

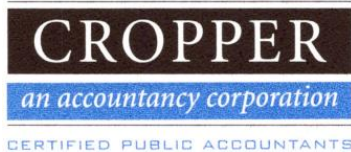
EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT THEREON

Year Ended March 31, 2024

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report	1 -2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expense	5
Statement of Cash Flows	6
Notes to Financial Statements	7 – 16



2700 Ygnacio Valley Road, Ste 270
Walnut Creek, CA 94598

(925) 932-3860 tel
(925) 476-9930 efax

www.cropperaccountancy.com

INDEPENDENT AUDITORS' REPORT

To The Board of Directors and Management of
Equal Rights Advocates
San Francisco, CA

Opinion

We have audited the accompanying financial statements of Equal Rights Advocates, Inc. (a not-for-profit corporation), which comprise the statement of financial position as of March 31, 2024, and the related statements of activities, functional expenses, cash flows for the year 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 Equal Rights Advocates, Inc. (ERA) as of March 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ERA and to meet 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 these 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 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.

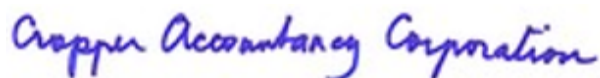
Auditors' Responsibilities for the Audit of the Financial Statements

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but it 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 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 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 ERA'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 ERA'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.



CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California
February 7, 2025

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Statement of Financial Position
March 31, 2024

ASSETS

Cash and cash equivalents	\$ 3,395,013
Investments - mutual funds	81,658
Grants and pledges receivable, net	1,731,571
Prepaid expenses and deposits	264,551
Right of Use asset - operating lease	2,200,540
Right of Use asset - finance lease	24,055
Capital assets, net	<u>102,280</u>
 TOTAL ASSETS	 <u><u>\$ 7,799,668</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable and accrued expenses	\$ 39,032
Accrued payroll and related	279,918
Deferred revenue	46,750
Lease obligation - operating lease	2,345,840
Lease obligation - finance lease	<u>24,490</u>
Total liabilities	<u>2,736,030</u>

NET ASSETS:

Without donor restrictions	3,037,502
With donor restrictions	<u>2,026,136</u>
Total net assets	<u>5,063,638</u>

TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 7,799,668</u></u>
---	--------------------------------

See Independent Auditors' Report and Notes to the Financial Statements.

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)

Statement of Activities
Year Ended March 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
Foundations and corporations	\$ 2,276,121	\$ 1,609,000	\$ 3,885,121
Other public support, net	770,984	-	770,984
Fundraising gala, net of direct donor benefits	873,329	-	873,329
Donated services	91,700	-	91,700
Donated goods	5,879	-	5,879
Net assets released from restriction	930,416	(930,416)	-
Total operating support	<u>4,948,429</u>	<u>678,584</u>	<u>5,627,013</u>
 REVENUES AND GAINS:			
Interest and dividends	4,860	-	4,860
Net realized and unrealized gains on investments	10,751	-	10,751
Reimbursements and other	2,514	-	2,514
Total revenues and gains	<u>18,125</u>	<u>-</u>	<u>18,125</u>
Total support, revenues and gains	<u>4,966,554</u>	<u>678,584</u>	<u>5,645,138</u>
 EXPENSES BY FUNCTION:			
Program services:			
Legal and advocacy	1,753,022	-	1,753,022
Communications	1,095,329	-	1,095,329
Total program services	2,848,351	-	2,848,351
Management and general	633,315	-	633,315
Development	316,842	-	316,842
Total expenses	<u>3,798,508</u>	<u>-</u>	<u>3,798,508</u>
 CHANGE IN NET ASSETS	1,168,046	678,584	1,846,630
 NET ASSETS, BEGINNING OF YEAR	<u>1,869,456</u>	<u>1,347,552</u>	<u>3,217,008</u>
 NET ASSETS, END OF YEAR	<u><u>\$ 3,037,502</u></u>	<u><u>\$ 2,026,136</u></u>	<u><u>\$ 5,063,638</u></u>

See Independent Auditors' Report and Notes to the Financial Statements

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Statement of Functional Expenses
Year Ended March 31, 2024

	Program Services			Supporting Services		
	Legal and Advocacy	Communications	Total program services	Management and General	Development	Total
EXPENSES:						
Salaries and wages	\$ 1,055,805	\$ 519,374	\$ 1,575,179	\$ 356,928	\$ 162,156	\$ 2,094,263
Payroll taxes	81,503	40,093	121,596	27,553	12,518	161,667
Employee benefits	139,144	68,448	207,592	47,039	21,371	276,003
	<u>1,276,452</u>	<u>627,915</u>	<u>1,904,367</u>	<u>431,520</u>	<u>196,045</u>	<u>2,531,933</u>
Donated legal services	91,700	-	91,700	-	-	91,700
Contractors and other professional services	33,753	232,693	266,446	57,042	42,198	365,686
Supplies	1,002	493	1,495	339	154	1,988
Events	-	73,812	73,812	-	23,339	97,151
Information technology	49,457	24,329	73,786	16,719	7,596	98,101
Equipment and related	1,593	784	2,377	539	245	3,161
Postage and shipping	242	95	337	707	6	1,050
Printing and production	942	4,667	5,609	2,102	326	8,037
Occupancy	216,294	106,400	322,694	73,121	33,220	429,035
Travel and related	13,609	8,381	21,990	5,760	2,617	30,367
Depreciation and amortization	20,520	10,094	30,614	6,937	3,152	40,703
Insurance	8,378	4,121	12,499	2,832	1,287	16,618
Publications and research, dues, and subscriptio	18,824	1,545	20,369	4,218	2,682	27,269
Other litigation	14,025	-	14,025	-	-	14,025
Bad debt	-	-	-	11,600	-	11,600
Bank fees and finance charges	-	-	-	12,528	-	12,528
Other	6,231	-	6,231	7,351	3,975	17,557
	<u>\$ 1,753,022</u>	<u>\$ 1,095,329</u>	<u>\$ 2,848,351</u>	<u>\$ 633,315</u>	<u>\$ 316,842</u>	<u>\$ 3,798,509</u>

See Independent Auditors' Report and Notes to the Financial Statements

EQUAL RIGHTS ADVOCATES, INC.**(A Not-for-Profit Corporation)**

Statement of Cash Flows

Year Ended March 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 1,846,630
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	40,703
Straight line rent adjustment	47,910
Bad debt expense	11,600
Realized and unrealized gains on investments	(10,751)
Gifts of stock	(4,598)
Changes from operating accounts:	
Receivables	(280,933)
Prepaid expenses and deposits	(38,226)
Accounts payable	(1,490)
Accrued vacation	123,523
Deferred revenue	21,250
Net cash provided by operating activities	<u>1,755,618</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	23,185
Purchases of investments	<u>(11,428)</u>
Net cash provided by investing activities	<u>11,757</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS 1,767,375

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 1,627,638

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 3,395,013

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid for:	
Income taxes	\$ -
Interest paid	<u><u>\$ 575</u></u>

See Independent Auditors' Report and Notes to the Financial Statements

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Notes to Financial Statements
Year Ended March 31, 2024

1. DESCRIPTION OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Organization

Equal Rights Advocates, Inc. (ERA) is a nonprofit legal organization dedicated to protecting and expanding economic and educational access and opportunities for women and girls. ERA is primarily funded through individual and corporate donations (including through an annual fundraising event), grants from foundations, and attorney fees resulting from legal work. It operates the following programs:

Legal Representation and Advocacy - ERA represents clients in informal negotiations, administrative proceedings, and civil legal actions to promote equal rights and opportunities for women and girls and others involved in gender equity issues. ERA also works closely with other community-based and civil and human rights organizations toward this end. ERA also engages in education and outreach to support public policies that protect and expand the rights of its constituents.

Communication – ERA educates the public through its “*Know Your Rights*” brochures on sexual harassment at work, sex discrimination, and family and medical leave and pregnancy discrimination. ERA also conducts “*Know Your Rights*” trainings on employment-related issues, such as sexual harassment. In addition, ERA distributes information about legal and economic issues affecting women via presentations, its website, e-letters, and general brochures, and acts as a resource for the media.

Basis of Presentation

The financial statements of ERA have been prepared in accordance with U.S. generally accepted accounting principles (GAAP), which require ERA to report information regarding its financial position and activities according to the following net asset categories:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of ERA’s management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ERA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restrictions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. ERA has elected a practical

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Notes to Financial Statements
Year Ended March 31, 2024

expedient wherein donor restricted gifts with stipulations satisfied in the year received are reflected as net assets without donor restrictions.

Cash Equivalents

The organization considers money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Fair Value Measurements and Investments

ERA adopted the provisions of Accounting Standards Codification (ASC) 820-10. Under such standard, fair value is defined as “the price 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”.

ASC 820-10 establishes a hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Observable inputs are those that market participants would use in pricing the asset based on market data obtained from sources independent of the organization. Unobservable inputs reflect the organization’s assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the organization’s best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The values of the ERA’s investments in mutual funds are categorized as “Level 1” fair value measurements and are reflected at fair value based on quoted market prices in the accompanying financial statements.

Receivables

Grants and pledges receivable represent unconditional promises to give by donors and grantor foundations and corporations. Current grants and pledges receivable expected to be collected

EQUAL RIGHTS ADVOCATES, INC.

(A Not-for-Profit Corporation)

Notes to Financial Statements

Year Ended March 31, 2024

during the next fiscal year are recorded at estimated net realizable value. Long-term grants and pledges receivable expected to be collected twelve months subsequent to fiscal year-end are discounted at a risk-free rate (two-year treasury constant maturity indexed rate) and are reflected in the financial statements at their estimated net present value. Any amounts deemed uncollectible are charged to bad debt expense in the period in which the determination is made.

Attorney fee awards receivable are reflected at estimated net realizable value when the award is unconditionally made.

Contract receivables are primarily amounts due from customers on performance contracts and are stated at estimated net realizable value. Uncollectible amounts are charged to expense in the period in which the determination is made.

Capital Assets

Furniture and equipment is stated at cost. ERA capitalizes all fixed asset additions greater than \$5,000 individually or similar items purchased in bulk with a collective cost greater than \$15,000. The fair value of donated fixed assets are similarly capitalized. Depreciation and amortization is computing using the straight-line method over the estimated useful lives on the fixed assets or the related lease terms as follows:

Furniture and office equipment	5 – 7 years
Computers, hardware, and software	3 – 5 years
Internally developed software	3 years
Website development costs	3 years
Leasehold improvements	Lesser of five years or lease term

Costs incurred in the development of the website or software developed for internal use are capitalized as incurred, including design, coding, testing, and implementation costs after feasibility has been achieved. Other related costs, such as project scoping, feasibility determination, and post-implementation support, are expensed as incurred.

Normal repairs and maintenance are expensed as incurred whereas significant improvements, which materially increase values or extend useful lives, are capitalized and depreciated over the remaining estimated useful lives of the related assets.

An intangible asset is recognized for a software license and, to the extent that the payments attributable to the software license are made over time, a liability is also recognized. If a cloud computing arrangement does not include a software license, ERA accounts for the arrangement as a service contract and expenses costs as incurred.

EQUAL RIGHTS ADVOCATES, INC.

(A Not-for-Profit Corporation)

Notes to Financial Statements

Year Ended March 31, 2024

Right-of-use asset and lease liability

ERA determines if an arrangement is, or contains, a lease at inception. Leases are reflected as right-of-use (ROU) assets and lease liabilities in the statement of financial position based on the present value of lease payments over the lease term using ERA's estimated incremental borrowing rate or the lease implicit rate, when readily determinable. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, ERA has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Compensated Absences

Accumulated vacation and other paid time off is recorded as an expense and a corresponding liability as benefits accrue to employees. As of March 31, 2024, accrued compensated absences approximate \$176,516.

Revenue Recognition

Unconditional promises to give that are expected to be collected within one year are recorded at estimated net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. As of March 31, 2024, there were no conditional promises to give.

Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. It is ERA's policy to utilize, rather than monetize, contributed nonfinancial assets. During the year ended March 31, 2024, ERA received donated program supplies of \$5,879.

Contributed services are reflected in the financial statements at the fair value of the services received only if those services (1) create or enhance nonfinancial assets, and (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. During the year ended March 31, 2024, donated services which met the criteria for income recognition approximated \$91,700. These donated services were primarily for law clerks assisting the organization with legal research and writing, as well as staffing the organization's hotline under attorney supervision.

Program revenue is recognized according to the specific agreement. Revenues under cost reimbursement contracts are recognized to the extent project expenses are incurred and reimbursable. Under other contract agreements, fees are recognized as revenue when performance obligations have been satisfied. Advances received but not yet earned are reported as deferred revenue.

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Notes to Financial Statements
Year Ended March 31, 2024

Special events revenue is comprised of an exchange element based upon direct benefits donors receive and a contribution element for the difference. We recognize special events revenue equal to the fair value of direct benefits to donors when the event takes place. Direct donor benefits costs of \$61,933 were netted against fundraising event support during the year ended March 31, 2024. We recognize the contribution element of special events immediately, unless there is a right of return if the special event does not take place. Event sponsorships are considered contributions and recognized immediately. Special event costs are recognized as prepaid expenses until the event occurs. Additionally, such event costs are recognized as joint costs and allocated according to ERA's joint cost policy.

Functional Allocation of Expenses and Joint Costs

The costs related to programs, development, and management and general have been summarized in the accompanying statement of activities and include direct costs related to those activities, as well as allocations of indirect expenses. Such indirect costs are allocated based on percentage of payroll charged to each function and management judgment.

ERA conducts activities and special events that mix program activities and fundraising activities and allocates those joint costs accordingly. The joint cost allocation estimate includes evaluation of the purpose of an event, the audience, and content, including specific calls to action.

For mailings with a joint purpose, costs are allocated based on programmatic and fundraising lines of print.

Special event costs, other than direct donor benefits, such as speakers, video production, and other mission-related content are allocated to program. Special event fundraising expenses include postage and printing costs with fundraising appeals, fundraising consultants and related platforms, as well as donation processing fees. Other joint costs (such as event decorations, audio visual costs, printing and production of materials, etc.) are allocated based on estimated time spent when there is a call to action and estimated time spent on fundraising appeals.

During the year ended March 31, 2024, total special event costs of \$97,151 were allocated \$73,812 to program and \$23,339 to fundraising.

Tax-Exempt Status

The organization is a nonprofit, publicly supported charitable organization exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding provisions of State law. Income, net of expenses, that is unrelated to ERA's exempt purpose, is subject to tax.

ERA has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Tax years including the year ended March 31, 2024 and earlier are subject to examinations by tax

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Notes to Financial Statements
Year Ended March 31, 2024

authorities. ERA has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Risks and Uncertainties

Financial instruments, which potentially subject the organization to concentrations of risk, consist principally of cash, money market funds, mutual funds, and receivables. As of March 31, 2024, ERA's cash and equivalents exceeded the FDIC \$250,000 insured limit by approximately \$2,810,924, without considering sweep accounts.

As of March 31, 2024, the organization's investment securities were held by two SIPC-member brokerage firms, wherein ERA's mutual funds are covered by \$500,000 SIPC insurance. Assets in the Bank Deposit Sweep Program and/or Brokered Liquid Deposit Program are not covered by SIPC but are instead covered by FDIC (up to the \$250,000 limit per depositor, per institution). ERA's assets in the Bank Deposit Sweep Program are swept to multiple financial institutions in order to reduce risk.

Grant awards require the fulfillment of certain conditions as set forth in the respective grant agreements. Failure to fulfill the conditions could result in the return of the funds to the grantee. The organization deems this contingency remote since, by accepting the grants on their terms, provision has been made to comply with such conditions. As of March 31, 2024, management is of the opinion that ERA has complied with provisions of the respective grant agreements.

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 and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through February 7, 2025, the date on which the financial statements were available to be issued. Based on management's evaluation, there are no further adjustments to, or disclosures in, the financial statements deemed necessary.

2. NET ASSETS WITH DONOR RESTRICTIONS

As of March 31, 2024, net assets with donor restrictions are restricted as follows:

EQUAL RIGHTS ADVOCATES, INC.**(A Not-for-Profit Corporation)**

Notes to Financial Statements

Year Ended March 31, 2024

<u>Donor Restriction</u>	<u>2024</u>
Passage of time	\$ 1,309,000
Women Rebuilding America initiative	510,545
Family Voices initiative	181,591
Stronger America initiative	<u>25,000</u>
Total net assets with donor restrictions	<u>\$ 2,026,136</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of the restriction, by the passage of time, or by the occurrence of other specific events as follows during the year ended March 31, 2024:

<u>Donor Restriction</u>	<u>2024</u>
Passage of time	\$ 643,299
Women Rebuilding America initiative	17,891
Stronger America initiative	125,000
Family Voices initiative	134,226
Other	<u>10,000</u>
Total net assets released from donor restrictions	<u>\$ 930,416</u>

3. LEASES

ERA leases its office space in San Francisco, California under a long-term non-cancelable operating lease with a ten-year term beginning March 2021. The space lease provides for increases in future minimum annual lease payments in addition to real estate taxes, insurance, and other variable costs. The lease payments used to determine the lease liability and right-of-use assets do not include any residual value guarantees ERA is probable of paying at lease termination.

ERA generally does not have access to the rate implicit in the lease, and therefore ERA estimated a discount rate of 2.42%.

In February 2023, ERA executed a finance equipment lease that expires in April 2029, with monthly payments of \$543, including principal and imputed interest, beginning May 2023.

Total lease cost for the year ended March 31, 2024 is as follows:

	<u>Space – Operating lease</u>	<u>Equipment – Finance Lease</u>
Lease expense (straight-line basis)	\$ 347,952	\$ 5,892
Add: variable costs charged by lessor	<u>40,654</u>	<u>-</u>
Net lease cost	<u>\$ 388,606</u>	<u>\$ 5,892</u>

EQUAL RIGHTS ADVOCATES, INC.**(A Not-for-Profit Corporation)**

Notes to Financial Statements

Year Ended March 31, 2024

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are listed below as of March 31:

<u>Year ending March 31:</u>	<u>Space – Operating lease</u>	<u>Equipment – Finance Lease</u>
2025	\$ 337,557	\$ 6,516
2026	347,684	6,516
2027	358,114	6,516
2028	368,857	6,516
2029	379,920	543
Thereafter	<u>759,875</u>	<u>-</u>
Total lease payments	2,552,007	26,607
Less: interest	<u>(206,167)</u>	<u>(2,552)</u>
Present value of lease liabilities	<u>\$ 2,345,840</u>	<u>\$ 24,055</u>

The following summarizes the weighted-average remaining lease term and weighted average discount rate:

	<u>Space – Operating lease</u>	<u>Equipment – Finance Lease</u>
Weighted-average remaining lease term in years	7.0 years	4.0 years
Weighted-average discount rate	2.42%	4.04%

As of March 31, 2024, right-of-use lease assets and lease obligations are summarized as follows:

	<u>Space – Operating lease</u>	<u>Equipment – Finance Lease</u>
Right-of-use asset	\$ 2,771,997	\$ 29,456
Less: Accumulated amortization	<u>(571,457)</u>	<u>(5,401)</u>
Net right-of-use asset	<u>\$ 2,200,540</u>	<u>\$ 24,055</u>
Lease obligation	<u>\$ 2,345,840</u>	<u>\$ 24,055</u>

EQUAL RIGHTS ADVOCATES, INC.
(A Not-for-Profit Corporation)
Notes to Financial Statements
Year Ended March 31, 2024

4. CAPITAL ASSETS

As of March 31, 2024, capital assets are comprised as follows:

<u>Asset type</u>	
Furniture and equipment	\$ 125,182
Website development costs	192,175
Software developed for internal use	43,973
Leasehold improvements	<u>51,830</u>
	413,160
Accumulated depreciation	<u>(310,880)</u>
 Total capital assets	 <u>\$ 102,280</u>

5. PLEDGES, ATTORNEYS FEES, AND GRANTS RECEIVABLE

Pledges and grants receivable as of March 31, 2024 are due as follows:

Less than one year	\$1,276,100
One to five years	503,000
Less: discount on long-term pledges and grants	<u>(47,529)</u>
 Net pledges and grants receivable	 <u>\$1,731,571</u>

6. LIQUIDITY AND AVAILABILITY

The following represents ERA's financial assets as of March 31, 2024:

Financial assets at year-end:	
Cash and cash equivalents	\$ 3,395,013
Investments - mutual funds	81,658
Receivables, net	<u>1,731,571</u>
 Total financial assets	 5,208,242
 Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>(2,026,136)</u>
 Financial assets available to meet general expenditures over the next twelve months	 <u>\$ 3,182,106</u>

EQUAL RIGHTS ADVOCATES, INC.

(A Not-for-Profit Corporation)

Notes to Financial Statements

Year Ended March 31, 2024

While ERA does not have a formally adopted operating reserve policy, informal reserves are significant relative to annual operating expenses.

7. RETIREMENT PLAN

ERA has a defined contribution plan (the Plan) under section 403(b) of the Internal Revenue Code. The Plan covers all employees who meet age and length of service requirements. ERA is not required to make contributions to the Plan. ERA made \$48,123 in matching contributions for the year ended March 31, 2024.