

ATLANTA PRIDE COMMITTEE, INC.

FINANCIAL REPORT

DECEMBER 31, 2022

ATLANTA PRIDE COMMITTEE, INC.

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Atlanta Pride Committee, Inc.
Atlanta, Georgia**

Opinion

We have audited the accompanying financial statements of **Atlanta Pride Committee, Inc.** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlanta Pride Committee, Inc. as of December 31, 2022 and 2021, 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. 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 Atlanta Pride Committee, Inc. 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 Atlanta Pride Committee, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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.

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 Atlanta Pride Committee, 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 Atlanta Pride Committee, 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 14, 2023

ATLANTA PRIDE COMMITTEE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

ASSETS	<u>2022</u>	<u>2021</u>
Current assets		
Cash	\$ 248,806	\$ 764,568
Accounts receivable	225,131	18,400
Prepaid expenses	<u>3,756</u>	<u>95,744</u>
Total current assets	<u>477,693</u>	<u>878,712</u>
Noncurrent assets		
Right of use asset	<u>31,823</u>	<u>-</u>
Total assets	<u>\$ 509,516</u>	<u>\$ 878,712</u>
LIABILITIES AND NET ASSETS (DEFICIT)		
Current liabilities		
Accounts payable	\$ 127,025	\$ 4,388
Accrued compensation	36,028	15,532
Deferred income	-	70,708
Accrued interest	19,362	-
Lease liability, current	<u>21,187</u>	<u>-</u>
Total current liabilities	<u>203,602</u>	<u>90,628</u>
Noncurrent liabilities		
Lease liability, net	10,941	-
EIDL loan	<u>500,000</u>	<u>500,000</u>
Total noncurrent liabilities	<u>510,941</u>	<u>500,000</u>
Total liabilities	<u>714,543</u>	<u>590,628</u>
Net assets (deficit)		
Without donor restrictions	(205,027)	286,565
With donor restrictions	<u>-</u>	<u>1,519</u>
Total net assets (deficit)	<u>(205,027)</u>	<u>288,084</u>
Total liabilities and net assets (deficit)	<u>\$ 509,516</u>	<u>\$ 878,712</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without donor restrictions	With donor restrictions	Total
SUPPORT AND REVENUES			
Support			
Contributions	\$ 54,401	\$ -	\$ 54,401
In-kind contributions	27,925	-	27,925
	<u>82,326</u>	<u>-</u>	<u>82,326</u>
Revenues			
Festival grants, sponsorship and related activities	881,644	-	881,644
Other festival income	276,085	-	276,085
Pride market income	182,451	-	182,451
Parade income	48,434	-	48,434
Program income	38	-	38
Investment income	438	-	438
Other income	4,650	-	4,650
	<u>1,393,740</u>	<u>-</u>	<u>1,393,740</u>
Net assets released from restrictions			
Satisfaction of donor restrictions	1,519	(1,519)	-
	<u>1,477,585</u>	<u>(1,519)</u>	<u>1,476,066</u>
Total support and revenues			
	<u>1,477,585</u>	<u>(1,519)</u>	<u>1,476,066</u>
EXPENSES			
Program services	1,719,723	-	1,719,723
Supporting services			
General and administrative	192,212	-	192,212
Fundraising	57,242	-	57,242
	<u>1,969,177</u>	<u>-</u>	<u>1,969,177</u>
Total expenses			
	<u>1,969,177</u>	<u>-</u>	<u>1,969,177</u>
Change in net assets	(491,592)	(1,519)	(493,111)
Net assets at beginning of year	286,565	1,519	288,084
Net assets (deficit) at end of year	<u>\$ (205,027)</u>	<u>\$ -</u>	<u>\$ (205,027)</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
SUPPORT AND REVENUES			
Support			
Contributions	\$ 59,637	\$ -	\$ 59,637
Local grants	-	10,000	10,000
Loan forgiveness	82,613	-	82,613
	<u>142,250</u>	<u>10,000</u>	<u>152,250</u>
Revenues			
Festival grants, sponsorship and related activities	380,988	-	380,988
Pride market income	6,055	-	6,055
Parade income	11,929	-	11,929
Investment income	638	-	638
Other income	1,026	-	1,026
	<u>400,636</u>	<u>-</u>	<u>400,636</u>
Net assets released from restrictions			
Satisfaction of donor restrictions	8,481	(8,481)	-
	<u>551,367</u>	<u>1,519</u>	<u>552,886</u>
EXPENSES			
Program services	331,664	-	331,664
Supporting services			
General and administrative	158,413	-	158,413
Fundraising	76,216	-	76,216
	<u>566,293</u>	<u>-</u>	<u>566,293</u>
Change in net assets	(14,926)	1,519	(13,407)
Net assets at beginning of year	<u>301,491</u>	<u>-</u>	<u>301,491</u>
Net assets at end of year	<u>\$ 286,565</u>	<u>\$ 1,519</u>	<u>\$ 288,084</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program services	Supporting services		Total
		General and administrative	Fundraising	
Advertising and promotion	\$ 100,468	\$ -	\$ -	\$ 100,468
Community outreach and reinvestment	65,600	-	-	65,600
Travel and meetings	4,825	3,691	-	8,516
Festival/events logistics	1,164,329	30,764	9,079	1,204,172
Office expenses	6,445	12,802	-	19,247
Shipping and printing	-	3,055	-	3,055
Occupancy	15,141	26,389	-	41,530
Dues and subscriptions	-	3,758	-	3,758
Interest expense	-	19,362	-	19,362
Bank charges	-	1,117	-	1,117
Professional fees	-	16,884	26,235	43,119
Insurance	45,352	2,603	-	47,955
Salaries and benefits	311,483	43,856	21,928	377,267
Information technology	5,982	-	-	5,982
Other expenses	98	27,931	-	28,029
Total expenses	<u>\$ 1,719,723</u>	<u>\$ 192,212</u>	<u>\$ 57,242</u>	<u>\$ 1,969,177</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program services	Supporting services		Total
		General and administrative	Fundraising	
Advertising and promotion	\$ 53,260	\$ -	\$ -	\$ 53,260
Community outreach and reinvestment	72,011	-	-	72,011
Travel and meetings	-	1,980	194	2,174
Festival/events logistics	78,833	21,567	3,715	104,115
Office expenses	440	4,516	-	4,956
Shipping and printing	-	2,073	-	2,073
Occupancy	13,517	24,534	-	38,051
Bad debts	-	8,050	-	8,050
Dues and subscriptions	-	4,117	-	4,117
Bank charges	-	1,355	-	1,355
Professional fees	-	18,286	17,700	35,986
Insurance	3,075	5,354	-	8,429
Salaries and benefits	104,220	60,703	54,607	219,530
Information technology	3,825	-	-	3,825
Other expenses	2,483	5,878	-	8,361
Total expenses	<u>\$ 331,664</u>	<u>\$ 158,413</u>	<u>\$ 76,216</u>	<u>\$ 566,293</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (493,111)	\$ (13,407)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loan forgiveness	-	(82,613)
(Increase) decrease in assets		
Accounts receivable	(206,731)	69,600
Prepaid expenses	91,988	(67,810)
Increase (decrease) in liabilities		
Accounts payable	122,637	(4,222)
Accrued compensation	20,496	(1,743)
Deferred income	(70,708)	6,733
Lease liability, net	305	-
Accrued interest	19,362	-
	<u>(515,762)</u>	<u>(93,462)</u>
Net cash used in operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from PPP loans	-	36,471
Proceeds from EIDL loan	-	350,000
	<u>-</u>	<u>386,471</u>
Net cash provided by financing activities		
Net (decrease) increase in cash	(515,762)	293,009
Cash at beginning of year	764,568	471,559
Cash at end of year	<u>\$ 248,806</u>	<u>\$ 764,568</u>

See Notes to Financial Statements.

ATLANTA PRIDE COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION

Atlanta Pride Committee, Inc. (“APC” or the “Organization”) was formed as a nonprofit corporation in the state of Georgia to advance unity, visibility, and wellness among persons with widely diverse gender and sexual identities through cultural, social, political, and educational programs and activities. As Georgia's oldest nonprofit organization serving the LGBTQ community, APC serves as an advocate of, and resource to, gender and sexually diverse communities in Atlanta and the Southeastern United States. APC’s operations include the annual Atlanta Pride Festival and Parade in October as well as educational, social, and historical programs each year, as well as community reinvestment initiatives.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

APC prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). This basis of accounting involves the application of accrual accounting; consequently, revenues are recognized when earned, and expenses are recognized when incurred.

Basis of Presentation

APC presents its financial statements in accordance with Financial Accounting Standards Board (FASB) ASC, *Financial Statements of Not-for-Profit Organizations*. Under this standard, the Organization is required to report information regarding its financial position and activities according to two self-balancing categories:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions. The only limits on these net assets are those resulting from the nature of the Organization and its purposes. It is the policy of the board of directors to review their financial standing from time to time and to designate sums of net assets without donor restrictions for specific efforts.

Net Assets With Donor Restrictions – Net assets subject to donor or grantor 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Support and revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support and Revenue Recognition

In accordance with FASB, unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. All contributions are available for general use unless specifically restricted by the donor. Amounts received that are designated for a future period or restricted by the donor for specific purposes are reported as support with donor restrictions that increases that net asset class. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

Deferred income is recognized for amounts received in advance of performing the required activities. Balances are generally associated with sponsorship of the annual Atlanta Pride Festival and Parade.

Donated materials and services are reflected as contributions at their fair values at the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance the nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization but that are not reflected in the financial statements because the criteria for recognition of such efforts under GAAP have not been satisfied.

Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits and professional fees, which are allocated on the basis of estimates of time and effort, and festival/event logistics, office expenses, and occupancy, which are allocated on the basis of estimates and usage.

Cash and Cash Equivalents

APC considers all highly liquid investments with maturity of ninety days or less when purchased to be cash equivalents. There were no cash equivalents at December 31, 2022 and 2021. Cash is deposited in financial institutions that are subject to Federal Deposit Insurance Corporation regulations. At times, the amounts on deposit may exceed the federally insured limits. The Organization does not believe that it is exposed to any significant credit risk related to cash.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable and Promises to Give

When a donor has unconditionally promised to contribute funds in future periods, APC recognizes the fair value of the promise at the date of gift. Promises expected to be collected within one year are recorded as a donation and a receivable at net realizable value, which approximates fair value. Promises expected to be collected in future years are recorded as a donation and a receivable at the present value of the expected future cash flows.

The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances which may affect abilities to meet obligations. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. The Organization considers all accounts receivable at December 31, December 31, 2022 and 2021 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Fair Value Measurements

FASB's *Fair Value Measurements* and disclosure guidance provides a framework for measuring fair value under generally accepted accounting principles. This standard applies to all financial instruments that are being measured and reported on a fair value basis. APC has financial instruments, none of which are held for trading purposes, which consists of cash in money market accounts. The carrying amounts reported in the statements financial position approximate fair values.

Property and Equipment

The Organization capitalizes property and equipment in excess of \$5,000. Purchased property and equipment is recorded at cost. Donated items are recorded at fair market value at the time of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Income Taxes

Atlanta Pride Committee, Inc. is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. Accordingly, the Organization is not required to pay federal taxes on income, and contributions to the Organization that qualify for the charitable contributions deduction to the extent provided by Section 170 of the Internal Revenue Code.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Management is not aware of any circumstances or transactions that would jeopardize its tax-exempt status.

All tax-exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. There currently are no audits of the Organization's returns in progress.

The Organization files Form 990 in the U.S. federal jurisdiction and State of Georgia.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements. For the year ending December 31, 2022, the Organization adopted ASU 2016-02 and has adjusted the presentation in these financial statements accordingly. This adjustment did not have an effect on total net assets or the change in total net assets for 2021.

NOTE 3 LIQUIDITY AND AVAILABILITY

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash	\$ 248,806	\$ 764,568
Accounts receivable	225,131	18,400
Held to satisfy donor-imposed restrictions	-	(1,519)
	<u>\$ 473,937</u>	<u>\$ 781,449</u>

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

NOTE 4 NET WORKING CAPITAL

The \$205,027 net deficit at December 31, 2022 is related to the long-term EIDL loan that matures in 2050, as described in Note 8. The Organization budgets for sufficient net working capital to fund the annual debt service requirements of the loan. Due to the long-term nature of the loan, management does not believe the Organization is exposed to any significant liquidity risks related to the net deficit.

Net working capital was \$274,091 and \$788,084 at December 31, 2022 and 2021, respectively.

NOTE 5. CONTRIBUTED SERVICES AND MATERIALS

For the years ended December 31, 2022 and 2021, nonfinancial contributions recognized included:

	<u>2022</u>	<u>2021</u>
Festival meeting space	\$ 17,000	\$ -
Festival logistics support	10,000	-
Festival supplies	925	-
	<u>\$ 27,925</u>	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CONTRIBUTED SERVICES AND MATERIALS (Continued)

The Organization recognized nonfinancial contributions within revenue, including contributed supplies and equipment. Unless otherwise noted, nonfinancial contributions were used for programmatic purposes and did not have donor-imposed restrictions.

Contributed meeting space, logistical support, and supplies are included in the statements of functional expenses in festival/event logistics category.

In valuing contributed materials, the Organization estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. In valuing contributed services, the Organization estimated fair value based on current rates for similar services.

NOTE 6. LEASES

In August 2021, APC entered a 35-month non-cancelable sublease for office space, ending June 2024. The sublease agreement called for base rental of \$1,763 per month with annual increases. The Organization continues to have the option to renew annually for one additional year.

In 2022, the Organization adopted FASB ASU 2016-02, *Leases* (Topic 842) which requires the recognition of a right-of-use asset and a lease liability based on the present value of the remaining lease payments. The Organization's incremental borrowing rate of 2.75% was used as the discount rate in order to determine present value. The following is a schedule by years of minimum future rentals on non-cancelable operating leases and the amortization of the net present value (NPV) of the lease liability as of December 31, 2022:

	For the year ending December 31:	Minimum annual lease payments	Amortization of operating lease liability	Amortization of right-to-use asset
2023		\$ 21,756	\$ 21,187	\$ 21,067
2024		11,004	10,941	10,755
		<u>\$ 32,760</u>	<u>\$ 32,128</u>	<u>\$ 31,823</u>

Rent expense for office space for the years ended December 31, 2022 and 2021 totaled \$21,045 and \$20,878, respectively, and is included in occupancy on the statements of functional expenses.

NOTE 7. PPP LOANS

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act commonly referred to as the CARES Act was signed into law. One component of the CARES Act was the paycheck protection program ("PPP") which provides small businesses with the resources needed to maintain their payroll and cover applicable overhead. The PPP is implemented by the Small Business Administration ("SBA") with support from the Department of Treasury. The PPP provides funds to pay up to 24 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. APC applied for and was accepted to participate in this program.

In April 2020, APC received funding for \$46,142. In May 2021, this first PPP loan was forgiven by the SBA. In March 2021, APC received funding for \$36,471. In October 2021, this second PPP loan was forgiven by the SBA.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. EIDL LOAN AND ACCRUED INTEREST

APC received a loan under the SBA’s Economic Injury and Disaster Loan (EIDL) program. \$150,000 was received in July 2020 and \$350,000 was received in December 2021. The loan term is 30 years, maturing on July 19, 2050. Interest accrues at 2.75% per annum, and the loan is secured by APC’s assets.

Future scheduled principal payments are as follows as of December 31, 2022:

2023	\$	-
2024		6,377
2025		13,146
2026		13,512
2027		13,889
Thereafter		453,076
Total	\$	<u>500,000</u>

Monthly payments of \$2,213 are required over the remaining loan term. Payments are applied first to interest. If the payment is greater than the interest due, principal is reduced. If not, the interest account is increased. Interest accrued and unpaid at December 31, 2022 and 2021 was \$19,362 and \$-, respectively.

NOTE 9. DEFERRED INCOME

During the years ending December 31, 2022 and 2021, payments were received to sponsor the annual Atlanta Pride Festival and Parade events. The 2021 event was cancelled due to the pandemic environment. Many sponsors elected to have their payments applied to the 2022 Atlanta Pride Festival and Parade. Deferred sponsorships totaled \$70,708 at December 31, 2021.

NOTE 10. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2022 and 2021, net assets with donor restrictions were available for the following purposes:

	2022	2021
Subject to expenditure for specified purpose:		
ELEVATE	\$ -	\$ 1,519

Net assets with donor restrictions consist of cash.

For the years ended December 31, 2022 and 2021, net assets with donor restrictions were released from restrictions by incurring expenses satisfying the restricted purposes and timing specified by donors as follows:

	2022	2021
ELEVATE	\$ 1,519	\$ 8,481

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMUNITY REINVESTMENT GRANTS

APC's pride in action and community reinvestment grants (CRG) provide funding and resources to fellow community organizations that align with APC's mission and strategic goals. APC is committed to lending support to those working to uplift the most vulnerable members of Atlanta's LGBTQ+ community.

Through a competitive grant application process, APC awarded \$66,400 and \$63,530, respectively, during the years ended December 31, 2022 and 2021.

NOTE 12. IMPACT OF COVID-19

The Organization was not considered an essential business and as such, suspended program activities in 2020 and 2021. The 2020 and 2021 in-person events were cancelled. Prior to the COVID-19 pandemic, the Atlanta Pride Festival and Parade provided a place for hundreds of thousands of people to connect with one another and with necessary services from LGBTQ+ serving organizations.

As described in Note 11, APC expanded community reinvestment efforts to support other community organizations with common missions and strategic goals.

As described in Notes 7 and 8, APC received PPP and EIDL loans under federal programs designed to support small business and nonprofit organizations during the pandemic.

NOTE 13. SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 14, 2023, the date on which the financial statements were available to be issued.