

**THE OPPORTUNITY AGENDA, INC.**



**FINANCIAL STATEMENTS  
(Together with Independent Auditors' Report)  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
The Opportunity Agenda, Inc.  
New York, NY

### ***Opinion***

We have audited the financial statements of The Opportunity Agenda, Inc. ("TOA"), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of TOA as of December 31, 2023 and 2022, 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 generally accepted in the United States of America ("GAAS"). 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 TOA 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 the 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 TOA's ability to continue as a going concern for 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 GAAS 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.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 TOA'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 TOA'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.

*Mayer Hoffman McCann CPAs*

New York, NY  
June 27, 2024

**THE OPPORTUNITY AGENDA, INC.  
STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash and cash equivalents (Notes 2C, 3 and 9D)	\$ 5,223,288	\$ 7,817,721
Accounts receivable (Notes 2G, 3 and 9B)	18,455	-
Contributions receivable, net (Notes 2D, 2G, 3, 4 and 9C)	4,376,206	719,491
Prepaid expenses and other assets	351,730	17,819
Right-of-use lease asset - operating (Note 7)	1,919,658	2,245,939
<b>TOTAL ASSETS</b>	<b>\$ 11,889,337</b>	<b>\$ 10,800,970</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 457,089	\$ 903,785
Lease liability - operating (Note 7)	2,050,874	2,367,430
<b>TOTAL LIABILITIES</b>	<b>2,507,963</b>	<b>3,271,215</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 8)</b>		
<b>NET ASSETS (Note 2B)</b>		
Without donor restrictions	3,851,388	6,528,515
With donor restrictions (Notes 3 and 5)	5,529,986	1,001,240
<b>TOTAL NET ASSETS</b>	<b>9,381,374</b>	<b>7,529,755</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,889,337</b>	<b>\$ 10,800,970</b>

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

**THE OPPORTUNITY AGENDA, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>For the Year Ended December 31, 2023</u>			<u>For the year Ended December 31, 2022</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>						
<b>Support</b>						
Contributions (Notes 2D and 9)	\$ 737,478	\$ 7,711,369	\$ 8,448,847	\$ 871,832	\$ 1,365,000	\$ 2,236,832
Interest and Other Income	96,966	-	96,966	9,136	-	9,136
Net assets released from restrictions (Note 5)	<u>3,182,623</u>	<u>(3,182,623)</u>	<u>-</u>	<u>4,580,090</u>	<u>(4,580,090)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>4,017,067</u>	<u>4,528,746</u>	<u>8,545,813</u>	<u>5,461,058</u>	<u>(3,215,090)</u>	<u>2,245,968</u>
<b>EXPENSES (Note 2E)</b>						
Program services	5,712,751	-	5,712,751	4,356,127	-	4,356,127
Management and general	251,996	-	251,996	1,356,406	-	1,356,406
Fundraising	<u>729,447</u>	<u>-</u>	<u>729,447</u>	<u>655,955</u>	<u>-</u>	<u>655,955</u>
<b>TOTAL EXPENSES</b>	<u>6,694,194</u>	<u>-</u>	<u>6,694,194</u>	<u>6,368,488</u>	<u>-</u>	<u>6,368,488</u>
<b>CHANGE IN NET ASSETS</b>	(2,677,127)	4,528,746	1,851,619	(907,430)	(3,215,090)	(4,122,520)
Net assets - beginning of year	<u>6,528,515</u>	<u>1,001,240</u>	<u>7,529,755</u>	<u>7,435,945</u>	<u>4,216,330</u>	<u>11,652,275</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 3,851,388</u>	<u>\$ 5,529,986</u>	<u>\$ 9,381,374</u>	<u>\$ 6,528,515</u>	<u>\$ 1,001,240</u>	<u>\$ 7,529,755</u>

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

**THE OPPORTUNITY AGENDA, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>Year Ended December 31, 2023</u>				<u>Year Ended December 31, 2022</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2023 Total</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2022 Total</u>
Salaries	\$ 2,253,599	\$ 62,443	\$ 339,220	\$ 2,655,262	\$ 1,835,891	\$ 410,665	\$ 371,992	\$ 2,618,548
Fringe benefits and payroll taxes (Note 6)	603,121	16,711	90,784	710,616	397,064	88,818	80,454	566,336
Professional fees	1,815,044	157,768	199,822	2,172,634	1,397,746	686,689	47,504	2,131,939
Insurance	18,230	505	2,744	21,479	16,605	3,897	3,571	24,073
Occupancy (Note 7)	358,101	9,922	53,903	421,926	367,413	86,220	79,014	532,647
Travel and Meeting	530,324	1,688	19,926	551,938	160,039	37,556	34,417	232,012
Computer supplies and expenses	53,944	1,481	8,068	63,493	56,767	13,321	12,208	82,296
Office supplies	16,961	438	2,382	19,781	78,285	18,371	16,835	113,491
Miscellaneous	63,427	1,040	12,598	77,065	46,317	10,869	9,960	67,146
<b>TOTAL EXPENSES</b>	<b><u>\$ 5,712,751</u></b>	<b><u>\$ 251,996</u></b>	<b><u>\$ 729,447</u></b>	<b><u>\$ 6,694,194</u></b>	<b><u>\$ 4,356,127</u></b>	<b><u>\$ 1,356,406</u></b>	<b><u>\$ 655,955</u></b>	<b><u>\$ 6,368,488</u></b>

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

**THE OPPORTUNITY AGENDA, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 1,851,619	\$ (4,122,520)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Additions to leases, net	-	102,378
Non-cash adjustment on operating leases	326,281	325,017
Subtotal	2,177,900	(3,695,125)
Changes in operating assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(18,455)	403,963
Contributions receivable	(3,656,715)	1,530,509
Prepaid expenses and other assets	(333,911)	(17,819)
(Decrease) increase in liabilities:		
Accounts payable and accrued expenses	(446,696)	513,757
Lease liability	(316,556)	(305,904)
<b>Net Cash Used in Operating Activities</b>	<b>(2,594,433)</b>	<b>(1,570,619)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,594,433)</b>	<b>(1,570,619)</b>
Cash and cash equivalents - beginning of year	7,817,721	9,388,340
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 5,223,288</b>	<b>\$ 7,817,721</b>



**THE OPPORTUNITY AGENDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

The Opportunity Agenda, Inc. (“TOA”), is a social justice communication lab that works to advance the impact of the social justice in the 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.

**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.
- C. ***Cash and Cash Equivalents*** – Cash and cash equivalents consist of all liquid cash instruments with maturities of 90 days or less, when acquired.
- 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. ***Functional Allocation of Expenses*** – The cost of providing the various program and supporting services has been summarized on a functional basis in the statements of functional expenses. Costs that are shared or are administrative in nature are allocated across all program areas based on pre-determined allocations which are reviewed and revised annually. Salaries and employee related expenses are excluded from this shared cost allocation since individual employee costs are allocated based on actual work being performed.
- F. ***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.
- G. ***Allowance for Doubtful Accounts*** – TOA bases its allowance for doubtful contributions and accounts on the age of the receivables, and an evaluation of the creditworthiness of the donor. Contributions and accounts receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. TOA has determined that no allowance was necessary as of December 31, 2023 and 2022 for contributions and accounts receivable.
- H. ***Reclassifications*** – Certain line items on the 2022 financial statements were reclassified to confirm to the 2023 presentation. Such reclassifications did not have an impact on the change in net assets.

**THE OPPORTUNITY AGENDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES FOR OPERATING EXPENDITURES**

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

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 5,223,288	\$ 7,817,721
Accounts receivable	18,455	-
Contributions receivable, net	<u>4,376,206</u>	<u>719,491</u>
Less: Net assets with donor restrictions	<u>(5,529,986)</u>	<u>(1,001,240)</u>
Total	<u>\$ 4,087,963</u>	<u>\$ 7,535,972</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. Net assets with donor restriction includes contributions receivable due in one to five years.

**NOTE 4 – CONTRIBUTIONS RECEIVABLE, NET**

Contributions receivable, net consist of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Collectible in:		
Less than one year	\$ 2,891,527	\$ 500,000
One to five years	<u>1,553,125</u>	<u>225,000</u>
	4,444,652	725,000
Less: Discount on pledges (2.15% - 4.68%)	<u>(68,446)</u>	<u>(5,509)</u>
	<u>\$ 4,376,206</u>	<u>\$ 719,491</u>

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the purposes listed below as of December 31:

	<u>2023</u>	<u>2022</u>
Democracy	\$ 13,979	\$ 40,179
Economic Opportunity	-	236,061
Immigration	1,149,622	-
Health Equity	3,301,385	-
Time Restricted	<u>1,065,000</u>	<u>725,000</u>
Total net assets with donor restrictions	<u>\$ 5,529,986</u>	<u>\$ 1,001,240</u>

Net assets with donor restrictions as of December 31, 2023 and 2022 were \$5,529,986 and \$1,001,240, respectively. Net assets of \$3,182,623 and \$4,580,090 were released from restrictions during the years ended December 31, 2023 and 2022, respectively, by incurring expenses or the passage of time, thus satisfying the restricted purposes.

**NOTE 6 – PENSION PLAN**

TOA has a 401(k) defined contribution pension plan for all employees. TOA matches contributions based on the amount of the employee's pre-tax or Roth contributions of eligible employees to the plan on the first day of employment. The total expense under the plan for the years ended December 31, 2023 and 2022 amounted to \$64,467 and \$63,347, respectively.

**THE OPPORTUNITY AGENDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 7 – OPERATING LEASE**

TOA has a lease agreement for the rental of its New York office. TOA assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed.

As of December 31, 2023 and 2022, the right-of-use (“ROU”) asset had a balance of \$1,919,658 and \$2,245,939, respectively, and the operating lease liability amounted to \$2,050,874 and \$2,367,430, respectively. The ROU asset and liability were calculated utilizing the risk free rate of 1.55%, according to TOA’s elected policy. As of December 31, 2023 and 2022 The weighted average of the remaining lease term for the lease is 5.5 years and 6.5, respectively. As of both December 31, 2023 and 2022, the weighted average discount rate amount to 1.55% for the operating leases. The following summarizes the line items in the statement of functional expenses which include the components of lease expense for the years ended December 31:

	2023	2022
Total operating lease costs included in occupancy	<u>\$ 360,498</u>	<u>\$ 360,498</u>

The following summarizes cash flow information related to leases for the years ended December 31:

Cash paid for amounts included in the measurement of lease liabilities:

	2023	2022
Operating cash flows from operating leases	<u>\$ 9,724</u>	<u>\$ 19,113</u>

Future minimum payment for non-cancelable leases for the next five years ending after December 31, 2023 are as follows:

2024	\$	360,420
2025		370,331
2026		380,515
2027		390,980
2028		401,732
Thereafter		240,017
Total lease payments		2,143,995
Less: Present value discount		(93,121)
Present value of lease liabilities	<u>\$</u>	<u>2,050,874</u>

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

A. TOA believes it has no uncertain tax positions as of December 31, 2023 and 2022 in accordance with FASB Accounting Standards Codification (“ASC”) Topic 740, “Income Taxes,” which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

**NOTE 9 – CONCENTRATIONS**

- A. TOA received 43% and 30%, respectively, of its contributions revenue from one contributor for the years ended December 31, 2023 and 2022.
- B. TOA derived 98% of its accounts receivable from one organization as of December 31, 2023.
- C. TOA derived 56% and 66%, respectively, of its contributions receivable from one contributor as of December 31, 2023 and 2022.

**THE OPPORTUNITY AGENDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 9 – CONCENTRATIONS (Continued)**

- D. Cash accounts that potentially subject TOA to a concentration of credit risk include cash accounts with a bank that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. Cash accounts are insured up to \$250,000 per depositor, per insured financial institution. As of December 31, 2023 and 2022, there was approximately \$5,472,000 and \$7,568,000, respectively, of cash and cash equivalents held by a bank that exceeded FDIC limits.

**NOTE 10 – SUBSEQUENT EVENTS**

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through June 27, 2024, the date the financial statements were available to be issued.