

FOUNDATION FOR FINANCIAL PLANNING, INC.

FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
with  
INDEPENDENT AUDITORS' REPORT

FOUNDATION FOR FINANCIAL PLANNING, INC.  
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December 31, 2022 and 2021

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# Reed, Quinn & McClure, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Foundation for Financial Planning, Inc.

### ***Opinion***

We have audited the accompanying financial statements of the Foundation for Financial Planning, Inc. 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 the Foundation for Financial Planning, 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 audit in accordance with the 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 Foundation for Financial Planning, Inc. and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation for Financial Planning, 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. Misstatements, including omissions, are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 of 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 Foundation for Financial Planning, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation for Financial Planning, 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 findings, and certain internal control related matters that we identified during the audit.

*Reed, Quinn and McClure*

Lawrenceville, Georgia  
July 31, 2023

FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2022 AND 2021

ASSETS	2022	2021
Cash and cash equivalents	\$ 562,663	\$ 1,164,196
Investments	23,230,706	26,846,249
Unconditional promises to give, net	2,340,857	2,121,482
Prepaid expense	11,475	11,475
Computer equipment and software, net	16,085	24,979
Operating right-of-use Asset	20,027	-
Total assets	\$ 26,181,813	\$ 30,168,381
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Grants payable	\$ 507,000	\$ 603,160
Accounts payable and accrued liabilities	116,666	114,599
Operating lease liability	20,488	-
	644,154	717,759
<b>NET ASSETS</b>		
Without restrictions	23,194,992	27,181,455
Board designated	1,000,000	1,000,000
Total net assets without restrictions	24,194,992	28,181,455
With restrictions	1,342,667	1,269,167
Total net assets	25,537,659	29,450,622
Total liabilities and net assets	\$ 26,181,813	\$ 30,168,381

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

FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	WITHOUT RESTRICTION	WITH RESTRICTIONS	TOTAL	WITHOUT RESTRICTION	WITH RESTRICTIONS	TOTAL
<b>REVENUE AND SUPPORT</b>						
Contributions	\$ 68,256	\$ 1,469,894	\$ 1,538,150	\$ 48,717	\$ 2,200,903	\$ 2,249,620
Advertising - donated	147,059	-	147,059	187,941	-	187,941
Investment income	(3,620,633)	-	(3,620,633)	3,362,143	-	3,362,143
Donated services	-	-	-	5,000	-	5,000
Other income	366	-	366	499	-	499
Total revenues and support	<u>(3,404,952)</u>	<u>1,469,894</u>	<u>(1,935,058)</u>	<u>3,604,300</u>	<u>2,200,903</u>	<u>5,805,203</u>
Net assets released from restrictions	<u>1,396,394</u>	<u>(1,396,394)</u>	<u>-</u>	<u>2,101,495</u>	<u>(2,101,495)</u>	<u>-</u>
<b>EXPENSES</b>						
Program services:						
Grants	722,465	-	722,465	793,889	-	793,889
National programs	725,887	-	725,887	586,574	-	586,574
Total program services	<u>1,448,352</u>	<u>-</u>	<u>1,448,352</u>	<u>1,380,463</u>	<u>-</u>	<u>1,380,463</u>
General and administrative	346,078	-	346,078	271,741	-	271,741
Fundraising	183,475	-	183,475	186,016	-	186,016
Total expenses	<u>1,977,905</u>	<u>-</u>	<u>1,977,905</u>	<u>1,838,220</u>	<u>-</u>	<u>1,838,220</u>
Change in Net Assets	(3,986,463)	73,500	(3,912,963)	3,867,575	99,408	3,966,983
Net assets - beginning of year	<u>28,181,455</u>	<u>1,269,167</u>	<u>29,450,622</u>	<u>24,313,880</u>	<u>1,169,759</u>	<u>25,483,639</u>
Net assets - end of year	<u>\$ 24,194,992</u>	<u>\$ 1,342,667</u>	<u>\$ 25,537,659</u>	<u>\$ 28,181,455</u>	<u>\$ 1,269,167</u>	<u>\$ 29,450,622</u>

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

FOUNDATION FOR FINANCIAL PLANNING  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2022

	GRANTS	NATIONAL PROGRAMS	TOTAL PROGRAM	GENERAL AND ADMINISTRATIVE	FUNDRAISING	TOTAL
Salaries	\$ 205,828	\$ 492,418	\$ 698,246	\$ 118,165	\$ 105,093	\$ 921,504
Employee benefits	20,510	49,067	69,577	11,775	10,472	91,824
Payroll taxes	14,199	33,969	48,168	8,151	7,250	63,569
Total personnel costs	<u>240,537</u>	<u>575,454</u>	<u>815,991</u>	<u>138,091</u>	<u>122,815</u>	<u>1,076,897</u>
Advertising - donated	49,020	49,020	98,040	-	49,019	147,059
Depreciation	1,987	4,753	6,740	1,140	1,014	8,894
Dues and subscriptions	1,563	2,535	4,098	8,262	-	12,360
Equipment rental	-	-	-	5,000	-	5,000
Grants	408,250	-	408,250	-	-	408,250
Grants to Chapters	10,000	-	10,000	-	-	10,000
Insurance expense	4,129	9,878	14,007	2,370	2,108	18,485
Merchant fees	1,964	4,700	6,664	1,128	1,003	8,795
Occupancy	4,743	11,346	16,089	2,723	2,422	21,234
Office supplies	-	-	-	1,838	-	1,838
Postage	-	12	12	1,974	-	1,986
Printing and publications	272	5,614	5,886	3,008	4,107	13,001
Professional services	-	52,723	52,723	144,044	-	196,767
Telecommunications	-	-	-	3,751	-	3,751
Travel and events	-	9,852	9,852	32,749	987	43,588
Total	<u>\$ 722,465</u>	<u>\$ 725,887</u>	<u>\$ 1,448,352</u>	<u>\$ 346,078</u>	<u>\$ 183,475</u>	<u>\$ 1,977,905</u>

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

FOUNDATION FOR FINANCIAL PLANNING  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2021

	GRANTS	NATIONAL PROGRAMS	TOTAL PROGRAM	GENERAL AND ADMINISTRATIVE	FUNDRAISING	TOTAL
Salaries	\$ 183,243	\$ 429,298	\$ 612,541	\$ 107,615	\$ 94,932	\$ 815,088
Employee benefits	11,817	27,684	39,501	6,939	6,122	52,562
Payroll taxes	12,722	29,805	42,527	7,471	6,591	56,589
Total personnel costs	<u>207,782</u>	<u>486,787</u>	<u>694,569</u>	<u>122,025</u>	<u>107,645</u>	<u>924,239</u>
Advertising - donated	62,647	62,647	125,294	-	62,647	187,941
Depreciation	2,064	4,836	6,900	1,212	1,069	9,181
Dues and subscriptions	1,212	-	1,212	9,007	-	10,219
Grants	502,790	-	502,790	-	-	502,790
Grants to Chapters	4,470	-	4,470	-	-	4,470
Insurance expense	4,014	9,404	13,418	2,357	2,079	17,854
Merchant fees	2,742	6,425	9,167	1,611	1,421	12,199
Occupancy	5,005	11,726	16,731	2,939	2,593	22,263
Office supplies	-	-	-	593	-	593
Postage	-	-	-	1,755	-	1,755
Printing and publications	588	3,200	3,788	217	3,275	7,280
Professional services	25	1,549	1,574	109,376	-	110,950
Telecommunications	-	-	-	7,894	-	7,894
Travel and events	550	-	550	12,755	5,287	18,592
Total	<u>\$ 793,889</u>	<u>\$ 586,574</u>	<u>\$ 1,380,463</u>	<u>\$ 271,741</u>	<u>\$ 186,016</u>	<u>\$ 1,838,220</u>

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



FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
INCREASE (DECREASE) IN CASH

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ (3,912,963)	\$ 3,966,983
Adjustments necessary to reconcile increase in net assets to cash provided by operating activities:		
Depreciation	8,894	9,181
Net realized and unrealized (gains) losses on investments	4,229,266	(2,728,902)
(Increase) Decrease in promises to give	(219,375)	(198,524)
(Increase) Decrease in prepaid expenses	-	-
Increase (Decrease) in accounts payable	2,067	(7,622)
Increase (Decrease) in grants payable	(96,160)	192,801
Increase (Decrease) in right-of-use asset	(20,027)	-
Net cash provided by operating activities	<u>(8,298)</u>	<u>1,233,917</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	-	300,000
Purchase of investments, net	(613,723)	(764,207)
Purchases of equipment	-	(5,717)
Net cash provided(used) from investing activities	<u>(613,723)</u>	<u>(469,924)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on Lease Liability	<u>20,488</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>20,488</u>	<u>-</u>
Net increase(decrease) in cash	(601,533)	763,993
Cash - beginning of year	<u>1,164,196</u>	<u>400,203</u>
Cash - end of year	<u>\$ 562,663</u>	<u>\$ 1,164,196</u>
<b>Supplemental information</b>		
Income recognized - noncash		
In Kind contributions	\$ <u>147,059</u>	\$ <u>192,941</u>
Total income from noncash sources	<u>\$ 147,059</u>	<u>\$ 192,941</u>
Expenses recognized - non-cash		
Advertising expense	<u>147,059</u>	<u>187,941</u>
Total non-cash expense	<u>\$ 147,059</u>	<u>\$ 187,941</u>

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

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

**1. ORGANIZATION**

Foundation for Financial Planning Inc. (the Foundation) is a not-for-profit financial educational organization. It helps develop and support programs connecting vulnerable families and individuals to free quality financial advice. In 2018, the Foundation launched a new signature initiative, Pro Bono for Cancer, connecting hundreds of families affected by cancer with volunteer financial planners across the country. It also continued to support efforts that benefited low-income individuals and their families, low-income home buyers, military and veterans, domestic violence survivors, and many other underserved groups.

*The Foundation*

- Provides grants to local and national nonprofits to support programs linking financial planners to families who could not otherwise afford quality guidance.
- Helps recruit and connect volunteer financial planners to people in need through targeted outreach and working with corporate and association partners.
- Develops innovative program models with key partners to reach populations where it can have a particularly strong impact, like military families and people affected by cancer.
- Offers free financial planning resources to people in need and the volunteers that help them, including training and best practices for volunteer planners.
- Raises awareness of the financial advice profession's commitment to pro bono through community events, national conferences, digital and traditional media, and more.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The financial statements have been prepared on the accrual basis of accounting. The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without restrictions and net assets with restrictions.

*Estimates*

Financial statements prepared in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

*Income Taxes*

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The IRS has determined the Foundation is not a private foundation. Accordingly, no provision for income taxes is necessary.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fair Value of Financial Instruments*

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels used to measure fair value are as follows:

- Level 1 Quoted prices in an active market for identical assets or liabilities;
- Level 2 Observable inputs other than quoted market prices included in level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities; this includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs

The Foundation has estimated the fair values of its financial instruments on Level 1 and Level 3 (see note 9). The estimated fair value amounts for specific groups of financial instruments are presented within the footnotes applicable to such items. Cash and cash equivalents and accounts payable are stated at cost, which approximates fair value, due to their short-term maturity,

*Cash and Cash Equivalent*

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash on deposit with banks. The Foundation considers all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents, except money market funds held as part of the Foundation's investment portfolio. Such funds are not considered to be cash equivalents for purposes of the statement of cash flows.

*Investments*

Investments are stated at fair market value if such value is readily determinable (Level 1). Donated investments are included as contribution income based on the estimated fair market value as of the date of the gift. Unrealized gains and losses are included in the change in net assets in the statement of activities.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Promises to Give*

Promises to give are recorded at their net realizable value based on Level 3 inputs (See Note 4). Promises to give received after one year are discounted at an appropriate discount rate based on management's estimate of the risks involved. Amortization of the discount is recorded annually as additional contribution revenue. The Foundation uses the allowance method to determine estimated uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At December 31, 2022 and 2021, the allowance was \$79,359 and \$90,659, respectively.

*Property and equipment*

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over useful lives. Depreciation of property and equipment and amortization of the website is computed using the straight-line method and charged to operations over the estimated useful life of five (5) years.

*Contributions*

Contributions are recorded as without restriction or with restriction depending on the existence and/or nature of any donor restrictions. The donor's restriction must be a specific purpose restriction or a specific time restriction. Net assets with restrictions are reclassified to net assets without restriction upon satisfaction of the donor restriction. The reclassification is referred to on the statement of activities as net assets released from restriction.

*Contributions of Non-monetary Assets, including Services*

Contributions of non-monetary assets are recorded at fair value at the date of receipt, including contributions of services that can be measured by the creation or enhancement of a non-financial asset. Fair value is based on quoted market prices or other objective valuation techniques. Donated services received that create or enhance non-financial assets or require specialized skills that would need to be purchased, if not donated, are recognized as in-kind contributions at their fair value.

*Functional Allocation of Expenses*

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate of time spent on such activities.

*Leases*

The Foundation has adopted Accounting Standard Codification (ASC) 842 *Leases* for leases with a term greater than one year. The standard requires the recognition of a right of use asset and a lease obligation to be recorded in the statement of financial position.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Advertising*

The Foundation uses advertising to promote its programs among the audiences it serves. The Foundation received free advertising pages in several leading publications in the financial advisor market. Donated advertising revenues are recognized when the free advertising pages are published. At December 31, 2022 and 2021 donated advertising revenue and expense were \$147,059 and \$187,941, respectively.

*Subsequent Events*

In preparing these financial statements the Foundation has evaluated events and transactions for potential recognition or disclosure through July 31, 2023, the date the financial statements were available to be issued. All such transactions have been recognized, if appropriate.

**3. CONCENTRATIONS**

*Unconditional promises to give*

At December 31, 2022, four corporate donors represented 36% of promises to give. At December 31, 2021, two corporate donor represented 40% of promises to give.

*Credit Risk*

The Foundation maintains its cash balances in accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At December 31, 2022 and 2021, the Foundation had balances in excess of the FDIC limits of approximately and \$1,109,374 and \$1,455,566 respectively.

*Market Risk*

The Foundation also invests funds in a professionally managed portfolio that contains various securities detailed in Note 4. The portfolio includes common stocks, mutual funds, and exchange-traded funds, which are reported at their estimated fair value as determined by fund managers. Management believes the fund manager's estimates to be reasonable approximations of the fair values of these investments. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Thus, it is at least possible that changes in these risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**4. INVESTMENTS**

Investments are measured at fair value Level 1. The fair value calculation may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments consisted of the following:

	<u>2022</u>	<u>2021</u>
Cash and money market funds	\$ 1,064,508	\$ 946,637
Mutual funds	13,706,984	13,212,497
Exchange traded funds	<u>4,439,246</u>	<u>4,439,246</u>
	19,210,738	18,598,380
Unrealized gains	<u>4,019,968</u>	<u>8,247,869</u>
	<u>\$ 23,230,706</u>	<u>\$ 26,846,249</u>

Investment income (loss) consisted of the following:

	<u>2022</u>	<u>2021</u>
Dividends and interest	\$ 657,222	\$ 683,448
Realized gains	113	769,264
Unrealized gain(loss)	(4,229,379)	1,959,638
Brokerage fees	<u>(48,589)</u>	<u>(50,207)</u>
	<u>\$ (3,620,633)</u>	<u>\$ 3,362,143</u>

**5. PROMISES TO GIVE**

Unconditional promises to give consisted of the following:

	<u>2022</u>	<u>2021</u>
Promises to give, due in one year	\$ 1,164,732	\$ 997,302
Promises to give, due after one year	<u>1,342,667</u>	<u>1,269,167</u>
Total promises to give	2,507,399	2,266,469
Unamortized discount	(87,183)	(54,328)
Allowance for uncollectible promises to give	<u>(79,359)</u>	<u>(90,659)</u>
	<u>\$ 2,340,857</u>	<u>\$ 2,121,482</u>

The Foundation used 4.1 % for calculating the discount rate.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**5. PROMISES TO GIVE – continued**

Future amounts due on promises to give follow:

2023	\$ 1,164,732
2024	722,917
2025	385,700
2026	172,500
2027	61,550
	<u>\$ 2,507,399</u>

**6. OPERATING RIGHT OF USE ASSET**

The operating right of use asset is made up of the present value of future lease payment of its current lease. The Foundation elected to use the risk free rate when the implicit rate was not readily determinable. The annual discount rate used was 3%. This asset is amortized, to rent expense, over the life of the lease. During the year ended December 31, 2022 the Foundation adopted ASC 842 *Leases* using the effective method. This method allows the Foundation to record the asset prospectively. At December 31, 2022 the amount to be amortized in 2023 was \$20,027.

**7. OPERATING LEASE LIABILITY**

The Foundation leases office space which expires in 2023. Rent expense for the year ended December 31, 2022 and 2021 was \$21,234 and \$22,263, respectively. Subsequently, the Foundation amended its lease for additional space. Future minimum lease payments in 2023 are \$21,291 for the existing lease.

**8. NET ASSETS WITH RESTRICTIONS**

At December 31, 2022 and 2021, the Foundation's net assets with restrictions were \$1,342,667 and \$1,169,759, respectively stated for promises to give in excess of one year. Amounts released from restriction in the year ended December 31, 2022 and 2021 were \$1,396,394 and \$2,101,495 for amounts received on promises.

**9. GRANTS**

The Foundation provides grants to organizations with programs promoting and providing pro bono financial planning and financial life skills education. Once approved by the Board of Directors, the grant is deemed a liability since the likelihood that it will not be paid is extremely remote. For the years ended December 31, 2022 and 2021, the Foundation provided grants of \$408,250 and \$502,790 respectively, to other organizations.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**10. DEFINED CONTRIBUTION PLAN**

The employees of the Foundation are leased from TriNet Passport (“TriNet”) in order to manage its employment obligations and risk. TriNet has a multiple employer-defined contribution retirement plan. The Foundation contributes 4% of each employee’s salary which is vested in accordance with the plan documents. At December 31, 2022 and 2021, the Foundation contributed \$33,569 and \$29,102 into the plan.

**11. FAIR VALUE OF ASSETS**

The following tables represent the Foundation’s assets measured at fair value on a recurring basis at December 31, 2022 and 2021:

2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 562,663	\$ -	\$ -	\$ 562,663
Investments	23,230,706	-	-	23,230,706
Promises to give, net	-	-	2,340,857	2,340,857
	<u>\$ 23,793,369</u>	<u>\$ -</u>	<u>\$ 2,340,857</u>	<u>\$ 26,134,226</u>
2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 1,164,196	\$ -	\$ -	\$ 1,164,196
Investments	26,846,249	-	-	26,846,249
Promises to give, net	-	-	2,121,482	2,121,482
	<u>\$ 28,010,445</u>	<u>\$ -</u>	<u>\$ 2,121,482</u>	<u>\$ 30,131,927</u>

The table below sets forth a summary of the changes in the fair value of the Foundation’s Level 3 financial assets for the year ended December 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Promises to give fair value January 1,	\$ 2,121,482	\$ 1,922,958
New pledges	1,185,918	1,182,839
Receipts	(944,988)	(984,252)
Change in discounts and allowance	(21,555)	(63)
	<u>\$ 2,340,857</u>	<u>\$ 2,121,482</u>



FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2022 and 2021

**12. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following table reflects the organization’s financial assets as of December 31, 2022 and 2021 reduced by amounts that are not available to meet general expenditures within one year of the Statement of Financial Position date because of contractual restrictions. Amounts not available to meet general expenditures within one year may include net assets with donor restrictions that are intended to fund special initiatives.

	2022	2021
Cash	\$ 562,663	\$ 1,164,196
Investments	23,230,706	26,846,249
Pledges receivable	2,340,857	2,121,482
Total financial assets	26,134,226	30,131,927
Less: Net assets with restrictions	(1,342,667)	(1,269,167)
Less: Board designated for operating reserves	(1,000,000)	(1,000,000)
	\$ 23,791,559	\$ 27,862,760