

Apraxia Kids

Financial Statements for the Years
Ended July 31, 2022 and 2021

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November 23 , 2022

To the Board of Directors of
Apraxia Kids
Pittsburgh, Pennsylvania

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying financial statements of Apraxia Kids (the "Organization"), a nonprofit organization, which comprise the statements of financial position as of July 31, 2022 and 2021, and the related statements of activities, changes in net assets, 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 the Organization as of July 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant 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 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 the Organization'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 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 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 the Organization'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 the Organization'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.

The Binkley Kanavy Group, LLC

Certified Public Accountants

APRAXIA KIDS
STATEMENTS OF FINANCIAL POSITION
JULY 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, Note 1	\$ 344,243	\$ 275,069
Investments at fair value, Notes 1 and 3	693,100	738,901
Accounts receivable, Note 1	29,159	125,117
Prepaid expenses and other current assets	<u>100,123</u>	<u>114,585</u>
TOTAL CURRENT ASSETS	1,166,625	1,253,672
PROPERTY AND EQUIPMENT, Note 1		
Equipment	54,020	59,678
Accumulated depreciation	<u>(42,005)</u>	<u>(35,371)</u>
NET PROPERTY AND EQUIPMENT	12,015	24,307
INTANGIBLE ASSETS, Notes 1 and 2		
Intangible assets (Net of accumulated amortization of \$107,712 and \$93,312 as of July 31, 2022 and 2021, respectively)	<u>27,102</u>	<u>39,039</u>
TOTAL INTANGIBLE ASSETS	27,102	39,039
TOTAL ASSETS	<u>\$ 1,205,742</u>	<u>\$ 1,317,018</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 221,884	\$ 49,692
Accrued liabilities	<u>41,165</u>	<u>68,946</u>
TOTAL CURRENT LIABILITIES	263,049	118,638
LONG-TERM DEBT		
Long-term debt, Note 4	<u>-</u>	<u>117,687</u>
TOTAL LONG-TERM DEBT	-	117,687
TOTAL LIABILITIES	263,049	236,325
NET ASSETS, Note 1		
Without donor restrictions, Note 7	933,423	1,046,177
With donor restrictions, Note 7	<u>9,270</u>	<u>34,516</u>
TOTAL NET ASSETS	942,693	1,080,693
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,205,742</u>	<u>\$ 1,317,018</u>

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

APRAXIA KIDS
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31,

	2022	2021
Changes in net assets without donor restrictions:		
Revenues		
Direct public support	\$ 773,801	\$ 675,750
Grant income	100,000	5,000
Employee retention credit	68,575	90,400
Registration fees	74,612	103,214
Conference registration fees	95,365	153,765
Contracted services	72,621	38,007
In-kind donations	115,931	87,463
Paycheck protection program loan forgiveness	118,462	168,491
Other income	3,050	510
Gain (loss) on disposal of fixed assets	(1,573)	73
Investment income (loss)	(45,800)	20,190
	<u>1,375,044</u>	<u>1,342,863</u>
Net assets released from restrictions	<u>34,516</u>	<u>22,984</u>
Total revenues, net	<u>1,409,560</u>	<u>1,365,847</u>
Expenses		
Program services	1,336,054	925,969
Management and general	78,903	137,719
Fundraising	107,357	89,942
Total Expenses	<u>1,522,314</u>	<u>1,153,630</u>
Increase (decrease) in net assets without donor restrictions	(112,754)	212,217
Changes in net assets with donor restrictions:		
Revenues		
Contributions	4,270	-
Grant income	5,000	7,500
	<u>9,270</u>	<u>7,500</u>
Net assets released from restrictions	<u>(34,516)</u>	<u>(22,984)</u>
Decrease in net assets with donor restrictions	<u>(25,246)</u>	<u>(15,484)</u>
Increase (decrease) in net assets	<u>\$ (138,000)</u>	<u>\$ 196,733</u>

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

APRAXIA KIDS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED JULY 31, 2022 and 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, August 1, 2020	\$ 833,960	\$ 50,000	\$ 883,960
Change in net assets during year	<u>212,217</u>	<u>(15,484)</u>	<u>196,733</u>
Net assets, July 31, 2021	1,046,177	34,516	1,080,693
Change in net assets during year	<u>(112,754)</u>	<u>(25,246)</u>	<u>(138,000)</u>
Net assets, July 31, 2022	<u><u>\$ 933,423</u></u>	<u><u>\$ 9,270</u></u>	<u><u>\$ 942,693</u></u>

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

APRAXIA KIDS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2022

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 447,060	\$ 35,312	\$ 58,675	\$ 541,047
Benefits	46,170	3,294	4,945	54,409
Payroll Taxes	36,232	3,000	4,983	44,215
Products for Awareness	92,121	-	6,962	99,083
Website Fees & Banking Fees	81,618	5,253	8,038	94,909
Advertising	2,335	-	150	2,485
In-Kind Advertising	56,299	2,143	4,075	62,517
Other Non-personnel Costs	1,225	275	400	1,900
Accounting & Auditing	35,663	1,659	4,147	41,469
Other Contract Services	13,944	4,544	685	19,173
In-Kind Legal Services	-	1,519	-	1,519
Facilities & Equipment	54,278	2,802	4,607	61,687
Insurance	15,355	383	772	16,510
Operations	74,063	6,129	4,197	84,389
iPad Project	8,508	-	-	8,508
Travel, Meetings & Conference	20,949	22	-	20,971
Meals	1,700	53	55	1,808
Hotel	15,650	-	-	15,650
Facility Rental	7,342	-	-	7,342
Audio Visual	42,936	-	-	42,936
Catering	138,396	-	-	138,396
Signage	3,784	-	-	3,784
Vendor Fees	36,442	-	-	36,442
Grants	72,452	-	-	72,452
Depreciation & Amortization	21,602	1,005	2,512	25,119
Other Miscellaneous	9,930	11,510	2,154	23,594
TOTAL EXPENSES	\$ 1,336,054	\$ 78,903	\$ 107,357	\$ 1,522,314

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

APRAXIA KIDS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2021

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 401,673	\$ 34,031	\$ 49,136	\$ 484,840
Benefits	39,459	3,034	3,820	46,313
Payroll Taxes	33,756	2,869	4,096	40,721
Products for Awareness	61,002	-	849	61,851
Website Fees & Banking Fees	82,513	6,143	12,014	100,670
Advertising	922	-	-	922
In-Kind Advertising	71,520	-	-	71,520
Other Non-personnel Costs	900	712	3,280	4,892
Accounting & Auditing	-	36,718	-	36,718
Other Contract Services	16,722	5,774	877	23,373
In-Kind Legal Services	4,893	-	-	4,893
Facilities & Equipment	52,428	2,743	4,837	60,008
Insurance	10,906	425	922	12,253
Operations	58,293	4,199	7,085	69,577
iPad Project	9,324	-	-	9,324
Meals	39	-	-	39
Facility Rental	4,983	-	-	4,983
Audio Visual	67,232	-	-	67,232
Catering	1,600	-	-	1,600
Vendor fees	5,350	-	-	5,350
Depreciation & Amortization	-	27,647	-	27,647
Other Miscellaneous	2,454	13,424	3,026	18,904
TOTAL EXPENSES	\$ 925,969	\$ 137,719	\$ 89,942	\$ 1,153,630

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

**APRAXIA KIDS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31,**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (138,000)	\$ 196,733
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	25,119	27,647
Forgiveness of paycheck protection program loan, net of interest	(117,687)	(166,612)
Net unrealized and realized (gain) on investments	45,800	(20,190)
(Gain) loss on disposal of assets	1,573	(73)
(Increase) decrease in Operating Assets:		
Accounts receivable	95,958	(98,801)
Prepaid expenses and other current assets	14,462	(47,812)
Increase (decrease) in Operating Liabilities:		
Accounts payable	172,192	41,482
Payroll taxes and other current liabilities	(27,781)	1,359
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	71,636	(66,267)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for website design	(2,462)	(1,313)
Proceeds on disposal of equipment	-	259
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	(2,462)	(1,054)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings of long-term debt	-	117,687
Principal payments on long-term debt	-	(4,088)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	-	113,599
NET INCREASE IN CASH AND CASH EQUIVALENTS	69,174	46,278
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	275,069	228,791
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 344,243</u>	<u>\$ 275,069</u>
SUPPLEMENTAL DISCLOSURE		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for taxes	<u>\$ -</u>	<u>\$ -</u>

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

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Apraxia Kids (the “Organization”) is a not-for-profit organization that was founded in 2000. The Organization is designated as a 501(c)(3), and is incorporated in the Commonwealth of Pennsylvania. The Organization operates with the mission to spread awareness of childhood Apraxia to families, professionals and the public, to provide training to professionals, and to provide support to the families of affected children. The Organization organizes regional walks spanning across North America intended to promote awareness for childhood Apraxia, an annual conference, continuing education to professionals, and research support to thousands of families and professionals each year on topics related to Apraxia and associated speech, language, learning delays, education, therapy and services.

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting. This method requires that revenues and the related assets be recognized as earned and that expenses and the related liabilities be recognized when incurred.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions, and net assets without donor restrictions.

Net assets, revenue, and expenses are classified based on the existence or absence of donor imposed restrictions. Revenue is reported as an increase in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Contributions subject to donor-imposed stipulations that are met in the same reporting period are also reported as an increase in net assets without donor restrictions. Net assets may be released from donor restrictions by incurring expenses to satisfy the restricted purpose.

The Organization had donor-imposed restrictions on net assets amounting to \$9,270 and \$34,516, for the years ending July 31, 2022 and 2021, respectively.

Cash and Cash Equivalents

Except for funds held in its investment account, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. For purposes of the Statement of Cash Flows, the Organization does not consider cash in the investment account to meet the definition of cash and cash equivalents or restricted cash.

Accounts Receivable

Accounts receivable primarily consists of contracted services and reimbursable expenses related to these services. Management periodically reviews their listing of accounts receivable for past due amounts. The Organization has determined that as of July 31, 2022, 2021, and 2020, no allowance for doubtful accounts was needed. The balance of accounts receivable was \$26,316 as of July 31, 2020.

During the year ended July 31, 2021, the Organization qualified for Employee Retention Credits totaling \$90,400 which was reflected as grant income and included in accounts receivable at July 31, 2021. The amounts outstanding were fully collected in August 2021.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization evaluates estimates and assumptions on an ongoing basis and relies on historical experience and various other factors that are believed to be reasonable under the circumstances to determine such estimates. Because uncertainties with respect to estimates and assumptions are inherent in the preparation of financial statements, actual results could differ from those estimates.

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

Cash equivalents are maintained primarily at one financial institution which may at times exceed the federally insured limits. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization believes there is no significant risk with respect to deposits that exceed FDIC insurance limits.

Revenue Recognition from Contracts with Customers

The Organization adopted Accounting Standards Codification Topic 606, "Revenue from Contracts with Customers" ("ASC 606") on August 1, 2019. In accordance with ASC 606, revenue is recognized when or as promised goods or services are transferred to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services. The Organization adopted Topic 606 on a full retrospective basis.

Revenue from contracts with customers consists of conference registration fees, webinar registration fees, online store sales, and contracted speaking fees.

The Organization enters into contracts with individuals and organizations for registering for the annual conference. Prices are based upon fixed registration fees, and payment is due in advance of the conference. Revenue is recognized at a point in time when the conference is held. Refunds may be requested before the conference. There is no variable consideration.

The Organization enters into contracts with individuals and organizations for registering for access to online webinars. Prices are based upon fixed registration fees, and payment is due at the time of purchase. For individual webinars, revenue is recognized at a point in time as the customer gains access to the webinar. For an annual subscription of access to webinars, revenue is recognized over time, using the output method of time elapsed, as the customer receives the benefit of access to the webinars. There is no variable consideration.

The Organization serves as an agent in its online sale of merchandise. A third-party vendor transfers the goods to customers. The Organization recognizes revenue, at an amount net of the third-party vendor fee, at a point in time as the goods are sold to the customers. Variable consideration, such as returns, are not estimated because they are considered to be insignificant.

The Organization enters into contracts with organizations to provide lectures on childhood apraxia. Prices are based upon fixed contractual rates, and payment is due upon the rendering of the invoice. Revenue is recognized at a point in time when the lecture occurs. There is no variable consideration.

The following is a disaggregation of revenue for the years ended July 31:

	<u>2022</u>	<u>2021</u>
Webinar Registration Fees	\$ 35,626	\$ 33,560
Conference Registration Fees	95,365	153,765
Bootcamp Registration Fees	32,264	-
Online Store Sales	2,926	3,247
Contracted Speaker Fees	<u>1,805</u>	<u>1,200</u>
Total	<u>\$ 167,986</u>	<u>\$ 191,772</u>

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities and changes in net assets.

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value on the date of contribution. Property and equipment are depreciated using the straight-line method over a five year period. Property and equipment with a cost greater than \$1,500 is capitalized. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and betterments are capitalized.

Intangible Assets

Intangible assets are recorded at cost. These assets are amortized using the straight-line method over their estimated useful lives.

In-Kind Donations

The Organization adopted ASU 2020-07, "Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets" on August 1, 2021. The amendments in this ASU have been adopted on a full retrospective basis.

The Organization's policy related to donated services and items is to utilize the assets given to carry out the mission of the Organization and those donated services and items are reflected in the financial statements as in-kind revenue with a corresponding expense. In-kind services and donations are recorded at their estimated fair value on the date of the contribution.

The donated services received consist of the following, during the years ended July 31:

	<u>2022</u>	<u>2021</u>
Advertising	\$ 62,517	\$ 71,520
Vendor Fees	27,375	5,350
Accounting	-	1,550
Legal	1,519	4,893
Catering	5,700	1,600
Products	15,970	2,000
Facility Rental	<u>2,850</u>	<u>550</u>
Total	<u>\$ 115,931</u>	<u>\$ 87,463</u>

The Organization received online, print, radio and television advertising at no cost to the Organization. The Organization would have paid \$62,517 and \$71,520, to receive these services during the years ending July 31, 2022 and 2021, respectively.

The Organization's in-kind Vendor Fees relate to donated activities and entertainers to perform at the Walks for Apraxia. In-Kind Products recognized during the fiscal years ending July 31, 2022 and 2021, represent materials and merchandise to distribute at the Organization's events at no charge to the Organization.

Income Taxes

The Organization is a non-profit organization currently exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code. In addition, the Organization reviews on an annual basis that there are no material uncertain tax positions. For the years ended July 31, 2022 and 2021, the Organization recorded no tax penalties or interest costs. The Organization's IRS Form 990, Return of Organization Exempt from Income Tax, for the years ending after December 31, 2018, are subject to examination by the IRS, generally for three years after they were filed.

Functional Expense Allocation

The expenses incurred for the years ended July 31, 2022 and 2021, have been allocated to program activities, management and general, and fundraising activities by direct costing and estimates made by management.

Operating Reserve

The Board of Directors holds three months of operating expenses as a board designated operating reserve.

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 2 - Intangible Assets

Intangible assets consist of a database registry, capitalized website design costs, an online webinar library and a donor system. These intangible assets are amortized over a five or ten year life on the straight-line basis.

Amortization expense was \$14,400 and \$15,778 for the years ended July 31, 2022 and 2021, respectively.

Amortization expense over the next five years ending July 31, is projected below:

2023	\$ 6,443
2024	3,526
2025	3,526
2026	3,526
2027	3,526
Thereafter	6,555

Note 3 - Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The Organization only maintains Level 1 type assets.

	<u>2022</u>	<u>2021</u>
Money Market Fund	\$ 200,797	\$ 306,412
Mutual Fund	<u>492,303</u>	<u>432,489</u>
	<u>\$ 693,100</u>	<u>\$ 738,901</u>

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 4 - Long-Term Debt

In May 2020, the Organization received a Paycheck Protection Program Term Loan, issued in pursuant to the Coronavirus Aid, Relief, and Economic Security Act's ("CARES" Act) Payroll Protection Program, amounting to \$170,100. The Organization's loan was overfunded by \$4,088, and the overfunding was paid by the Organization during the year ended July 31, 2021. The Organization used the loan proceeds as provided for in the CARES Act and all remaining principal and interest was forgiven in May 2021.

In January 2021, the Organization received a second Paycheck Protection Program Term Loan, issued in pursuant to the CARES Act's Payroll Protection Program, amounting to \$117,687. The Organization used the loan proceeds as provided for in the CARES Act and all remaining principal and interest was forgiven in September 2021.

Note 5 - Operating Lease

The Organization's lease for its office space commenced on March 1, 2018. Total office rent paid was \$44,054 and \$32,130 for the years ended July 31, 2022 and 2021, respectively. Effective August 1, 2020, the Organization amended its lease agreement to reduce the office space's square footage. The amended agreement expires in February 2025.

The aggregate annual rent payments due over the next four years ending July 31 are as follows:

	<u>Amount Due</u>
2023	\$ 44,569
2024	45,085
2025	<u>26,475</u>
Total	<u>\$ 116,129</u>

Note 6 - Retirement Plan

The Organization provides for a 100% match to their eligible employees' voluntary elective contributions to the Organization's retirement plan, not to exceed 5% of the eligible employees' earnings. The Organization contributed \$25,295 and \$23,656 for the years ended July 31, 2022 and 2021, respectively.

Note 7 - Restrictions on Net Assets

During the year ended July 31, 2021, the Organization expended \$22,984 of net assets with donor restrictions for design of a new website. During the year ended July 31, 2022, the Organization expended \$7,500 and \$27,016 of net assets with donor restrictions for professional lecture series and family education services, respectively. As of July 31, 2022, there were \$9,270 of net assets with donor restrictions for scholarship and a pilot outreach program. As of July 31, 2021, there were \$34,516 of net assets with donor restrictions for professional and family education services.

APRAXIA KIDS
Notes to Financial Statements
July 31, 2022 and 2021

Note 8 - Liquidity and the Availability of Financial Assets

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. 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. Amounts that are not available include board-designated operating reserves and funds received from donors restricted for specific purposes. Financial assets available to meet cash needs for general expenditures within one year are shown as follows as of July 31:

Current assets, excluding nonfinancial assets	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 344,243	\$ 275,069
Investments	693,100	738,901
Accounts receivable	<u>29,159</u>	<u>125,117</u>
	1,066,502	1,139,087
Less: donor restrictions for education services	-	(27,016)
Less: donor restrictions for lecture series	-	(7,500)
Less: donor restrictions for pilot outreach program	(5,000)	-
Less: donor restrictions for scholarship	(4,270)	-
Less: board-designated operating reserve	<u>(379,005)</u>	<u>(355,294)</u>
Financial assets available to meet cash needs for general expenditures within one year, in excess of board-designations and donor restrictions	<u>\$ 678,227</u>	<u>\$ 749,277</u>

Note 9 - Subsequent Events

The Organization has evaluated subsequent events in accordance with Accounting Standards Codification Topic 855, Subsequent Events, through November 23, 2022, which is the date the financial statements were available to be issued.