

THE OPPORTUNITY AGENDA, INC.



**FINANCIAL STATEMENTS
(TOGETHER WITH INDEPENDENT AUDITORS' REPORT)**

YEAR ENDED DECEMBER 31, 2020

THE OPPORTUNITY AGENDA, INC.
FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)
YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Opportunity Agenda, Inc.

We have audited the accompanying financial statements of The Opportunity Agenda, Inc. ("TOA"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year 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.

Auditors' 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 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 The Opportunity Agenda, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Marks Paneth LLP

New York, NY
April 22, 2021

**THE OPPORTUNITY AGENDA, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020**

ASSETS

Cash and cash equivalents (Notes 2C and 3) \$ 3,980,188

TOTAL ASSETS \$ 3,980,188

LIABILITIES

Accrued expenses \$ 14,500

TOTAL LIABILITIES 14,500

COMMITMENTS AND CONTINGENCIES (Note 4)

NET ASSETS (Note 2B)

Without donor restrictions 3,965,688

TOTAL LIABILITIES AND NET ASSETS \$ 3,980,188

**THE OPPORTUNITY AGENDA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

SUPPORT AND REVENUE	
Contributions (Notes 2D and 5)	\$ 4,000,000
Donated services (Note 2E)	4,085
Interest	<u>761</u>
TOTAL SUPPORT AND REVENUE	<u>4,004,846</u>
 EXPENSES (Note 2F)	
Program services	-
Management and general	<u>39,158</u>
TOTAL EXPENSES	<u>39,158</u>
CHANGE IN NET ASSETS	3,965,688
Net assets without donor restrictions - beginning of year	<u>-</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	<u>\$ 3,965,688</u>

THE OPPORTUNITY AGENDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Professional fees	\$ -	\$ 31,145	\$ 31,145
Insurance	-	3,823	3,823
Donated services (Note 2E)	-	4,085	4,085
Miscellaneous	-	105	105
	<u>-</u>	<u>105</u>	<u>105</u>
TOTAL EXPENSES	<u>\$ -</u>	<u>\$ 39,158</u>	<u>\$ 39,158</u>

THE OPPORTUNITY AGENDA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 3,965,688
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Accrued expenses	<u>14,500</u>
Net Cash Provided by Operating Activities	<u>3,980,188</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,980,188
Cash and cash equivalents - beginning of year	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,980,188</u>

**THE OPPORTUNITY AGENDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The Opportunity Agenda, Inc. (“TOA”), Inc. is a social justice communication lab that works to advance the impact of the social justice community. TOA uses a unique combination of communication expertise and creative engagement to help social justice leaders tell a better story, move hearts and minds, and drive lasting policy and culture change. Using research to craft compelling narratives and effective messages, TOA builds the communication capacity of social justice leaders through training and resources. TOA engages with artists, creatives, and culture makers as powerful storytellers to inspire mass audiences and activism.

TOA is a not-for-profit corporation incorporated in the state of Delaware and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. TOA was incorporated in January 2019. There were no activities for the year ended December 31, 2019.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. **Basis of Accounting** – TOA’s financial statements have been prepared on the accrual basis of accounting. TOA adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”).
- B. **Basis of Presentation** – TOA maintains their net assets under the following two classes:
- Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.
 - Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that will be met either by actions of TOA or the passage of time. TOA has no donor-restricted gifts or net assets as of December 31, 2020.
- C. **Cash and Cash Equivalents** – Cash and cash equivalents consist of all liquid cash instruments with maturities of 90 days or less, when acquired. TOA mitigates its concentration risk by limiting deposits under FDIC limits per financial institution.
- D. **Contributions** – Contributions are accounted for under Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2018-08. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.
- E. **In-Kind Contributions** – In-kind contributions are recorded at their fair value on the date of receipt. Donated services are reported as contributions when the services create or enhance nonfinancial assets, would be purchased if they had not been provided by contribution, require specialized skills and are provided by individuals possessing those skills. For the year ended December 31, 2020, TOA recorded income and expense for contributed services of \$4,085.
- F. **Functional Allocation of Expenses** – The cost of providing the various program and supporting services has been summarized on a functional basis in the statement of functional expenses. Accordingly, expenses that are not directly charged to programs and supporting services are allocated among programs and supporting services. For the year ended December 31, 2020, no expenses were allocated between functional expense categories.
- G. **Use of Estimates** – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

THE OPPORTUNITY AGENDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. **Recent Accounting Pronouncement** – FASB ASU 2018-08, “*Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*” (Topic 958) was adopted by TOA for the year ended December 31, 2020. The core guidance is to assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determining whether a contribution or grant is conditional as further described in Note 2D.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES FOR OPERATING EXPENDITURES

As of December 31, 2020, the financial assets available for general expenditures, over the next 12 months are as follows:

Cash and cash equivalents	\$ <u>3,980,188</u>
Total	\$ <u>3,980,188</u>

TOA regularly monitors liquidity 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, TOA considers all expenditures related to its ongoing activities, as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

- A. TOA believes it has no uncertain tax positions as of December 31, 2020 in accordance with ASC Topic 740, “Income Taxes,” which provides standards for establishing and classifying any tax provisions for uncertain tax positions.
- B. The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on TOA’s business and financial results will depend on future developments, including the duration and spread of the outbreak and the government’s response to it, all of which are highly uncertain. To date, the pandemic has led mainly to increased unfunded costs and some loss of revenue due to temporary census declines related to the pandemic. The management of TOA continues to monitor evolving economic and general business conditions and the actual and potential impacts on its financial position and results.

NOTE 5 – CONCENTRATION

TOA derived 100% of its revenue from one contributor for the year ended December 31, 2020.

NOTE 6 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through April 22, 2021, the date the financial statements were available to be issued.