

EQUAL RIGHTS ADVOCATES, INC.

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

MARCH 31, 2025

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CERTIFIED PUBLIC ACCOUNTANTS

1730 Rhode Island Avenue, NW
Suite 800
Washington, DC 20036
(202) 296-3306
Fax: (202) 296-0059

Independent Auditor's Report

To the Board of Directors and Management
Equal Rights Advocates, Inc.
San Francisco, CA

Opinion

We have audited the accompanying financial statements of Equal Rights Advocates, Inc., which comprise the statement of financial position as of March 31, 2025, and the related statements of activities, functional expenses, and 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. as of March 31, 2025, 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 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 Equal Rights Advocates, Inc. 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 Equal Rights Advocates, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and 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 Equal Rights Advocates, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Equal Rights Advocates, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Equal Rights Advocates, Inc.
Independent Auditor's Report
Page Three

Other Matters

The financial statements of Equal Rights Advocates, Inc. as of March 31, 2024, were audited by other auditors whose report dated February 7, 2025, expressed an unmodified opinion on those statements.

A handwritten signature in black ink, consisting of the letters 'JM' followed by an ampersand and another 'M'. The signature is written in a cursive, flowing style.

Washington, DC
February 13, 2026

EQUAL RIGHTS ADVOCATES, INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 3,531,822
Grants and pledges receivable, current portion	1,045,400
Prepaid expenses	102,717
Other receivables	511
Total Current Assets	<u>4,680,450</u>

OTHER ASSETS

Grant and pledges receivable, net of current portion and discount of \$32,657	402,676
Investments	86,474
Property and equipment, net	74,678
Operating lease, right-of-use asset, net	1,905,537
Finance leases, right-of-use assets, net	23,580
Security deposit	88,313
Other assets	4,094
Total Other Assets	<u>2,585,352</u>

TOTAL ASSETS	<u>\$ 7,265,802</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 406,113
Deferred revenue	650
Operating lease liability, current portion	347,679
Finance lease liabilities, current portion	8,453
Total Current Liabilities	<u>762,895</u>

OTHER LIABILITIES

Operating lease liability, net of current portion	1,713,559
Finance lease liabilities, net of current portion	15,827
Total Other Liabilities	<u>1,729,386</u>
Total Liabilities	<u>2,492,281</u>

NET ASSETS

Without donor restrictions	3,099,676
With donor restrictions	1,673,845
Total Net Assets	<u>4,773,521</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,265,802</u>
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The accompanying notes are an integral part of these financial statements.

EQUAL RIGHTS ADVOCATES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Contributions	\$ 1,979,482	\$ 882,111	\$ 2,861,593
Event revenue	1,033,511	-	1,033,511
Less direct donor benefit	<u>(118,420)</u>	<u>-</u>	<u>(118,420)</u>
Event revenue, net	915,091	-	915,091
Cy Pres Revenue	323,730	-	323,730
In-kind services	94,373	-	94,373
Other income	60,596	-	60,596
In-kind goods	16,333	-	16,333
Investment income, net	6,120	-	6,120
Program services	2,400	-	2,400
Net assets released from restriction	<u>1,234,402</u>	<u>(1,234,402)</u>	<u>-</u>
Total Revenue and Support	<u>4,632,527</u>	<u>(352,291)</u>	<u>4,280,236</u>
EXPENSES			
Program services:			
Legal and advocacy	2,245,479	-	2,245,479
Communications	<u>1,401,015</u>	<u>-</u>	<u>1,401,015</u>
Total Program Services	<u>3,646,494</u>	<u>-</u>	<u>3,646,494</u>
Support services:			
Management and general	547,578	-	547,578
Development	<u>376,281</u>	<u>-</u>	<u>376,281</u>
Total Support Services	<u>923,859</u>	<u>-</u>	<u>923,859</u>
Total Expenses	<u>4,570,353</u>	<u>-</u>	<u>4,570,353</u>
CHANGE IN NET ASSETS	62,174	(352,291)	(290,117)
NET ASSETS, beginning of year	<u>3,037,502</u>	<u>2,026,136</u>	<u>5,063,638</u>
NET ASSETS, end of year	<u>\$ 3,099,676</u>	<u>\$ 1,673,845</u>	<u>\$ 4,773,521</u>

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

EQUAL RIGHTS ADVOCATES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2025

	Program Services			Support Services			Total
	Legal And Advocacy	Communications	Total Program Services	Management and General	Development	Total Support Services	
Personnel Expenses:							
Salaries	\$ 1,262,193	\$ 650,201	\$ 1,912,394	\$ 312,027	\$ 196,643	\$ 508,670	\$ 2,421,064
Payroll taxes	89,070	45,883	134,953	22,019	13,877	35,896	170,849
Employee benefits	151,616	78,102	229,718	37,481	23,620	61,101	290,819
Total Personnel Expenses	1,502,879	774,186	2,277,065	371,527	234,140	605,667	2,882,732
Consultants	93,641	302,782	396,423	23,025	33,478	56,503	452,926
Occupancy	220,959	113,969	334,928	54,624	34,472	89,096	424,024
Professional services	171,320	32,187	203,507	43,196	9,735	52,931	256,438
Conference venue, meals and related	35,918	60,759	96,677	-	135,615	135,615	232,292
Information technology	64,438	33,194	97,632	15,931	10,039	25,970	123,602
Travel	61,592	23,451	85,043	9,867	7,182	17,049	102,092
Dues and subscriptions	26,425	13,612	40,037	6,532	4,117	10,649	50,686
Office supplies	25,247	16,750	41,997	4,879	3,284	8,163	50,160
Depreciation and amortization	17,671	9,103	26,774	4,369	2,753	7,122	33,896
Printing and publication	7,664	11,891	19,555	1,895	4,353	6,248	25,803
Bank fees and finance charges	6,495	3,346	9,841	1,606	13,783	15,389	25,230
Insurance	11,230	5,785	17,015	2,777	1,750	4,527	21,542
Bad debt	-	-	-	7,350	-	7,350	7,350
Subtotal Expenses	2,245,479	1,401,015	3,646,494	547,578	494,701	1,042,279	4,688,773
Less: direct fundraising costs	-	-	-	-	(118,420)	(118,420)	(118,420)
Total Expenses	\$ 2,245,479	\$ 1,401,015	\$ 3,646,494	\$ 547,578	\$ 376,281	\$ 923,859	\$ 4,570,353

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

EQUAL RIGHTS ADVOCATES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (290,117)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization	27,602
Amortization of operating lease, right-of-use asset	295,003
Amortization of finance leases, right-of-use assets	6,293
Donated securities	(25,927)
Realized and unrealized gain on investments	(1,009)
(Increase) decrease in assets:	
Accounts receivable	283,495
Employee due to/from	(511)
Prepaid expenses	69,427
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	87,163
Deferred revenue	(46,100)
Operating lease liability	(284,602)
Net Cash Provided by Operating Activities	<u>120,717</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales of donated securities	27,428
Purchases of investments	(5,308)
Net Cash Provided by Investing Activities	<u>22,120</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on finance lease liabilities	(6,028)
Net Cash Used by Financing Activities	<u>(6,028)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	136,809
CASH AND CASH EQUIVALENTS, beginning of year	<u>3,395,013</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 3,531,822</u></u>
NON-CASH INVESTING AND FINANCING ACTIVITIES	
Right-of-use asset acquired under finance lease	<u>\$ 5,818</u>
Lease liability acquired under finance lease	<u><u>\$ 5,818</u></u>

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

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

Equal Rights Advocates, Inc. (“ERA”) was formed in 1974 as a nonprofit legal corporation in accordance with the laws of the state of California. With team members in Washington D.C., California and elsewhere in the country, ERA fights for gender justice in the workplace, in schools, and across other spheres. ERA uses a comprehensive set of strategies to advance educational and economic opportunities, including legal representation, policy advocacy, community engagement/education, narrative change and movement building. ERA focuses on those most impacted by injustice at the intersection of gender, race, LGBTQ and immigration status, and income level. It operates the following programs:

Legal Advocacy, Services, & Enforcement: ERA provides free legal advice and counseling as well as legal representation to students and workers in need across the nation. Through impact litigation and other enforcement strategies, ERA challenges sex harassment discrimination at work and school and other unlawful conduct violating civil and constitutional rights. Building on 50+ years of groundbreaking legal work, including cases up to the Supreme Court, ERA leads groundbreaking cases affirming rights and confirming its reach to those most impacted by inequities.

ERA leads state and national collaborative impact campaigns/networks with 500+ organizational partners to build power behind mission-aligned system reform. These include, Stronger California Advocates Network, Equal Pay Today, the Stop Harassment State Network (collectively, Women's Agenda Initiatives) and the National Taskforce on Tradeswomen Issues, which became a project of ERA in 2024. In the past decade alone, ERA has helped drive the passage of 66 laws in California and 183 laws nationwide benefitting 30 million in advancing workplace equity, poverty alleviation and wealth generation, the needs of working families, and reproductive health care.

Community Education and Culture/Narrative Change: ERA educates students and workers and allies across the country about legal rights and mission goals through its national action team alerts, digital campaigns, website content, policy videos, media thought leadership, educational events and programs, and the ERA Digital Policy Hub. ERA’s efforts garner over 100 million social media impressions annually reaching community members across the country, including Equal Pay Day events and campaigns with partners across the country. ERA also conducts community research to track trends and develop programs responsive to the needs of those it serves.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned, and expenses and related liabilities are recognized as the obligations are incurred.

Financial Statement Presentation

Financial statement presentation follows Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 958, *Not-For-Profit Entities*. In accordance with the topic, net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of ERA and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met by either actions of ERA and/or the passage of time, or that must be maintained in perpetuity by ERA. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

ERA maintains its cash balances in bank deposit accounts which are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the accounts may exceed these limits. ERA believes it is not exposed to any significant credit risk on cash. ERA considers money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Grants and Pledges Receivable

Grants and pledges receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon a review of outstanding receivables, historical collection of information, and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. As of March 31, 2025, management has determined that all significant receivables are collectible; however, due to the long term grants and pledges, a discount of \$32,657 has been recorded using the discount rate noted in Note E.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Investments

Investments in marketable securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Dividends are recorded on the ex-dividend date. Interest income is recognized when earned. Purchases and sales of investments are reflected on a trade-date basis. Investment income is recognized on the statement of activities in the period in which the changes occur, and are recorded net of investment fees incurred. Donated securities are recorded at fair value on the date of the gift.

Property and Equipment

Property 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.

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 determination, and postimplementation 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.

Right-of-Use (“ROU”) Assets (Operating and Finance Leases)

Right-of-use (“ROU”) assets are measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after the commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, ROU assets are subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus any unamortized initial direct costs, and the addition or subtraction of any prepaid lease payments (accrued lease payments, less the unamortized balance of lease incentives received).

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Right-of-Use (“ROU”) Assets (Operating and Finance Leases) - continued

Operating lease ROU assets are amortized on a straight-line basis over the lease term. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining life of the asset.

Lease Liability – Operating and Finance Leases

ERA accounts for leases in accordance with FASB ASC Topic 842. ERA is a lessee in an operating lease for office space and three separate finance leases for equipment. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use assets are amortized over the lease term. Operating lease payments are recognized on a straight-line basis over the lease term.

For operating leases, interest on the lease liability and the amortization of the right-of-use asset result in straight-line occupancy expense over the lease term. Variable lease expenses, if any, are recognized when incurred. A lease liability is measured based on the present value of its future lease payments. Payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index or rate, are remeasured when any of the following occur:

- 1) The lease is modified (the modification is not accounted for as a separate contract); or
- 2) Certain contingencies related to variable lease payments are resolved; or
- 3) There is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee.

The discount rate is the rate implicit in the lease if it is readily determinable. Since this rate was not readily determinable in the lease, ERA elected to use the risk-free rate (“US Treasury Rate”) as of the date ERA adopted FASB Topic 842.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue Recognition

Contributions

ERA recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions received with donor stipulations are recorded as contributions with donor restrictions based on the donor's intent.

Unless otherwise stated by the donor, individual donations are recorded as contributions without donor restrictions. Contributions with donor restrictions that are met in the same reporting period as the contribution is received are reported as contributions without donor restrictions support.

Program Services

Program services revenue is recognized according to the specific agreement. Revenues under cost reimbursement contracts, including amounts related to the Tradeswomen Taskforce, 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 earned are reported as deferred revenue.

Event Income

Event income is recognized at a point in time in the year in which the conference is held. Amounts received in advance are recorded as deferred revenue. Deferred revenue at the beginning of the year ended March 31, 2025, was \$46,750.

Event revenue is comprised of an exchange element based upon direct benefits donors receive and a contribution element for the difference. ERA recognizes event revenue equal to the fair value of direct benefits to donors when the event takes place. ERA hosted its 50th Anniversary Gala in May 2024.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

In-Kind Contributions

ERA records in-kind revenue and the related expense at fair value on the date of donation as provided by the donor or by reference to prevailing market rates for similar goods or services. Donated time and services are recognized as contributions if the services (a) create or enhance on financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ERA. Contributed services that do not meet the above criteria are not recognized.

Method Used for Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or support function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. ERA incurs indirect costs, commonly referred to as “shared costs,” that benefit all organizational functions. Shared costs are charged to all functions of the organization through a shared cost coding method as expenses are incurred and recorded. The expenses that are allocated using the shared cost coding method include salaries, insurance, rent, and other operating expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of revenue and expenses during the reporting periods and reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

NOTE C – INCOME TAXES

ERA is a 501(c)(3) organization, exempt from federal income tax under Section 501(a) of the Internal Revenue Code. ERA is, however, subject to tax on business income unrelated to its exempt purpose.

ERA believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE C – INCOME TAXES - continued

ERA’s information returns are subject to examination by the Internal Revenue Service for a period of three years from the date they were filed, except under certain circumstances. ERA’s information returns for the years ended March 31, 2022 through 2024, are open for a tax examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

NOTE D – AVAILABLE RESOURCES AND LIQUIDITY

ERA’s management regularly monitors liquidity requirements to ensure that on-going operating needs and other contractual commitments are met. ERA strives to maintain liquid financial assets sufficient enough to cover six months of general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, ERA operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Timing of revenue receipts also ensures the availability of necessary operational funds.

The following table reflects ERA’s financial assets as of March 31, 2025, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor restrictions:

Cash and cash equivalents	\$	3,531,822
Investments		86,474
Grants and pledges receivable		1,045,400
Total Financial Assets		4,663,696
Less: net assets with donor restrictions		(1,673,845)
Total Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	\$	2,989,851

NOTE E – GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable consist of the following as of March 31, 2025:

Less than one year	\$	1,045,400
One to five years		435,333
Less: discount on long-term grants and pledges		(32,657)
Grants and Pledges Receivable, Net	\$	1,448,076

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE E – GRANTS AND PLEDGES RECEIVABLE - continued

Long-term grants and pledges have been discounted at the amount of \$32,657 and was calculated using discount rates ranging from 4.89% to 4.96%.

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of March 31, 2025:

Furniture, fixtures, and equipment	\$ 177,011
Intangible assets	236,148
	<hr/> 413,159
Less: Accumulated depreciation and amortization	(338,481)
Property and Equipment, Net	<hr/> <u>\$ 74,678</u>

Depreciation and amortization expense totaled \$27,602 for the year ending March 31, 2025.

NOTE G – INVESTMENTS AND FAIR VALUE MEASUREMENT

FASB ASC Topic 820, *Fair Value Measurement*, 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 hierarchy. 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).

Level 1 – Inputs are based on unadjusted quoted prices for identical assets traded in an active market that ERA has the ability to access.

Level 2 – Inputs are based on quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, or model based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

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

The following valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management 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.

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE G – INVESTMENTS AND FAIR VALUE MEASUREMENT - continued

The fair value of money market funds are valued by carrying amount, which approximates fair value. Fair values of ERA’s mutual funds and money market funds have been determined by ERA from observable market quotations.

The following table presents ERA’s fair value hierarchy for financial instruments measured at fair value on a recurring basis as of March 31, 2025:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 86,474	\$ -	\$ -	\$ 86,474
Total Financial Instruments	\$ 86,474	\$ -	\$ -	\$ 86,474

NOTE H – OPERATING LEASE

ERA leases its office space in San Francisco, CA, under a long-term non-cancelable operating lease for a ten-year term beginning in March 2021. The lease provides for increases in future minimum annual lease payments in addition to real estate taxes, insurance, and other variable costs. ERA generally does not have access to the rate implicit in the lease, and therefore ERA estimated a discount rate of 2.42%.

The balance of the ROU operating lease asset as of March 31, 2025, is as follows:

Operating lease, right-of-use asset	\$ 2,771,997
Amortization of operating lease, right-of-use asset	(866,460)
Total Operating Lease, Right-of-Use Asset, Net	\$ 1,905,537

Average lease terms and discount rates for operating lease as of March 31, 2025, is as follows:

Weighted average remaining lease term (years)	6.00
Weighted average discount rate	2.42%

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE H – OPERATING LEASE - continued

The future minimum operating right-of-use lease liability as of March 31, 2025, is as follows:

2026	\$	347,679
2027		358,109
2028		368,852
2029		379,920
2030		391,324
Thereafter		368,555
Total lease payments		2,214,439
Less: Interest		(153,201)
Present Value of Right-of-Use Liabilities		\$ 2,061,238

Rent expense associated with this lease for the year ended March 31, 2025, totaled \$347,952.

NOTE I – FINANCE LEASES

In February 2023, ERA executed a finance lease for equipment used in its operations that expires in April 2028, with monthly payments of \$543, including principal and imputed interest beginning May 2023 through April 2028.

In August 2024, ERA executed an additional finance lease for equipment used in its operations that expires in July 2027, with monthly payments of \$55 including principal and imputed interest beginning August 2024 through July 2027.

In March 2025, ERA executed a third finance lease for equipment used in its operations that expires in April 2028, with monthly payments of \$116 including principal and imputed interest with begin in May 2025 and continue through April 2028.

The balance of the ROU financing lease asset as of March 31, 2025, is as follows:

Finance lease, right-of-use asset	\$	35,274
Finance of operating lease, right-of-use asset		(11,694)
Total Finance Lease, Right-of-Use Asset, Net		\$ 23,580

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE I – FINANCE LEASES – continued

The future minimum finance right-of-use lease liabilities as of March 31, 2025, are as follows:

2026	\$ 8,453
2027	8,569
2028	8,129
2029	<u>659</u>
Total lease payments	25,810
Less: Interest	<u>(1,530)</u>
Present Value of Right-of-Use Liabilities	<u><u>\$ 24,280</u></u>

Average lease terms and discount rates for finance leases as of March 31, 2025, are as follows:

Weighted average remaining lease term (years)	3.02
Weighted average discount rate	4.02%

NOTE J – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were as follows as of March 31, 2025:

Passage of time	\$ 1,169,667
Women Rebuilding America Initiative	313,734
Stronger California	<u>190,444</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 1,673,845</u></u>

Net assets with donor restrictions 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, 2025:

Passage of time	\$ 756,000
Women Rebuilding America Initiative	196,811
Family Voices Initiative	181,591
Stronger California	<u>100,000</u>
Total Net Assets Released from Donor Restrictions	<u><u>\$ 1,234,402</u></u>

EQUAL RIGHTS ADVOCATES, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(continued)

NOTE K – RETIREMENT PLAN

ERA has a defined contribution plan (the “Plan”) under section 403(b) of the Internal Revenue Code. Employees are eligible to make contributions to the Plan on the date of their hire and are eligible to receive matching contributions once they attain the age of 21 years. ERA matches 100% of employee deferrals up to 3% of compensation plus 50% of employee deferrals over 3% but not to exceed 5% of employee compensation. Employer contributions for the year ended March 31, 2025, totaled \$82,082.

NOTE L – IN-KIND CONTRIBUTIONS

ERA received in-kind contributions of goods totaling \$16,333 which are included in the statement of activities. Included in this amount were goods totaling \$7,800, which were allocated and used across ERA’s 50th anniversary conference and were valued based on cost or the competitive market rate. The remaining in-kind goods in the amount of \$8,533 were allocated to program services.

Donated consulting and legal services totaled \$94,373. In-kind services were allocated to program services.

Legal services were valued based on the donor’s hourly service rate. Unless otherwise noted, in-kind contributions did not have any donor-imposed restrictions.

NOTE M – SUBSEQUENT EVENTS

In preparing these financial statements, ERA’s management has evaluated events and transactions for potential recognition or disclosure through February 13, 2026, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further recognition or disclosure.