

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021



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**TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7



INDEPENDENT AUDITORS' REPORT

Board of Directors
Tragedy Assistance Program for Survivors, Inc.
Arlington, Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tragedy Assistance Program for Survivors, Inc. (TAPS), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 Tragedy Assistance Program for Survivors, Inc., as of December 31, 2021, 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.

Emphasis-of-Matter Regarding – Restatement of Prior Period Net Assets

As described in Note 14 to the financial statements, Tragedy Assistance Program for Survivors, Inc. restated net assets of January 1, 2021, to properly reflect net assets with and without donor restrictions. Our opinion is not modified with respect to that matter.

Basis for Opinion

We conducted our audit 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 Tragedy Assistance Program for Survivors, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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; 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.

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 Tragedy Assistance Program for Survivors, Inc.'s ability to continue as a going concern for one year after the date 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.

In performing an audit in accordance with GAAS, 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 Tragedy Assistance Program for Survivors, Inc.'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 Tragedy Assistance Program for Survivors, Inc.'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.



CliftonLarsonAllen LLP

Arlington, Virginia
December 22, 2022

**TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 6,825,316
Pledges Receivable	242,553
Prepaid Expenses	81,500
Inventory	88,682
Total Current Assets	7,238,051

INVESTMENTS

259,741

PROPERTY AND EQUIPMENT, NET

1,116,847

COLLECTIONS

79,800

OTHER ASSETS

19,870

Total Assets

\$ 8,714,309

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 505,399
Accrued Leave and Salaries	263,658
Deferred Revenue	12,500
Deferred Rent	293,065
Total Current Liabilities	1,074,622

NONCURRENT LIABILITIES

Paycheck Protection Program Loan	1,091,100
Deferred Rent	1,929,259
Total Noncurrent Liabilities	3,020,359

Total Liabilities

4,094,981

NET ASSETS (DEFICIT)

Without Donor Restrictions	831,743
With Donor Restrictions	3,787,585
Total Net Assets	4,619,328

Total Liabilities and Net Assets

\$ 8,714,309

See accompanying Notes to Financial Statements.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions, Sponsorships, and Grants	\$ 8,990,242	\$ 5,392,796	\$ 14,383,038
Seminar Registrations	35,928	-	35,928
Investment Income	102,684	-	102,684
Other Income	270,567	-	270,567
Net Assets Released from Restrictions	<u>4,761,963</u>	<u>(4,761,963)</u>	<u>-</u>
Total Support and Revenue	14,161,384	630,833	14,792,217
EXPENSES			
Program Services:			
Survivor Programs	5,473,375	-	5,473,375
Survivor Care	2,623,386	-	2,623,386
Survivor Seminars	<u>3,022,387</u>	<u>-</u>	<u>3,022,387</u>
Total Program Services:	11,119,148	-	11,119,148
Supporting Services:			
Management and General	1,395,044	-	1,395,044
Fundraising	<u>1,178,288</u>	<u>-</u>	<u>1,178,288</u>
Total Supporting Services	<u>2,573,332</u>	<u>-</u>	<u>2,573,332</u>
Total Expenses	<u>13,692,480</u>	<u>-</u>	<u>13,692,480</u>
CHANGE IN NET ASSETS BEFORE OTHER CHANGES	468,904	630,833	1,099,737
OTHER CHANGES			
Gain on Forgiveness of Paycheck Protection Program Loan	<u>1,091,100</u>	<u>-</u>	<u>1,091,100</u>
CHANGE IN NET ASSETS	1,560,004	630,833	2,190,837
NET ASSETS - BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	(3,697,355)	6,125,846	2,428,491
Restatement of Prior Period Net Assets	<u>2,969,094</u>	<u>(2,969,094)</u>	<u>-</u>
NET ASSETS - END OF YEAR	<u>\$ 831,743</u>	<u>\$ 3,787,585</u>	<u>\$ 4,619,328</u>

See accompanying Notes to Financial Statements.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Services			Total Program Services	Supporting Services		Total Supporting Services	Total
	Survivor Programs	Survivor Care	Survivor Seminars		Management and General	Fundraising		
Salaries	\$ 2,352,095	\$ 1,544,130	\$ 353,368	\$ 4,249,593	\$ 398,551	\$ 152,596	\$ 551,147	\$ 4,800,740
Professional Services	870,469	349,783	661,061	1,881,313	233,486	780,783	1,014,269	2,895,582
Travel, Conferences, Conventions, and Meetings	819,861	246,143	1,585,893	2,651,897	32,634	59,878	92,512	2,744,409
Occupancy	594,104	50,000	125,768	769,872	79,938	78,589	158,527	928,399
Advertising	-	-	-	-	431,020	-	431,020	431,020
Supplies and Other Office Expenses	157,958	110,985	22,668	291,611	38,900	74,420	113,320	404,931
Payroll Taxes	174,780	111,074	24,523	310,377	26,731	11,306	38,037	348,414
Grants	268,582	59,771	-	328,353	-	-	-	328,353
Benefits	64,068	110,016	9,894	183,978	44,799	-	44,799	228,777
Printing, Design, and Production	153,008	23,594	29,095	205,697	31,138	14,447	45,585	251,282
Depreciation	-	-	168,749	168,749	29,779	-	29,779	198,528
Information Technology	16,291	8,210	63	24,564	22,966	349	23,315	47,879
Insurance	-	-	29,826	29,826	5,263	-	5,263	35,089
Merchandise Expense	-	-	-	-	-	4,771	4,771	4,771
All Other Expenses	2,159	9,680	11,479	23,318	19,839	1,149	20,988	44,306
Total Expenses	<u>\$ 5,473,375</u>	<u>\$ 2,623,386</u>	<u>\$ 3,022,387</u>	<u>\$ 11,119,148</u>	<u>\$ 1,395,044</u>	<u>\$ 1,178,288</u>	<u>\$ 2,573,332</u>	<u>\$ 13,692,480</u>

See accompanying Notes to Financial Statements.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 2,190,837
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	198,528
Unrealized Gain on Investments	(94,903)
Gain on Forgiveness of Paycheck Protection Program Loan	(1,091,100)
Changes in Assets and Liabilities:	
Pledges Receivable, Net	1,568,447
Prepaid Expenses	108,035
Inventory	(88,682)
Accounts Payable and Accrued Expenses	376,986
Accrued Leave and Salaries	(85,069)
Deferred Revenue	12,500
Deferred Rent	(263,706)
Net Cash Provided by Operating Activities	<u>2,831,873</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Sales of Investments	29,487
Purchase of Investments	(29,486)
Purchases of Property and Equipment	(26,621)
Net Cash Used by Investing Activities	<u>(26,620)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Paycheck Protection Program Loan	<u>1,091,100</u>
Net Cash Provided by Financing Activities	<u>1,091,100</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,896,353
Cash and Cash Equivalents - Beginning of Year	<u>2,928,963</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 6,825,316</u></u>

See accompanying Notes to Financial Statements.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Tragedy Assistance Program for Survivors, Inc. (TAPS) was incorporated in Alaska on October 17, 1994. It provides a national military survivor peer support network by offering grief counseling referrals, caseworker assistance, and crisis information to help families and military personnel cope and recover.

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 certain 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 year. Actual results could differ from those estimates.

Income Tax Status

TAPS is exempt from the payment of federal income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as other than a private foundation.

TAPS adopted the income tax standard for uncertain tax positions. TAPS evaluated its income tax positions and determined that they are more-likely-than-not to be sustained on examination. TAPS' tax returns are subject to review and examination by federal, state, and local authorities.

Cash and Cash Equivalents

For financial statement purposes, TAPS considers all highly liquid instruments without donor restrictions with an initial maturity of three months or less to be cash equivalents.

Pledges Receivable

Unconditional pledges receivable are recorded at fair value at the date the promise to give is received. Amounts that are expected to be collected within one year are recorded at their net realizable value. Amounts that are expected to be collected in future years are recorded at the present value of their net realizable value. 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 discount is included in contribution revenue.

Balances are reviewed individually for collectability. As of December 31, 2021, management estimates that all outstanding pledges receivable are fully collectible.

Investments

Investments in marketable securities with readily determinable fair values are stated at fair value in the accompanying statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. TAPS reports investment income and gains and losses on investments as increases or decreases in net assets without donor restrictions unless a donor temporarily or permanently restricts their use.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

TAPS financial instruments are cash and cash equivalents, investments, pledges receivable, long-term pledges receivable, accounts payable and accrued expenses and other liabilities. The recorded values of cash and cash equivalents, pledges receivable, and accounts payable and accrued expenses and other liabilities approximate their fair values based on their short-term nature. Fair value of long-term pledges receivable are based on the net realizable present value. Fair values of investments are based on quoted market prices as of the end of the reporting period.

Fair Value Measurements

TAPS accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. TAPS values its financial instruments based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair Value Hierarchy

TAPS has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the statement of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that TAPS has the ability to access. These include investments that are recorded at fair value on a recurring basis and fair value measurement is based upon quoted prices, if available. Securities valued using Level 1 inputs include those traded on active exchanges (such as the New York Stock Exchange).

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include, among others, quoted prices for similar assets or liabilities in an active market or nonactive market.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory consists of branded merchandise to be sold to the external parties at various events and through the website. It is stated at the lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

Acquisitions of property and equipment greater than \$1,000 are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the related assets range from 5 to 10 years. Leasehold improvements are recorded at cost and depreciated over the shorter of the asset's useful life or the term of the lease period.

Collections

TAPS acquired a statue through donation during the year ended December 31, 2015, which is included in property and equipment. The statue is held for public exhibition, and is protected and preserved. The value as of December 31, 2021, is based on fair market value from a third-party appraisal made soon after the donation date. As the estimated useful life of the statue is extremely long, the asset is not depreciated.

Deferred Revenue

Deferred revenue consists of the exchange portion of Gala sponsorships and registrations paid prior to December 31, 2021, for the 2022 Gala. When the event occurs, these payments will be recognized as revenue. Deferred revenue as of December 31, 2021 was \$12,500.

Net Assets

Net assets are classified into the following categories based on the existence or absence of donor-imposed restrictions:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – 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.

Revenue Recognition

Contributions, Sponsorships, and Grants

TAPS records contributions, sponsorships, and grants as without donor restrictions or with donor restrictions depending on the existence of any donor restrictions. Recognition of a pledge occurs on the date the pledge is made or committed. All other income is recognized when earned at the point of occurrence of an event or incurring qualified grant expenditures.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Contributions, Sponsorships, and Grants (Continued)

The annual Gala revenues span multiple years as it takes place each February and TAPS receives payments beginning multiple months prior to the event date. All amounts received prior to December 31, 2021, for the 2021 Gala are divided between the exchange portion (that is, the estimated cost of benefits provided to donors who attend) and the contribution portion. The portion of payment that is an exchange transaction is deferred upon receipt and recognized as revenue after the event takes place. The nonexchange portion of the payment is considered unconditional and with donor restrictions for time by TAPS, and is released into net assets without donor restrictions in the year in which the event takes place.

Noncash donations are recorded as contributions at their fair values at the date of donation.

Seminar Registrations

Seminar registrations revenue is recognized when the events are held. The organization records deferred revenue for any amounts for which services have not been provided.

Other Income

Other income primarily consists of merchandise sale income. Revenue is recognized at the point of sale.

Allocation of Functional Expenses

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, TAPS allocates personnel and overhead costs to each of its program and supporting services based upon the actual staff time incurred for each program and supporting service.

Measure of Operations

TAPS considers gain on forgiveness of paycheck protection program loan to be a nonoperating activity reported as other change in the statement of activities.

Liquidity

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the cash and cash equivalents of \$6,825,316, pledges receivable within one year from the date of the financial statements of \$242,553, and investments of \$259,741. TAPS manages its liquid resources available to meet cash needs for general expenditures within one year of the statement of financial position date by investing in liquid investments.

TAPS also has net assets with donor restrictions of \$3,787,585, a large portion of which will be released from restriction within one year from the date of the financial statements and used for delivering programs-related services.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Standards Note Yet Adopted

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2016-02, *Leases (Topic 842)*. The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and related liabilities on the statements of financial position and disclosing key information about leasing arrangements. ASU 2016-02, as amended, will be effective for TAPS on January 1, 2022. Management is currently evaluating the impact of ASU 2016-02 on the TAPS' financial statements.

In September of 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires new disclosures and presentation for contributed nonfinancial assets, or more commonly known as gifts-in-kind. The guidance is effective for annual period beginning after June 15, 2021. TAPS is in the process of assessing the impact on this standard on the financial statements beginning in fiscal year 2022.

Subsequent Events

In preparing these financial statements, TAPS has evaluated events and transactions for potential recognition or disclosure through December 22, 2022, the date the financial statements were available to be issued.

NOTE 2 CONCENTRATIONS OF RISKS

Credit Risk

Financial instruments which subject TAPS to a concentration of credit risk consist of demand deposits placed with financial institutions. At times during the year, TAPS had funds on deposit with local financial institutions in excess of the Federal Deposit Insurance Corporation limits. TAPS has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash balances.

Market Value Risk

TAPS also invests in a variety of investments. These investments are exposed to various risks, such as fluctuations in market value and credit risk. It is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

NOTE 3 PLEDGES RECEIVABLE

Promises to give at December 31, 2021, represent unconditional amounts pledged. Pledges expected to be collected in more than one year are reflected at fair value. The fair value is estimated by calculating the present value of estimated future cash flows. There were no long-term pledges received in 2021.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 4 INVESTMENTS

Investments consist of the following as of December 31, 2021:

	<u>Fair Value</u>
ETF - Equity	\$ 20,821
Stocks	182,934
USAA Mutual Funds:	
Equity Mutual Funds	33,656
Fixed Income Mutual Funds	22,330
Total Investments	<u>\$ 259,741</u>

NOTE 5 FAIR VALUE HIERARCHY

The following table presents TAPS' fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
ETF - Equity	\$ 20,821	\$ -	\$ -	\$ 20,821
Stocks	182,934	-	-	182,934
USAA Mutual Funds:				
Equity Mutual Funds	33,656	-	-	33,656
Fixed Income Mutual Funds	22,330	-	-	22,330
Total	<u>\$ 259,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,741</u>

NOTE 6 PROPERTY AND EQUIPMENT

A summary of property and equipment as of December 31, 2021, is as follows:

	<u>2021</u>
Furniture and Equipment	\$ 511,679
Leasehold Improvement	1,518,600
Database	60,462
Website	190,093
Accumulated Depreciation and Amortization	(1,163,987)
Total	<u>\$ 1,116,847</u>

Depreciation expense totaled \$198,528 for the year ended December 31, 2021.

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7 CONTRACT ASSETS AND CONTRACT LIABILITIES

The beginning and ending contract liability balances as of December 31 were as follows:

	2021
Deferred Revenue	<u>\$ 12,500</u>

There were no contract assets as of January 1, 2021 or December 31, 2021.

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2021:

Net Assets With Donor Restrictions - Purpose

Restrictions:

Helpline/Suicide Post and Prevention	\$ 1,323,278
Education Support	35,379
Casework	988,928
Collateral Materials	120,000
Outdoor Programs	65,000
Young Adults Program	750,000
NMSS & NMSS GGC	<u>505,000</u>
Total	<u><u>\$ 3,787,585</u></u>

Net assets released from donor restriction consist of the following at December 31, 2021:

Helpline/Suicide Post and Prevention	\$ 1,521,876
Education Support	444,620
Casework	841,033
Youth Programs	446,000
Survivor Care	304,924
Regional Seminars	343,734
NMSS & NMSS GGC	544,776
TAPS International	15,000
Women's Empowerment	50,000
NFL Events	<u>250,000</u>
Total	<u><u>\$ 4,761,963</u></u>

**TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 IN-KIND CONTRIBUTIONS AND DONATED SERVICES

TAPS received in-kind tickets from various donors valued at approximately \$307,877 for survivors to attend sporting events. TAPS also received pro bono legal services valued at \$60,366 and advertisement valued at \$430,000. Other in-kind contributions primarily include catering, facilities and a/v services valued at \$361,485. These amounts have been recorded as contributions and program service expense in the accompanying statement of activities.

TAPS receives donated services from a variety of unpaid volunteers assisting in TAPS programs. Total hours approximated 35,089 for the year ended December 31, 2021. No amounts have been recognized in the accompanying statement of activities because the criteria for the recognition of such volunteer efforts under the respective accounting standards have not been satisfied.

NOTE 10 COMMITMENTS

Severance Liability

Subsequent to December 31, 2021, TAPS has entered into an updated employment agreement with the President through June 30, 2025, with the potential to extend. The current agreement and subsequent agreement contain a clause whereby TAPS is liable for severance pay in the event of termination other than for cause. At December 31, 2021, the maximum potential amount of severance is approximately \$161,000.

Office Lease

In June 2017, TAPS entered into a 10-year lease with Clarendon Square Associates LP for move-in January 1, 2018. Rental payments are due monthly and escalate at a rate of 2.50% annually. Total lease payments are recognized on a straight-line basis over the life of the lease. The lease offers a tenant improvement allowance of up to \$1,518,600 and 18 months' rent abatement. Related deferred rent totaled \$2,222,324 at December 31, 2021.

Total rent expense for the year ended December 31, 2021, totaled \$904,098.

Future minimum annual lease payments required under the operating lease are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	\$ 1,197,163
2023	1,227,028
2024	1,257,654
2025	1,289,291
2026	1,321,435
Thereafter	1,354,338
Total	<u>\$ 7,646,909</u>

TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 10 COMMITMENTS (CONTINUED)

Hotel Contracts

TAPS has entered into several contracts for hotel rooms for future meetings and conferences through 2023. In the event of cancellation, TAPS is required to pay various costs stipulated by the contracts, the amounts of which are dependent on the dates of cancellation.

NOTE 11 BENEFIT PLANS

TAPS has established a 401(k) Plan. Employees over 21 years of age, working at least 30 hours per week are eligible for participation after 90 days of employment. Under the Plan, employees may contribute up to 92% of their eligible compensation, subject to statutory limitations. There is a discretionary profit sharing employer contribution allowed by TAPS to be determined each year. For the year ended December 31, 2021, TAPS did not contribute to the Plan.

NOTE 12 PAYCHECK PROTECTION PROGRAM LOAN

On April 20, 2020, TAPS received a loan from a financial institution in the amount of \$1,091,100 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if TAPS fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date.

On May 28, 2021, the amount of this loan was forgiven by the SBA in full.

On January 25, 2021, TAPS received an additional loan from a financial institution in the amount of \$1,091,100 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program.

On March 9, 2022, the amount of this loan was forgiven by the SBA in full.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on TAPS' financial position.

**TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 13 RELATED PARTY TRANSACTIONS

Contributions to TAPS by members of the board of directors of TAPS totaled \$245,552.

NOTE 14 PRIOR PERIOD ADJUSTMENTS

TAPS January 1, 2021, net assets with and without donor restriction have been restated to correct an error in the reporting of release from restrictions as follows:

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
As Originally Reported	\$ (3,697,355)	\$ 6,125,846	\$ 2,428,491
Prior Period Adjustments	2,969,094	(2,969,094)	-
As Restated	<u>\$ (728,261)</u>	<u>\$ 3,156,752</u>	<u>\$ 2,428,491</u>

The balance of net assets with and without donor restrictions at the beginning of the year has been restated to reflect a correction of errors in recording of release from restrictions prior to January 1, 2021. As a result of these changes to classification net assets with donor restrictions was reduced by \$2,969,094 and net assets without donor restriction increased by \$2,969,094.

The reclassification had no effect on the change of net assets in the current period.