green Chair Project ("TGCP" or "Organization") is a North Carolina not-for-profit organization established and incorporated in 2010. The Organization operates from a single location in Raleigh, North Carolina. The Green Chair Project collects donated furnishings for people transitioning from homelessness, crisis, or disaster, partnering with over ninety agencies, shelters, and nonprofits to provide essential furnishings for referred clients to live sustainably in their new homes.

Basis of Accounting and Revenue Recognition

TGCP's policy is to prepare its financial statements on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Donor-restricted support is reported as an increase in net assets without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. 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 and reported in the statement of activities as net assets released from restrictions.

Contributions with donor-imposed restrictions that expire in the same time period as received are reported as an increase in net assets without donor restrictions. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions.

A portion of TGCP's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when TGCP has incurred expenditures in compliance with specific grant provisions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, TGCP considers all checking, savings and money market accounts to be cash equivalents. At any given time, amounts in the accounts may exceed the \$250,000 federally insured limit.

Accounts Receivable

TGCP writes off doubtful receivables in amounts equal to the estimated collection losses that will be incurred. The allowance for doubtful accounts was \$0 for both 2021 and 2020.

Pledges Receivable

Pledges receivable are recognized when the donor makes a promise to give to TGCP that is, in substance, unconditional. Pledges to be received after one year are discounted. Management provides for probable uncollectible amounts through an allowance for doubtful accounts based on its assessment of the status of individual accounts. Any accounts deemed uncollectible are written off through this valuation allowance during the year. The allowance for doubtful pledges was \$0 and \$1,080 in 2021 and 2020, respectively.

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(1) Summary of Significant Accounting Policies, Continued

Property and Equipment

Purchased assets are recorded at cost. Donated items are recorded at estimated fair market value at time of receipt.

Depreciation is computed using the straight-line method over estimated useful lives of 39 years for building and improvements and 5 to 7 years for furniture and equipment.

Donated Goods Inventory

Donated goods inventory is recorded at fair value. The fair value is the estimated donation value of the donated goods inventory.

Donated Services and Goods

TGCP receives a significant amount of donated services from unpaid volunteers who assist in fund-raising, program activities, and special events. No amounts have been recognized in the statements of activities because the criteria for recognition, as defined below, have not been satisfied.

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations, are recorded at their fair values, as provided by the donor, in the period received.

Donated goods are reflected as contributions in the accompanying statements at their estimated fair values with an offsetting charge to expense or recording of an asset (inventory or property).

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, accounts and pledges receivable, accounts payable, amounts included in accruals, and notes payable meeting the definition of a financial instrument under U.S. GAAP approximate fair value due to their short-term nature.

For determining fair value measurements, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Management follows an established framework for measuring fair value. That framework provides a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority.

A financial asset or liability's classification is determined based on the lowest level input that is significant to the fair value measurement. Cash and cash equivalents include cash accounts and money market funds and, as such, are categorized as Level 1.

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(1) Summary of Significant Accounting Policies, Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 revenue and expenses during the reporting period. Actual results could differ from these estimates.

Functional Allocation of Expenses

Management estimates the costs of providing the various programs and other activities on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenditures not directly attributable to specific programs or supporting services are allocated to programs or supporting services by management based on what is considered to be the best available objective criteria, such as hours worked or relative benefit.

Selected Recent Accounting Pronouncements

The Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU enhances presentation and disclosure requirements for gifts-in-kind, but does not change the recognition and measurement requirements for such contributions. ASU 2020-07 is effective for The Green Chair Project beginning January 1, 2022.

The FASB has issued ASU 2016-02, *Leases*, which, among other things, requires the recognition of lease assets and lease liabilities by lessees, including for those leases classified as operating leases under previous GAAP, along with the disclosure of key information about leasing arrangements. ASU 2016-02 is effective for The Green Chair Project beginning for 2022.

Management is in the process of assessing the impact of these new accounting standards.

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(2) Property and Equipment

TGCP's property and equipment consists of the following:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 72,362	57,095
Computers	8,597	6,016
Vehicles	84,834	38,386
Building	1,506,566	1,506,566
Building improvements	1,947,758	1,934,867
Land	<u>964,000</u>	<u>964,000</u>
	4,584,117	4,506,930
Less accumulated depreciation and amortization	<u>(365,046)</u>	<u>(255,097)</u>
Property and equipment, net	\$ <u>4,219,071</u>	<u>4,251,833</u>

(3) Concentration of Credit Risk

Cash and cash equivalents consist of accounts held with two North Carolina banks. As of December 31, 2021 and 2020, the amount held in the bank accounts exceeded the federally insured limit of \$250,000 by \$710,713 and \$499,124, respectively.

(4) Income Taxes

TGCP is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state statutes. It has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code, and contributions to TGCP are tax deductible by donors.

(5) Donated Services and Goods

The fair market value of contributed goods and services is reported as non-cash contributions revenue and as expense (or property and equipment) in the period received as follows:

	<u>2021</u>	<u>2020</u>
Program inventory	\$ 2,433,524	2,594,061
Fundraising	<u>78,162</u>	<u>46,380</u>
Total non-cash contributions	\$ <u>2,511,686</u>	<u>2,640,441</u>

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(6) Capital Campaign and Building Acquisition

In 2016, TGCP was approached by their landlord to negotiate terms for the acquisition of their leased facility on Capital Boulevard in Raleigh, North Carolina. The facility had been leased and occupied by TGCP since 2011. After a long due diligence period, and with the generosity of the seller and a large individual cash donation, TGCP decided to initiate a capital campaign to acquire the facility.

On October 21, 2016, the land and building were acquired by TGCP at a bargain sales price significantly below market value. The difference between fair market value and the selling price was recognized as an in-kind contribution to TGCP.

TGCP borrowed \$1,600,000 from a financial institution and \$150,000 from one of the sellers of the building. The \$150,000 note payable was paid in full on January 31, 2018. In September, 2019, TGCP obtained a \$500,000 line of credit from a financial institution which was paid off in June, 2020, with funds from the capital campaign. In August, 2020, terms of the \$1,600,000 loan were modified. See Note 7.

TGCP completed its building renovation and concluded its capital campaign on December 31, 2019, having exceeded its \$3,000,000 goal. A total of \$3,200,000 was raised to purchase and renovate its building to increase efficiencies and enable it to serve additional families and individuals. Residual multi-year pledge payments will continue through 2023.

(7) Notes Payable

Notes payable consist of the following:

	<u>2021</u>	<u>2020</u>
Note payable to a financial institution, secured by a building on Capital Boulevard, with monthly payments of \$6,497 including interest at 3.52% beginning October 10, 2020, and maturing on September 10, 2030. (Refinanced original loan on August 31, 2020)	\$ 1,095,238	1,281,167
Note payable to the Small Business Administration with monthly payments of \$641 including interest of 2.75% beginning December, 2022, and maturing in April, 2051.	<u>150,000</u>	<u>150,000</u>
	1,245,238	1,431,167
Less current portion	<u>(34,945)</u>	<u>(35,197)</u>
	<u>\$ 1,210,293</u>	<u>1,395,970</u>

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(7) Notes Payable, Continued

Repayments required by loan agreements are as follows:

<u>Years ending December 31,</u>		
2022		\$ 34,945
2023		39,508
2024		40,892
2025		42,326
2026		43,809
2027 and beyond		<u>1,043,758</u>
		\$ <u>1,245,238</u>

In April, 2020, TGCP received a loan from the Small Business Administration (SBA) under the Paycheck Protection Program, which authorizes forgivable loans to small businesses and other organizations to pay their employees during the COVID-19 crisis. This loan, in the amount of \$134,143, was legally forgiven by the lender in 2020 since TGCP used the proceeds to cover payroll and certain other allowed costs over the 24-week period after the funds were received as required by the SBA. Consequently, income from the extinguishment of the liability was recognized as income in the statement of activities.

(8) Information Regarding Liquidity and Availability of Resources

TGCP regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, TGCP considers all expenditures related to its ongoing activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

TGCP's financial assets as of December 31, 2021 consist of cash and accounts and pledges receivable, resulting in net financial assets of \$1,451,330, all of which are available to meet general expenditures within one year of the financial statement date.

	<u>2021</u>	<u>2020</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,407,331	954,522
Savings	-	300,000
Accounts receivable	10,749	40,974
Pledges receivable	33,250	51,030
less amounts due in > 1 year	<u>-</u>	<u>(26,030)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>1,451,330</u>	<u>1,320,496</u>

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(8) Information Regarding Liquidity and Availability of Resources, Continued

In addition to financial assets available to meet general expenditures over the next 12 months, TGCP operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

(9) Net Assets

Net assets with donor restrictions reported in the statements of financial position as of December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose - Capital projects and reserves	\$ <u>30,291</u>	<u>25,571</u>

Net assets were released from donor restrictions by incurring expenses satisfying the following purpose restrictions specified by donors:

	<u>2021</u>	<u>2020</u>
Programs and services	\$ <u>23,780</u>	<u>3,429</u>

(10) Pledges Receivable

As of December 31, donors to TGCP have made promises to give consisting of the following:

	<u>2021</u>	<u>2020</u>
Unconditional promises - restricted to Capital Campaign:		
Due in less than one year	\$ 33,250	25,000
Due in one to five years	<u>-</u>	<u>29,000</u>
Gross promises to give	33,250	54,000
Less allowance for doubtful pledges	-	(1,080)
Less unamortized discount at 3.5%	<u>-</u>	<u>(1,890)</u>
Net promises to give	\$ <u>33,250</u>	<u>51,030</u>

(11) Retirement Plan

During 2018, TGCP adopted a retirement plan qualified under Section 401(k) of the Internal Revenue Code ("IRC"). All full-time and part-time permanent employees who are at least 21 years old and have completed 90 days of employment are eligible to participate. Participants are allowed to make voluntary contributions up to the maximum percentage allowable, not to exceed the limit presented by the IRC. TGCP may make matching contribution determined annually by the Board of Directors. Participants do not vest with respect to TGCP's contributions during the first year of service, and vest 20%, 40%, 60%, 80% and 100% through the next five years of service, respectively. Employer contributions to the 401(k) Plan for 2021 and 2020 totaled \$17,838 and \$25,213, respectively.

THE GREEN CHAIR PROJECT

Notes to Financial Statements, Continued

December 31, 2021 and 2020

(12) Impact of COVID-19

In March, 2020, the World Health Organization declared the global novel coronavirus disease 2019 (COVID-19) outbreak a pandemic. The extent of COVID-19's effect on TGCP's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape.

(13) Reclassifications

Certain reclassifications have been made to the 2020 financial statements to conform to the 2021 presentation. These reclassifications had no impact on changes in net assets or net assets as previously reported.

(14) Subsequent Events

The date to which events occurring after December 31, 2021, the date of the most recent statement of financial position, have been evaluated for possible adjustment to the financial statements or disclosure is August 4, 2022, the date the financial statements were available to be issued.