RAISEUP FAMILIES

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITORS' REPORT

JUNE 30, 2022 AND 2021

RAISEUP FAMILIES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
RaiseUp Families
Houston, Texas

Opinion

We have audited the accompanying financial statements of RaiseUp Families, (a Texas nonprofit organization), which comprise the statements of assets, liabilities and net assets - modified cash basis as of June 30, 2022 and 2021, and the related statements of support, revenue, expenses and other changes in net assets - modified cash basis and cash flows - modified cash basis 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 assets, liabilities, and net assets of RaiseUp Families as of June 30, 2022 and 2021, and its support, revenue, expenses and other changes in net assets and cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RaiseUp Families 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.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting as described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 RaiseUp Families' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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 auditor's 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.

(continued)

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 RaiseUp Families' 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 RaiseUp Families' 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.

Pittsford Samuels, PLLC

October 10, 2022
Houston, Texas

RAISEUP FAMILIES

STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS

JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 511,660	$ 678,160
Investments	212,522	153,170
Inventory	4,755	-
Prepaid expenses and other current assets	26,025	11,306
Total current assets	754,962	842,636
Property and equipment, net	14,510	1,401
Other assets - deposit	5,668	-
Total Assets	$ 775,140	$ 844,037
LIABILITIES		
Current liabilities		
Accounts payable	$ 11,151	$ 2,337
Other accrued liabilities	-	50,168
Accrued interest payable	343	3,829
Current portion of notes payable	3,623	380
Total current liabilities	15,117	56,714
Deferred rent	10,320	-
Notes payable, net of current portion	145,997	192,320
Total Liabilities	171,434	249,034
NET ASSETS		
With donor restrictions	24,085	29,036
Without donor restrictions	579,621	565,967
Total Net Assets	603,706	595,003
Total Liabilities and Net Assets	$ 775,140	$ 844,037

See notes to financial statements.

RAISEUP FAMILIES

STATEMENT OF SUPPORT, REVENUE, EXPENSES AND OTHER CHANGES IN NET ASSETS - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants	$ 834,772	$ -	$ 834,772
In-kind contributions	400	-	400
Special event revenue	5,135	-	5,135
Investment income (loss)	(36,761)	-	(36,761)
Net assets released from restrictions			
Restrictions satisfied by use	4,951	(4,951)	-
Total support and revenue	808,497	(4,951)	803,546
EXPENSES			
Program services	563,883	-	563,883
Management and general	90,127	-	90,127
Fundraising	140,833	-	140,833
Total expenses	794,843	-	794,843
INCREASE (DECREASE) IN NET ASSETS	13,654	(4,951)	8,703
NET ASSETS			
BEGINNING OF YEAR	565,967	29,036	595,003
END OF YEAR	$ 579,621	$ 24,085	$ 603,706

See notes to financial statements.

RAISEUP FAMILIES

STATEMENT OF SUPPORT, REVENUE, EXPENSES AND OTHER CHANGES IN NET ASSETS - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants	$ 874,835	$ 34,500	$ 909,335
In-kind contributions	122	-	122
Investment income	6,895	-	6,895
Net assets released from restrictions			
Restrictions satisfied by use	34,182	(34,182)	-
Total support and revenue	916,034	318	916,352
EXPENSES			
Program services	463,429	-	463,429
Management and general	58,766	-	58,766
Fundraising	149,617	-	149,617
Total expenses	671,812	-	671,812
INCREASE IN NET ASSETS	244,222	318	244,540
NET ASSETS			
BEGINNING OF YEAR	321,745	28,718	350,463
END OF YEAR	$ 565,967	$ 29,036	$ 595,003

See notes to financial statements.

RAISEUP FAMILIES

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 8,703	$ 244,540
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Forgiveness of PPP loan	(42,700)	(60,100)
Contributed stocks	-	(122)
Depreciation	1,332	796
Realized gain on sale of investments	-	(873)
Unrealized (gain) loss on investments	40,923	(5,091)
Increase in prepaid expenses and other current assets	(14,719)	(3,488)
Increase in inventory	(4,755)	-
Increase in other assets	(5,668)	-
Increase (decrease) in accounts payable and accrued expenses	(41,354)	48,762
Change in deferred rent	10,320	-
Increase (decrease) in accrued interest payable	(3,486)	3,278
Total Adjustments	(60,107)	(16,838)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(51,404)	227,702
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(100,275)	(148,079)
Proceeds from sale of investments	-	995
Purchase of property and equipment	(14,441)	-
NET CASH USED BY INVESTING ACTIVITIES	(114,716)	(147,084)
CASH FLOWS FROM FINANCING ACTIVITIES		
New borrowings	-	42,700
Payment of borrowings	(380)	-
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(380)	42,700
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(166,500)	123,318
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	678,160	554,842
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 511,660	$ 678,160
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 7,314	$ 641

See notes to financial statements.

RAISEUP FAMILIES

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

RaiseUp Families (the Organization), was incorporated in the State of Texas in 1994 as a nonprofit organization under the name Westside Homeless Partnership, Inc. Effective August 21, 2018, the Organization changed its name to RaiseUp Families. The mission of the Organization is to strengthen families by providing uninterrupted education in a child's learning. RaiseUp Families provides tools, guidance, and resources to empower families to overcome obstacles and discover their potential for a future that might not otherwise be possible. The Organization's programs are primarily focused on families with children within school districts in the greater Houston area. The Organization is supported primarily through donations by churches, businesses, individuals and private foundations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The financial statements of the Organization are prepared on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). This basis of presentation differs from GAAP in that certain revenues and the related assets are recognized when received rather than earned. Specifically, the Organization does not recognize accounts receivable from unconditional pledges from donors or the related revenue until received. Management has determined that the modified cash basis of accounting as described above is an acceptable basis for the presentation of the financial statements in the circumstances.

Basis of Presentation - The Organization follows the authoritative guidance in Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,* which requires the presentation of two classes of net assets (with donor restrictions and without donor restrictions) and requires disclosure of expenses by both function and nature.

Support - Contributions received are recorded as increases in net assets without donor restrictions unless the use of the contributed asset is specifically restricted by the donor.

Revenue Recognition - The Organization uses the modified cash basis of accounting as described above. Under this method, revenue is recognized when cash funds are received.

Contributed services - The Organization receives support in the form of services from donors in connection with its fundraising activities. No amounts have been reflected in the financial statement for donated services.

Cash and cash equivalents - For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported for cash and cash equivalents in the accompanying statement of assets, liabilities and net assets as of June 30, 2022 and 2021 approximates fair value.

Investments - Investments are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by the passage of time or by use) in the reporting period in which the income and gains are recognized.

Inventory - Inventory is stated at cost.

Property and equipment - Property and equipment is stated at cost or donated value. The Organization capitalizes property and equipment over $500. Lesser amounts are expensed. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, ranging from 60 to 63 months. Expenditures for repairs and maintenance are charged to expense as incurred.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements - The fair value measurements accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The 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. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available. At June 30, 2022 and 2021, all of the Organization's investments are classified as Level 1.

Long-Lived Assets - The Organization's long-lived assets are evaluated for impairment in accordance with authoritative guidance which requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset many not be recoverable based on expected undiscounted cash flows attributable to that asset. This review requires significant judgments both in assessing events and circumstances as well as estimating future cash flows. Should events indicate that any of the assets are impaired, the amount of such impairment will be measured as the difference between the carrying value and the fair value of the impaired asset and the impairment will be recorded in earnings during the period of such impairment. No impairment was noted during the year ended June 30, 2022 and 2021.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated. The most significant estimates are for the fair market value of investments, depreciation and for the functional allocation of expenses.

Federal Income Taxes - The Organization is a nonprofit, tax-exempt, charitable organization, under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as a publicly supported organization. Therefore, no provision for federal income tax has been included in the financial statements.

Expense Allocation - The financial statements report expenses that are attributable to more than one functional classification of expenses (program services, management and general and fundraising). Therefore, these expenses required allocation on a reasonable basis that is consistently applied. Salaries, payroll taxes, employee benefits and professional fees are allocated by function based on estimates of time and effort. Other expenses that are allocated include lease expense, insurance, office and postage, other miscellaneous, printing and copying, technology and IT and telephone and Internet. These expenses are allocated based on management estimates of usage.

Reclassification - Certain prior year amounts have been reclassified to conform to the current year presentation.

Date of Management Review - The Organization's management has evaluated subsequent events through the date the financial statements were available to be issued, which was October 10, 2022.

RAISEUP FAMILIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of the following at June 30:

	2022	2021
Cash in banks	$ 509,043	677,503
Cash in brokerage accounts	2,317	357
Cash on hand	300	300
	$ 511,660	$ 678,160

The Organization maintains cash balances at banks which may, at times, exceed the Federally insured limits. The Organization has not experienced any losses from maintaining cash accounts in excess of this limit. At June 30, 2022 and 2021, the Organization's cash balances exceeded the insured limit by approximately $205,000 and $277,000, respectively.

NOTE 4 - INVESTMENTS

The Organization carries its marketable investments at fair value. These investments consists of equity funds and fixed income funds. A detail of investments at June 30 follows:

	2022	2021
Equity Funds		
Small Cap Equity Funds	$ 9,484	$ 7,340
Mid Cap Equity Funds	11,990	9,137
Large Cap Equity Funds	41,034	25,517
Index Equity Funds	17,831	12,906
Total Equity Funds	80,339	54,900
Fixed Income		
iShares Iboxx Investment grade bond	111,130	83,303
iShares Iboxx Hi Yield ETF	21,053	14,967
Total Fixed Income:	132,183	98,270
Total investments	$ 212,522	$ 153,170
Total investments at cost	$ 248,354	$ 148,079

Investment return as of June 30 consists of the following:

	2022	2021
Interest and dividends	$ 4,162	$ 931
Realized gains	-	873
Unrealized gains (losses)	(40,923)	5,091
	$ (36,761)	$ 6,895

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

	2022	2021
Leasehold improvements	$ 8,170	$ -
Furniture and equipment	8,109	6,117
Computers and printers	2,603	1,459
	18,882	7,576
Less accumulated depreciation and amortization	(4,372)	(6,175)
	$ 14,510	$ 1,401

Depreciation expense amounted to $1,332 and $796 for the years ended June 30, 2022 and 2021, respectively.

NOTE 6 - NOTES PAYABLE

Notes payable at June 30 consists of the following:

	2022	2021
Paycheck Protection Program Note	$ -	$ 42,700
Economic Injury Disaster Loan	149,620	150,000
Total notes payable	$ 149,620	$ 192,700

Paycheck Protection Program Loan (PPP Note)

On January 1, 2021, the Organization executed a note (the PPP Note) for the benefit of Frost Bank (the "Lender") in the aggregate amount of $42,700 under the Paycheck Protection Program ("PPP") of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The PPP note was forgiven on August 13, 2021 and is included in contributions and grants in the statement of support, revenues, expenses and other changes in net assets - modified cash basis for the year ended June 30, 2022.

Economic Injury Disaster Loan

On May 23, 2020, the Organization executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the Organization's business. Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), the principal amount of the EIDL Loan is up to $150,000, which proceeds are to be used for working capital purposes. As of June 30, 2020, the Organization had obtained the full $150,000 disbursement under the EIDL Loan. Interest accrues at the rate of 2.75% per annum. Installment payments, including principal and interest, are due monthly beginning May 23, 2021 (twelve months from the date of the SBA Loan Agreement) in the amount of $641. The balance of principal and interest is payable thirty years from the date of the SBA Loan Agreement.

In connection with the EIDL Loan, the Organization entered into a security agreement with the SBA whereby the Organization granted the SBA a security interest in all of the Organization's right, title and interest in all of the Organization's assets.

RAISEUP FAMILIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 - NOTES PAYABLE (CONTINUED)

Future maturities of the EIDL Loan are as follows:

Fiscal year ended June 30:

	Principal	Interest	Total
2023	$ 3,623	$ 4,069	$ 7,692
2024	3,724	3,968	7,692
2025	3,828	3,864	7,692
2026	3,934	3,758	7,692
2027	4,044	3,648	7,692
2028-2032	21,972	16,488	38,460
2033-2037	25,206	13,254	38,460
2038-2042	28,917	9,543	38,460
2043-2047	33,174	5,286	38,460
2048-2050	21,198	871	22,069
	$ 149,620	$ 64,749	$ 214,369

NOTE 7 - NET ASSETS

Net assets with donor restrictions are available for the following purposes at June 30:

	2022	2021
Bub/Woodard Memorial Fund	$ 15,955	$ 16,730
Summer Program	-	1,501
Wilchester Men's Club	2,977	3,177
Dollar a Day Savings Plan	-	100
Transportation	1,970	3,677
Back to School	1,671	2,339
College Scholarship	1,512	1,512
	$ 24,085	$ 29,036

Net assets with donor restrictions are released from the related restriction by making specific expenditures. Net assets without donor restrictions amounted to $579,621 and $565,967 at June 30, 2022 and 2021, respectively.

NOTE 8 - SUPPORT

A summary of contributions and grants recognized during the year ended June 30 follows:

	2022	2021
Individuals	$ 249,937	$ 241,295
Foundations	203,315	362,833
Churches	107,505	114,775
Businesses	221,315	130,332
Government grants (PPP/EIDL/SBA)	52,700	60,100
	$ 834,772	$ 909,335

NOTE 9 - LEASES

The Organization has various leases for office space and equipment that are classified as operating leases. Future minimum lease payments under the noncancelable operating leases with initial or remaining terms of one year or more as of June 30, 2022 are as follows:

2023	$ 58,703
2024	65,529
2025	65,245
2026	66,952
2027	68,260
	$ 324,689

Rent expense for the years ended June 30, 2022 and 2021 amounted to $28,836 and $27,380, respectively.

Deferred rent in the statement of assets, liabilities and net assets - modified cash basis, results from the difference between cash rent and rent expense as recognized on a straight line basis. Deferred rent is being amortized over the term of the office lease.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which is a comprehensive new lease standard that amends various aspects of existing accounting guidance for leases. It will require recognizing lease assets and lease liabilities on the statement of assets, liabilities and net assets - modified cash basis and disclosing key information about leasing arrangements. ASU 2019-02 will be effective for the Organization for fiscal year 2023. The Organization is evaluating the impact that this new guidance will have on the financial statements and related not disclosures.

NOTE 10 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Organization regularly monitors the liquidity required to meet its operational needs and other contractual commitments. The Organization’s sources of liquidity include its cash and cash equivalent balances and investments. In addition to its financial assets available to meet the Organization’s general expenditures over the next twelve months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

The following table reflects the financial assets available for general expenditures over the next twelve months:

Financial assets	2022	2021
Cash and cash equivalents	$ 511,660	$ 678,160
Investments	212,522	153,170
Total financial assets	724,182	831,330
Less financial assets unavailable for general expenditures within one year to due to donor restrictions	24,085	29,036
Financial assets available to meet cash needs for general expenditures within one year	$ 700,097	$ 802,294

RAISEUP FAMILIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 11 - FUNCTIONAL EXPENSES

An analysis of expenses by both function and nature is as follows:

Year Ended June 30, 2022	Program Services	Management and General	Fundraising	Total
Salaries	$ 294,053	$ 31,463	$ 52,749	$ 378,265
Payroll taxes	19,841	383	389	20,613
Employee benefits	17,771	-	261	18,032
Lease expense	11,534	8,651	8,651	28,836
Transitional rent	94,366	-	-	94,366
Transitional utilities	8,179	-	-	8,179
Other client expenses	31,278	-	-	31,278
Accounting and auditing	-	7,600	-	7,600
Bank and credit card fees	-	-	5,283	5,283
Contract services	27,000	13,672	-	40,672
Depreciation	-	1,332	-	1,332
Fundraising events	-	-	52,157	52,157
Insurance	1,951	1,463	1,463	4,877
Interest	-	3,825	-	3,825
Office and postage	1,558	13,730	1,168	16,456
Other miscellaneous	1,918	1,439	1,439	4,796
Printing and copying	19,925	1,987	6,306	28,218
Professional fees	-	-	330	330
Seminars and training	550	-	-	550
Technology and IT	31,050	3,220	9,275	43,545
Telephone and internet	1,816	1,362	1,362	4,540
Travel	1,093	-	-	1,093
	$ 563,883	$ 90,127	$ 140,833	$ 794,843

Year Ended June 30, 2021	Program Services	Management and General	Fundraising	Total
Salaries	$ 253,617	$ 18,000	$ 52,825	$ 324,442
Payroll taxes	14,034	21	412	14,467
Employee benefits	11,238	-	338	11,576
Lease expense	10,952	8,214	8,214	27,380
Transitional rent	145,713	-	-	145,713
Transitional utilities	2,398	-	-	2,398
Other client expenses	14,086	-	-	14,086
Accounting and auditing	-	7,350	-	7,350
Bank and credit card fees	-	-	2,219	2,219
Contract services	368	11,529	-	11,897
Depreciation	-	796	-	796
Fundraising events	-	-	54,750	54,750
Insurance	2,010	1,507	1,508	5,025
Interest	-	3,919	-	3,919
Office and postage	1,676	2,080	1,257	5,013
Other miscellaneous	-	-	-	-
Printing and copying	1,110	833	19,050	20,993
Professional fees	-	-	880	880
Seminars and training	250	-	-	250
Technology and IT	3,563	3,173	6,820	13,556
Telephone and internet	1,791	1,344	1,344	4,479
Travel	623	-	-	623
	$ 463,429	$ 58,766	$ 149,617	$ 671,812

RAISEUP FAMILIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 - FINANCIAL INSTRUMENTS

The estimated fair value of the Organization's financial instruments are as follows:

Cash and cash equivalents - The Organization considers the estimated fair value of cash and cash equivalents to equal the carrying amount recognized in the statement of assets, liabilities and net assets - modified cash basis.

Investments - The Organization considers the estimated fair value of these financial instruments to equal the quoted market value as indicated in the statement of assets, liabilities and net assets - modified cash basis.

Notes payable - The Organization considers the fair value of this debt to equal the carrying amount recognized in the statement of assets, liabilities and net assets - modified cash basis.

Concentration of Risks - The ability of the issuers of certain financial instruments held by the Organization to meet their obligation may be affected by economic developments, including those particular to a specific industry or region.

NOTE 13 - INCOME TAX UNCERTAINTIES

The Organization has reviewed its current income tax return, as well as all open tax years. The Organization adopted the policy of recognizing interest and penalties, if any, related to unrecognized tax positions as income tax expense. The Organization did not have any unrecognized tax positions or benefits from tax positions that do not meet the more likely than not criterion. Accordingly, there was no effect on the Organization's financial condition or results of operations for the year ended June 30, 2022 and 2021. The Federal tax returns of the Organization for the previous three years are subject to examination by the Internal Revenue Service.

NOTE 14 - RISKS AND UNCERTAINTIES

The continuing COVID-19 pandemic and the geopolitical situation in Eastern Europe have affected the United States economy and let to a steep rise in inflation. While these events have impacted the global economy, the extent to which they will impact the Organization's results will depend on future developments, which are highly uncertain and cannot be predicted. The Organization has robust management systems in place to both oversee the well-being of their clients and stakeholders and react quickly to new economic conditions, however management cannot determine the short-term or long-term effect on operations.

NOTE 15 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 10, 2022, which is the date the financial statements were available to be issued. Based on the evaluation, no adjustments to the accompanying financial statements were required.