

**Equality NC**  
Raleigh, North Carolina

Audited Financial Statements  
Years Ended December 31, 2023 and 2022



**Equality NC**  
**Years Ended December 31, 2023 and 2022**  
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Norton Collar Lund Lilley, PLLC

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Equality NC  
Raleigh, NC

### Opinion

We have audited the accompanying financial statements of Equality NC (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Equality NC as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our 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 Equality NC 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 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 Equality NC'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, including omissions, 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



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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 Equality NC'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 Equality NC'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.

*Norton Collar Lund Lilley, PLLC*

October 8, 2024

Equality NC  
Statements of Financial Position  
December 31, 2023 and 2022

**EXHIBIT A**

<b><u>ASSETS</u></b>		
	<b>2023</b>	<b>2022</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 26,518	\$ 207,209
Reserve account - designated by board of directors	79,656	72,696
Restricted cash - Equality NC PAC	3,032	55,655
Grants receivable	20,000	20,000
Unconditional promises to give by individuals	39,936	69,611
Prepaid expenses	9,637	12,691
Due from Equality NC Foundation	108,363	-
	287,142	437,862
<b>Long-Term Assets</b>		
Restricted cash - Connie Spry Fund	1,462	1,461
	1,462	1,461
	<b>\$ 288,604</b>	<b>\$ 439,323</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,818	\$ 30,243
Due to Equality NC Foundation	-	21,210
Payroll liabilities	25,289	24,377
	28,107	75,830
<b>Net Assets</b>		
Without donor restrictions	176,348	233,681
Designated by board of directors	79,656	72,696
With donor restrictions	4,493	57,116
	260,497	363,493
	<b>\$ 288,604</b>	<b>\$ 439,323</b>

See accompanying notes to financial statements.

Equality NC  
Statements of Activities  
Years Ended December 31, 2023 and 2022

**EXHIBIT B**

	<u>Without Donor Restrictions</u>		<u>With Donor Restrictions</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Support and Revenue</b>						
Individual and small business contributions	\$ 91,701	\$ 119,598	\$ -	\$ 606	\$ 91,701	\$ 120,204
Corporate contributions and grants	71,629	178,907	-	100,001	71,629	278,908
Event Income	-	42,136	-	-	-	42,136
Interest income	2,146	395	-	-	2,146	395
Net assets released from restrictions	52,623	133,144	(52,623)	(133,144)	-	-
<b>Total Support and Revenue</b>	<u>218,099</u>	<u>474,180</u>	<u>(52,623)</u>	<u>(32,537)</u>	<u>165,476</u>	<u>441,643</u>
<b>Expenses</b>						
Program services	202,429	322,196	-	-	202,429	322,196
Management and general	49,991	51,725	-	-	49,991	51,725
Fundraising	16,052	20,927	-	-	16,052	20,927
<b>Total Expenses</b>	<u>268,472</u>	<u>394,848</u>	<u>-</u>	<u>-</u>	<u>268,472</u>	<u>394,848</u>
<b>Change in net assets</b>	(50,373)	79,332	(52,623)	(32,537)	(102,996)	46,795
<b>Net Assets at Beginning of Year</b>	<u>306,377</u>	<u>227,045</u>	<u>57,116</u>	<u>89,653</u>	<u>363,493</u>	<u>316,698</u>
<b>Net Assets at End of Year</b>	<u>\$ 256,004</u>	<u>\$ 306,377</u>	<u>\$ 4,493</u>	<u>\$ 57,116</u>	<u>\$ 260,497</u>	<u>\$ 363,493</u>

See accompanying notes to financial statements.

Equality NC  
Statements of Cash Flows  
Years Ended December 31, 2023 and 2022

**EXHIBIT C**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows From Operating Activities</b>		
Cash received from donors	\$ 84,642	\$ 474,136
Cash received from events	-	42,136
Cash received from interest	2,146	395
	<u>86,788</u>	<u>516,667</u>
Cash paid for personnel	(147,224)	(126,737)
Other operating cash payments	(165,917)	(225,030)
	<u>(313,141)</u>	<u>(351,767)</u>
Net cash provided by (used in) operating activities	<u>(226,353)</u>	<u>164,900</u>
<b>Net increase (decrease) in cash</b>	(226,353)	164,900
<b>Cash at beginning of year</b>	<u>337,021</u>	<u>172,121</u>
<b>Cash at end of year</b>	<u>\$ 110,668</u>	<u>\$ 337,021</u>
<b>Reconciliation of Change in Net Assets to Net Cash Provided by (Used in) Operating Activities</b>		
Change in net assets	\$ (102,996)	\$ 46,795
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in:		
Grants receivable	-	10,000
Unconditional promises to give by individuals	29,675	(28,184)
Due from Equality NC Foundation	(108,363)	93,208
Prepaid expenses	3,054	(926)
Increase (decrease) in:		
Accounts payable	(27,425)	18,794
Due to Equality NC Foundation	(21,210)	21,210
Payroll liabilities	912	4,003
Total adjustments	<u>(123,357)</u>	<u>118,105</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (226,353)</u>	<u>\$ 164,900</u>

See accompanying notes to financial statements.

Equality NC  
Statement of Functional Expenses  
Year Ended December 31, 2023

**EXHIBIT D**

	Program Service Expenses	Management and General	Fundraising	Total
Salaries and wages	\$ 91,133	\$ 22,505	\$ 7,228	\$ 120,866
Other professional fees	36,281	8,960	2,877	48,118
Accounting fees	18,196	4,493	1,443	24,132
Outside computer service	14,666	3,622	1,163	19,451
Employee benefits	12,436	3,071	986	16,493
Payroll taxes	7,438	1,837	590	9,865
Travel	6,712	1,658	532	8,902
Facility and equipment expense	4,590	1,133	364	6,087
Bank fees	3,533	873	280	4,686
Insurance	2,160	533	171	2,864
Dues, license, and registration	1,400	346	111	1,857
Event expense	1,355	335	107	1,797
Printing and postage	1,022	252	81	1,355
Merchandise expense	759	188	60	1,007
Advertising	327	81	26	434
Supplies	224	55	18	297
Staff development	129	32	10	171
Telephone	68	17	5	90
	<u>\$ 202,429</u>	<u>\$ 49,991</u>	<u>\$ 16,052</u>	<u>\$ 268,472</u>

See accompanying notes to financial statements.



Equality NC  
Statement of Functional Expenses  
Year Ended December 31, 2022

**EXHIBIT E**

	Program Service Expenses	Management and General	Fundraising	Total
Event expense	\$ 94,740	\$ 15,209	\$ 6,153	\$ 116,102
Salaries and wages	94,142	15,113	6,115	115,370
Other professional fees	50,477	8,104	3,279	61,860
Outside computer service	19,092	3,065	1,240	23,397
Accounting fees	13,830	2,220	898	16,948
Printing and postage	10,646	1,709	691	13,046
Travel	9,314	1,495	605	11,414
Payroll taxes	6,554	1,052	426	8,032
Bank fees	4,677	751	304	5,732
RYE Program	3,917	629	254	4,800
Contributions	3,418	549	222	4,189
Employee benefits	2,721	437	177	3,335
Facility and equipment expense	2,412	387	157	2,956
Insurance	2,144	344	139	2,627
Dues, license, and registration	1,700	273	110	2,083
Supplies	1,656	266	108	2,030
Staff development	459	74	30	563
Telephone	217	35	14	266
Advertising	73	12	5	90
Miscellaneous	7	1	-	8
	<u>\$ 322,196</u>	<u>\$ 51,725</u>	<u>\$ 20,927</u>	<u>\$ 394,848</u>

See accompanying notes to financial statements.

Equality NC  
Notes to Financial Statements  
Years Ended December 31, 2023 and 2022

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**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF ORGANIZATION** - Equality NC (a North Carolina nonprofit organization) is an organization whose mission is to build LGBTQ+ power through advocacy, education, and uplifting the stories of queer and trans North Carolinians in pursuit of racial and social justice. To achieve this mission, the Organization engages in professional and grassroots lobbying, advocacy, community education, and outreach on issues important to LGBTQ+ North Carolinians.

**PROGRAMS** - Equality NC provides four major programs of service:

**Organizing and Education** - Equality NC works tirelessly with the NC General Assembly and NC governor, as well as with local and municipal officials, as it mobilizes its communities to engage in its officials on issues that matter most to North Carolinians, including parental rights, inclusive anti-bullying policies, employment discrimination, hate violence, privacy rights, sexuality education, adoption, youth homelessness, criminalization and HIV/AIDS.

**Policy and Government** - Equality NC has three sub-programs within its Policy and Government program:

- A) **Lobbying** - Equality NC participates in both direct and indirect lobbying. Direct lobbying is when it approaches a government person and argues for an issue. Indirect lobbying is a grassroots approach whereby communities are mobilized to go to their government officials to argue an issue.
- B) **Out Electeds** - Equality NC is proud to support the work of LGBTQ elected officials serving in different capacities all across North Carolina. Our Out Electeds program is a bipartisan network of elected officials who are openly LGBTQ, representing communities from across North Carolina and at every level of local and state government. Out Electeds serves as a coalition-building mechanism for individuals committed to achieving full equality through their work for marginalized folks across our state.
- C) **Electeds for Equality** - This is a permanent program within the Equality NC structure consisting of North Carolina elected officials who publicly align themselves with the larger movement for LGBTQ equality. It is a bipartisan network of North Carolina political leaders who work closely with members of our Out Electeds program to build a cross-state coalition and coordinate on issues that affect vulnerable communities across North Carolina. Our Out Electeds and Electeds for Equality programs include networking, mentoring and pipeline, cultural competency training, and rapid response.

**Political Action Committee (PAC)** - PAC activities include evaluating and then endorsing candidates in an election, as well as fundraising for the PAC and using that money to make donations to specific candidates and campaigns in elections.

**Communications** - The communications staff keeps the Organization's supporters informed about the issues that matter to them most and help ensure they are able to take part in local advocacy activities in a timely manner. Equality NC convenes regular in-person and virtual lobby days at the legislature, as well as provides individuals with ways to engage with their government officials via phone and email. It consistently broadcasts LGBTQ news, stories, and content across various media channels. This year it increased its visibility across the state through obtaining 69,000 Facebook followers, 29,900 Twitter followers, and 65,000 email subscribers.

**BASIS OF PRESENTATION** - The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) 958-205, Financial Statements of Not-for-Profit Organizations. Under ASC 958-205, the Organization is required to report information regarding its assets, liabilities, and net assets and its revenues, expenses and changes in net assets according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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

Equality NC  
Notes to Financial Statements  
Years Ended December 31, 2023 and 2022

**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES - Continued**

*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. Other donor-imposed restrictions are perpetual nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

**BASIS OF ACCOUNTING** - The accompanying financial statements of Equality NC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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

**REVENUE RECOGNITION** - Grant revenues, promises to give, and other promised revenues are recognized when the funds are awarded to the Organization, because there is an obligation by the granting organization to provide funds to Equality NC. Individual and corporate contributions given as a one-time lump sum are recognized when the Organization receives payment, because the benefit is immediately recognized by the Organization.

**CONTRIBUTIONS & DONATIONS** - All contributions are considered to be available without restricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specified purposes are reported as support with donor restrictions which increases net assets with donor restrictions. When donor restrictions expire or are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions. Non-cash donations are valued at fair market value on the date of donation. For the years ended December 31, 2023 and 2022, the Organization recorded no donated non-cash items.

**CONTRIBUTED SERVICES** - Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. A substantial number of volunteers make significant contributions of their time to and perform a variety of tasks for the Organization. These contributed services are not reported as they do not meet the definition for recording or disclosure under current standards.

**ADVERTISING COSTS** - The Organization expenses advertising costs as incurred. The total advertising cost during the year ended December 31, 2023 and 2022 was \$434 and \$90, respectively.

**PROMISES TO GIVE** - Unconditional promises to give are reported at net realizable value, if at the time the promise is made, payment is expected to be received in one year or less. Unconditional promises that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Organization elected the fair value option in accordance with generally accepted accounting principles. Management believes that the use of fair value reduces the cost of measuring unconditional promises to give in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**CASH AND CASH EQUIVALENTS** - For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Equality NC  
Notes to Financial Statements  
Years Ended December 31, 2023 and 2022

**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**RESTRICTED CASH** - The Connie Spry Fund was initially created by a donor to honor the memory of Equality NC's former board member, Connie Spry. Connie Spry was a strong advocate for the transgender community, and the fund was created to provide assistance in covering transportation and lodging costs for transgender Day of Action participants with financial need. Only those individuals who identify as transgender are able to apply for receipts from this fund. The only contributions made to this account are those that are specifically earmarked for this purpose. Payments made out of this account have to be approved by the Executive Director after reviewing applications for assistance.

Since 1990, Equality NC (formerly known as NC Pride PAC) has been active in state legislative races and other races of statewide importance. The Organization also had maintained an active lobbying presence in the NC General Assembly, advancing issues including Crime Against Nature reform, hate crime, non-discrimination, HIV/AIDS funding and education, and others. In 1998, the group changed its name to Equality NC PAC and joined forces with Equality NC Foundation to do more public education and organizing work. In 2002, the Board agreed that it was time to form a parent organization to link the PAC and the Foundation and to manage the group's growing lobbying and advocacy work. Therefore, Equality NC was created as a 501(c)(4) nonprofit organization to fill this role. After a reorganization in 2001, the current name of the PAC is Equality NC Action Fund PAC. Donor's contribute to this fund specifically for the purposes of political action work, and therefore is classified as a restricted cash asset with an accompanying net asset with donor restrictions on the Statement of Financial Position.

**ALLOWANCE FOR CREDIT LOSSES** - Equality NC considers accounts receivable and promises to give to be fully collectible. Accordingly, no allowance for credit losses has been presented.

**INCOME TAXES** - Equality NC is exempt from Federal income taxes under Section 501(c)(4) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a).

**LEASES** - The Organization considers all leases 12 months or less to be short-term leases, where the Organization is not required to record a right-of-use asset or corresponding right-of-use liability and amortize over the life of the lease on the statement of financial position.

**PROPERTY AND EQUIPMENT** - Prior to January 2023, the cost of property and equipment in excess of \$1,000 was recorded at cost when purchased and fair value when donated. Effective January 1, 2023, the cost of property and equipment in excess of \$5,000 is recorded at cost when purchased and fair value when donated. Major additions or betterments are charged to the property accounts while replacements, maintenance and repairs are generally charged to expense as incurred. Depreciation is calculated using the straight-line method. The Organization did not possess any depreciable property as of December 31, 2023 or 2022.

The Organization's policy regarding donated assets is to capitalize and depreciate them using the straight line method. Accordingly, donated assets are initially recorded as unrestricted contribution revenue with a corresponding entry to the fixed asset on the Statement of Financial Position.

**DESIGNATION OF NET ASSETS WITHOUT DONOR RESTRICTIONS** - The Board of the Organization has designated that 5% of income without donor restrictions be placed in a reserve account until three months' worth of operating expenses have been collected. As of December 31, 2023, this goal has not been achieved.

**FUNCTIONAL EXPENSES** - Management estimates the costs of providing various programs and other activities on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Expenditures not directly attributable to specific programs or supporting services are allocated to programs or supporting services by management based on what is considered to be the best available objective criteria, such as hours worked or relative benefit.

**NOTE 2 - CONCENTRATION OF CREDIT RISK**

Operating cash balances are deposited in the Organization's accounts at a local financial institution, which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2023, the Organization had \$0 in deposits in excess of federally-insured limits. The Organization believes there is minimal risk regarding its cash and cash equivalents.

Equality NC  
Notes to Financial Statements  
Years Ended December 31, 2023 and 2022

**NOTE 3 - LEASES**

On December 31, 2023, Equality NC was obligated under the following lease:

The Organization has several month-to-month leases with monthly payments between \$105 and \$730 per month. These leases can be canceled by either party at any time.

Total rent expense for the years ended December 31, 2023 and 2022 was \$6,087 and \$2,956, respectively.

**NOTE 4 - RESTRICTIONS ON NET ASSETS**

Net assets without donor restrictions consist of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Reserve account designated by the board of directors	\$ 79,656	\$ 73,696
Undesignated and available for operations	176,348	232,681
	<u>\$ 256,004</u>	<u>\$ 306,377</u>

Net assets with donor restrictions that are temporary in nature are available for the following purposes at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Political Action Committee	\$ 3,032	\$ 1,639
Movement voter programming	-	54,017
	<u>\$ 3,032</u>	<u>\$ 55,656</u>

Net assets with donor restrictions that are permanent in nature are available for the following purpose at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Connie Spry Fund	\$ 1,462	\$ 1,461

**NOTE 5 - RELATED PARTIES**

The Organization has a related party, Equality NC Foundation, which is a 501(c)(3) organization. The entities are related by similar causes, shared office expenses, and subcontracted use of the 501(c)(4) personnel. The Organizations do not share a common board; however, the day-to-day operations have a common management team. The Organization received funding for the years ended December 31, 2023 and 2022 from Equality NC Foundation for the following purposes:

	<u>2023</u>	<u>2022</u>
Salaries and wages	\$ 631,021	\$ 611,678
RYE Program	83,431	21,945
Employee benefits	58,843	61,424
Other professional fees	56,642	67,221
Payroll taxes	50,051	46,486
Technology	45,094	11,801
Travel	41,671	32,867
Accounting fees	33,109	17,924
Facility and equipment expense	16,458	8,243
Insurance	7,181	7,103
Supplies	4,598	7,437
Events	4,456	74,437
Dues, licenses, and registration	3,954	2,908
Merchandise	2,723	-
Printing and copying	1,955	4,923
Legal fees	1,776	1,297
Advertising	1,168	245
Staff development	1,132	2,716
Bank fees	337	79
Telephone	241	719
Postage and shipping	234	410
Grants expense	-	938
	<u>\$ 1,046,075</u>	<u>\$ 982,801</u>

Equality NC  
Notes to Financial Statements  
Years Ended December 31, 2023 and 2022

**NOTE 6 - RETIREMENT PLAN**

The Organization has a contributory retirement plan that covers all full time employees that work at least 20 hours per week. Full time employees are immediately able to participate in the retirement plan. The plan is funded through individual accounts with Mass Mutual 403(b) Retirement Plan. Employees are fully vested and each account is owned by the employee. Employer contribution provides up to a 3% match of the employees' contributions. Employer contributions to the plan were \$1,652 for the year ended December 31, 2023 and \$2,721 for the the year ended December 31, 2022.

**NOTE 7 - INCOME TAX UNCERTAINTY**

The Organization's Form 990 is not currently under examination by the Internal Revenue Service. The Organization's taxable years that are open for potential examination by the Internal Revenue Service are for the fiscal years ended December 31, 2023, 2022, 2021, and 2020. At this time, management does not expect to owe any taxes, interest or penalties on uncertain tax positions.

**NOTE 8 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization's policy is to maintain financial assets on hand to meet one year of expenditures, which on average, are approximately \$325,000. Financial assets available for general expenditure without donor or other restrictions limiting their use within one year of the date of the Statement of Financial Position comprise the following as of December 31, 2023:

Unrestricted cash and cash equivalents	\$ 106,174
Unconditional promises to give	39,936
Grants receivable	20,000
Prepaid expenses	<u>9,637</u>
Financial assets available to meet cash needs for general expenditure within on year	<u>\$ 175,747</u>

As part of the Organization's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation also owes the Organization \$108,363 for shared costs. Equality NC has additional avenues of financing available to them in case the Organization needs more operating funds.

**NOTE 9 - SUBSEQUENT EVENTS**

The Organization has evaluated events and transactions that occurred between December 31, 2023 and October 8, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. No events were identified.