

**RIGHT SHARING OF WORLD
RESOURCES, INC.
(A NONPROFIT ORGANIZATION)
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

TABLE OF CONTENTS

YEARS ENDED JUNE 30, 2021 AND 2020

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 16



BRADY WARE
& SCHOENFELD

INDEPENDENT AUDITORS' REPORT

Board of Directors
Right Sharing of World Resources, Inc.
Richmond, Indiana

We have audited the accompanying financial statements of the **Right Sharing of World Resources, Inc.** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3601 Rigby Road • Suite 400 • Dayton, Ohio • 45342-4981
2206 Chester Blvd. • Richmond, Indiana • 47374-1219
3 Easton Oval • Suite 300 • Columbus, Ohio • 43219-6287
11175 Cicero Drive • Suite 300 • Alpharetta, Georgia • 30022-1166

www.bradyware.com

INDEPENDENT AUDITORS' REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Right Sharing of World Resources, Inc.** as of June 30, 2021 and 2020, 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.



Richmond, Indiana
April 29, 2022

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 254,524	\$ 363,701
Investments	2,551,907	1,755,256
Pledges receivable	6,500	2,500
Accounts receivable	1,579	5,967
Notes receivable	2,662	5,076
Prepaid expenses	1,760	3,937
Equipment, net	<u>617</u>	<u>2,039</u>
	<u>\$ 2,819,549</u>	<u>\$ 2,138,476</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 1,405	\$ 5,501
Accrued liabilities	11,730	11,393
Grants payable	87,650	-
Notes payable	<u>113,972</u>	<u>113,972</u>
	<u>214,757</u>	<u>130,866</u>
NET ASSETS		
Without donor restrictions		
Board designated	2,153,894	1,393,742
Board designated - future grants pool	250,000	250,000
Board designated - relief funds	-	3,586
Undesignated	<u>194,398</u>	<u>357,782</u>
	<u>2,598,292</u>	<u>2,005,110</u>
With donor restrictions		
Time-restricted for future periods	<u>6,500</u>	<u>2,500</u>
	<u>2,604,792</u>	<u>2,007,610</u>
	<u>\$ 2,819,549</u>	<u>\$ 2,138,476</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 736,025	\$ 70,686	\$ 806,711
In-kind donations	2,750	-	2,750
Interest income	302	-	302
Investment income	64,711	-	64,711
Net realized gain on investments	2,751	-	2,751
Net unrealized gain on investments	411,480	-	411,480
Miscellaneous revenue	3,291	-	3,291
Total Support and Revenue	1,221,310	70,686	1,291,996
NET ASSETS RELEASED FROM RESTRICTIONS	66,686	(66,686)	-
	1,287,996	4,000	1,291,996
FUNCTIONAL EXPENSES			
Program services	606,673	-	606,673
Administrative and general	36,406	-	36,406
Fundraising	51,735	-	51,735
Total Functional Expenses	694,814	-	694,814
CHANGE IN NET ASSETS	593,182	4,000	597,182
NET ASSETS			
Beginning of year	2,005,110	2,500	2,007,610
End of year	\$ 2,598,292	\$ 6,500	\$ 2,604,792

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 652,832	\$ 91,808	\$ 744,640
In-kind donations	6,558	-	6,558
Interest income	416	-	416
Investment income	61,455	-	61,455
Net realized gain on investments	2,044	-	2,044
Net unrealized loss on investments	(12,090)	-	(12,090)
Miscellaneous revenue	<u>5,872</u>	<u>-</u>	<u>5,872</u>
Total Support and Revenue	717,087	91,808	808,895
NET ASSETS RELEASED FROM RESTRICTIONS	<u>99,743</u>	<u>(99,743)</u>	<u>-</u>
	<u>816,830</u>	<u>(7,935)</u>	<u>808,895</u>
FUNCTIONAL EXPENSES			
Program services	586,488	-	586,488
Administrative and general	39,594	-	39,594
Fundraising	<u>65,597</u>	<u>-</u>	<u>65,597</u>
Total Functional Expenses	<u>691,679</u>	<u>-</u>	<u>691,679</u>
CHANGE IN NET ASSETS	125,151	(7,935)	117,216
NET ASSETS			
Beginning of year	<u>1,879,959</u>	<u>10,435</u>	<u>1,890,394</u>
End of year	<u>\$ 2,005,110</u>	<u>\$ 2,500</u>	<u>\$ 2,007,610</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	Program Services	Administrative and General	Fundraising	Total
Payroll and Related Expenses				
Salaries	\$ 141,917	\$ 17,947	\$ 32,838	\$ 192,702
Benefits	12,173	1,436	3,125	16,734
Payroll taxes	<u>14,439</u>	<u>1,951</u>	<u>3,122</u>	<u>19,512</u>
	<u>168,529</u>	<u>21,334</u>	<u>39,085</u>	<u>228,948</u>
Other Expenses				
Advertising	1,464	-	488	1,952
Bank service charges	3,061	-	-	3,061
Board expenses	1,157	116	174	1,447
Computer related expenses	3,396	485	970	4,851
Conferences, conventions and meetings	1,214	76	228	1,518
Contract services	8,500	11,250	-	19,750
Depreciation	-	1,422	-	1,422
Fundraising	-	-	2,531	2,531
Grants to projects	212,151	-	-	212,151
Emergency food relief	87,650	-	-	87,650
Consultation expense	800	-	-	800
In country representation	99,595	-	-	99,595
Miscellaneous	1,251	1,301	3,543	6,095
Newsletter	11,506	-	2,876	14,382
Office supplies	754	126	377	1,257
Postage	651	46	465	1,162
Rent	3,072	154	614	3,840
Telecommunications	1,775	89	355	2,219
Travel	<u>147</u>	<u>7</u>	<u>29</u>	<u>183</u>
Total Expenses	<u>\$ 606,673</u>	<u>\$ 36,406</u>	<u>\$ 51,735</u>	<u>\$ 694,814</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

	Program Services	Administrative and General	Fundraising	Total
Payroll and Related Expenses				
Salaries	\$ 104,502	\$ 21,348	\$ 42,566	\$ 168,416
Benefits	9,724	1,447	5,260	16,431
Payroll taxes	<u>8,468</u>	<u>1,776</u>	<u>3,414</u>	<u>13,658</u>
	<u>122,694</u>	<u>24,571</u>	<u>51,240</u>	<u>198,505</u>
Other Expenses				
Advertising	1,324	-	441	1,765
Bank service charges	2,395	-	-	2,395
Board expenses	14,167	1,417	2,125	17,709
Computer related expenses	3,922	560	1,121	5,603
Conferences, conventions and meetings	2,228	139	418	2,785
Contract services	3,379	10,726	588	14,693
Depreciation	-	1,092	-	1,092
Fundraising	-	-	3,078	3,078
Grants to projects	196,650	-	-	196,650
Emergency food relief	111,450	-	-	111,450
Consultation expense	10,813	-	-	10,813
In country representation	93,069	-	-	93,069
Miscellaneous	969	471	274	1,714
Newsletter	13,594	-	3,399	16,993
Office supplies	485	81	242	808
Postage	809	58	577	1,444
Remote office	2,453	175	876	3,504
Rent	3,072	154	614	3,840
Telecommunications	1,568	78	314	1,960
Travel	<u>1,447</u>	<u>72</u>	<u>290</u>	<u>1,809</u>
Total Expenses	<u>\$ 586,488</u>	<u>\$ 39,594</u>	<u>\$ 65,597</u>	<u>\$ 691,679</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 597,182	\$ 117,216
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,422	1,092
Net unrealized (gain) loss on investments	(411,480)	12,090
Net realized gain on investments	<u>(2,751)</u>	<u>(2,044)</u>
	184,373	128,354
Changes in operating assets and liabilities:		
Pledges receivable	(4,000)	7,935
Accounts receivable	4,388	(4,475)
Notes receivable	2,414	4,144
Prepaid expenses	2,177	(3,053)
Accounts payable	(4,096)	(375)
Accrued liabilities	337	(4,523)
Grants payable	<u>87,650</u>	<u>(8,950)</u>
Net Cash Provided by Operating Activities	<u>273,243</u>	<u>119,057</u>
INVESTING ACTIVITIES		
Proceeds from sale of investments	8,089	7,682
Purchase of investments	<u>(390,509)</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	<u>(382,420)</u>	<u>7,682</u>
NET INCREASE (DECREASE) IN CASH	(109,177)	126,739
CASH		
Beginning of year	<u>363,701</u>	<u>236,962</u>
End of year	<u>\$ 254,524</u>	<u>\$ 363,701</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business - Right Sharing of World Resources, Inc. (the "Organization") is a nonprofit organization that supports grassroots development and economic discipleship around the world. The Organization works with groups of marginalized women in India, Sierra Leone and Kenya. The grants provided by the Organization support innovative income generating, awareness building, and environment regeneration projects. It is the Organization's philosophy that "God calls us to the right sharing of world resources, from the burden of materialism and poverty into the abundance of God's love, to work for equity through partnerships with our sisters and brothers throughout the world." The Organization provides educational opportunities in the United States, Europe, India, Sierra Leone and Kenya. The Organization's main sources of income are from contributions and investment earnings.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities.

Basis of Presentation - Accounting standards require the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Financial 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 the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations - The Organization received contributions from two donors in 2021 and one donor in 2020 that represented 36% and 17% of the total contributions revenue for the years 2021 and 2020. Amounts due from one donor accounted for 100% of the pledges receivable balance at June 30, 2021 and 2020.

At June 30, 2020, the Organization had deposits held at a financial institution that were in excess of FDIC limits. At June 30, 2021, the Organization's cash deposits were not in excess of the FDIC insurance limits.

Pledges Receivable - Unconditional pledges receivable are recorded at net realizable value. Conditional promises to give are recorded only when the conditions on which they depend are substantially met and the promises become unconditional. All of the unconditional promises to give at June 30, 2021 and 2020 were expected to be received within one year.

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Investments - The Organization's investments are measured at fair value in the statements of financial position.

Contributions - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions. All other donor restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions, and reported in the statements of activities as net assets released from restrictions.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as increases in restricted net assets. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Endowment Investment and Spending Policies - The Organization has adopted an investment policy for endowment assets that attempts to preserve the real purchasing power of the assets, and provide a growing stream of income to be made available for spending, and keeping pace with inflation in order to sustain the operations and grant-making capacity of the Organization. The investment policy establishes a return objective through diversification of asset classes.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Organization adopted a formal spending policy to calculate the amount of money annually distributed from the Organization's endowed funds. For June 30, 2021 and 2020, the board approved a semi-annual spending rate of 4.5%.

Equipment - Equipment is stated at cost, less accumulated depreciation. The Organization's policy is to capitalize expenditures in excess of \$1,000 for equipment at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Donated assets are reflected at their estimated value at the date of receipt. Routine repairs and maintenance are expensed as incurred. Depreciation expense for the years 2021 and 2020 was \$1,422 and \$1,092.

Advertising Expense - Advertising costs are expensed as incurred. Advertising expenses were \$1,952 and \$1,765 for the years 2021 and 2020.

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Functional Allocation of Expenses - The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The main expenses that are allocated include salaries and wages and related employee benefits and payroll taxes which are allocated on the basis of estimates of time and effort.

Tax-Exempt Status - The Organization, an Ohio nonprofit corporation, is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code"), and has been determined not to be a private foundation under Section 509(a)(1) of the Code. Accordingly, no provision for income tax is presented in the statements of financial position.

Accounting for Uncertainty in Income Taxes - Accounting standards require the evaluation of tax positions taken, or expected to be taken, in the course of preparing the Organization's tax returns, to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. This statement provides that a tax benefit from an uncertain tax position may be recognized in the financial statements only when it is "more-likely-than-not" the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based upon the technical merits and consideration of all available information. Once the recognition threshold is met, the portion of the tax benefit that is recorded represents the largest amount of tax benefit that is greater than 50 percent likely to be realized upon settlement with a taxing authority. Based on its review, management does not believe the Organization has taken any material uncertain tax positions, including any position that would place the Organization's exempt status in jeopardy, as of June 30, 2021.

Subsequent Events - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 29, 2022, the date the financial statements were available to be issued.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The following reflects the Organization's financial assets as of the statements of financial position date, reduced by amounts not available for general use within one year of the statements of financial position date because of donor-imposed restrictions or internal designations. Financial assets are considered unavailable when not convertible to cash within one year such as endowments which include board designated endowments. These board designations could be drawn upon if the Board of Trustees approves that action.

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - LIQUIDITY AND AVAILABILITY - CONTINUED

	<u>2021</u>	<u>2020</u>
Cash	\$ 254,524	\$ 363,701
Investments	2,551,907	1,755,256
Pledges receivable	6,500	2,500
Accounts receivable	1,579	5,967
Note receivable	<u>2,662</u>	<u>5,076</u>
Total financial assets	<u>2,817,172</u>	<u>2,132,500</u>
Less those unavailable for general expenditure within one year due to:		
Endowment funds subject to the Organization's spending policy:		
Board designated funds less the next year's approved draw	(1,540,147)	(1,031,985)
Board designated non-endowment funds	(791,175)	(566,715)
Funds required to be held for notes payable repayment	<u>(113,972)</u>	<u>(113,972)</u>
	<u>(2,445,294)</u>	<u>(1,712,672)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 371,878</u>	<u>\$ 419,828</u>

NOTE 3 - INVESTMENTS

	<u>2021</u>	
	<u>Cost</u>	<u>Fair Value</u>
Quaker Growth and Income Fund	\$ 1,595,304	\$ 2,403,892
Short Term Investment Fund	<u>138,898</u>	<u>148,015</u>
	<u>\$ 1,734,202</u>	<u>\$ 2,551,907</u>
	<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>
Quaker Growth and Income Fund	\$ 1,210,132	\$ 1,607,241
Short Term Investment Fund	<u>138,898</u>	<u>148,015</u>
	<u>\$ 1,349,030</u>	<u>\$ 1,755,256</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - INVESTMENTS - CONTINUED

The investments above represent the fair values of the Organization's financial assets that are measured on a recurring basis as of June 30, 2021 and 2020. All of the Organization's investments are considered as level 2 assets.

Level 1 - Fair values for investments are determined by reference to quoted market prices.

Level 2 - Fair values for investments are calculated using quoted market prices for similar assets in markets that are not active.

Level 3 - Fair values for investments are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair measurement.

NOTE 4 - EQUIPMENT

	<u>2021</u>	<u>2020</u>
Computers and equipment	\$ 6,722	\$ 6,722
Less accumulated depreciation	<u>6,105</u>	<u>4,683</u>
	<u>\$ 617</u>	<u>\$ 2,039</u>

NOTE 5 - NOTES RECEIVABLE AND RELATED ACCOUNTS RECEIVABLE

The Organization lent \$20,618 to their Kenya representative for the purpose of a vehicle. Interest is payable at 4.5% with monthly payments of \$366. The note matured August 2021 and was secured by the vehicle. The balance was \$662 and \$5,076 as of June 30, 2021 and 2020. Interest received was \$147 and \$330 during 2021 and 2020. The loan is to be paid in full in the next year.

The loan is administered by Friends United Meeting (FUM). As of June 30, 2021 and 2020, the amount due from FUM related to these receipts was \$1,579 and \$5,967.

In addition to the outstanding loan to the Organization's Kenya representative as of June 30, 2021, the Organization lent \$2,000 to the Kenya assistant field representative in 2021. The outstanding balance as of June 30, 2021 is \$2,000 to be paid in full within two years.

NOTE 6 - GRANTS PAYABLE

Grants payable consists of grants that are authorized but unpaid as of June 30, 2021. The balance of \$87,650 reflected on the statements of financial position as of June 30, 2021 is to be paid in less than one year. There was no such payable as of June 30, 2020.

RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 7 - NOTES PAYABLE

Notes payable consisted of eight loans for a total of \$113,972 as of June 30, 2021 and 2020. The non-interest bearing loans were made to the Organization by various individual and family supporters.

The loan covenants require that the principal be maintained in a separate interest-bearing account. As of June 30, 2021 and 2020, the Organization held \$148,015 in a short-term investment fund which is included in the investments total on the statements of financial position. The earnings are available for use by the Organization.

The three largest loans as of June 30, 2021 and 2020 were in the amounts of \$50,750, \$30,000 and \$20,000. These loans comprise 88% of the total loans outstanding as of June 30, 2021 and 2020. All of the loans are non-interest bearing, payable on demand with 30 to 180 days notice, and with issue dates from 2004 through 2018.

NOTE 8 - OPERATING LEASES

The Organization signed a one year lease effective September 1, 2019 at \$320 per month for office space. The lease agreement was renewed for September 1, 2020 through August 31, 2021. The Organization is currently leasing the office space on a month-to-month basis.

Rent expense for the years 2021 and 2020 was \$3,840.

NOTE 9 - ENDOWMENT FUNDS AND NET ASSETS

The following is a summary of changes in endowment net assets for the years 2021 and 2020:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,080,613	\$ -	\$ 1,080,613
Investment income	45,298	-	45,298
Net investment gain (realized and unrealized)	289,961	-	289,961
Contributions	247,807	-	247,807
Amounts appropriated for expenditure	(50,960)	-	(50,960)
Endowment net assets, end of year	<u>\$ 1,612,719</u>	<u>\$ -</u>	<u>\$ 1,612,719</u>

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,093,641	\$ -	\$ 1,093,641
Investment income	43,018	-	43,018
Net investment loss (realized and unrealized)	(13,028)	-	(13,028)
Amounts appropriated for expenditure	(43,018)	-	(43,018)
Endowments net assets, end of year	<u>\$ 1,080,613</u>	<u>\$ -</u>	<u>\$ 1,080,613</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 9 - ENDOWMENT FUNDS AND NET ASSETS - CONTINUED

In addition to endowment net assets, the Organization also manages other non-endowed funds. The following tables summarize all Organization net assets as of June 30, 2021 and 2020:

2021			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds:			
Board designated	<u>\$ 1,612,719</u>	<u>\$ -</u>	<u>\$ 1,612,719</u>
Non-endowment funds:			
Board designated	<u>541,175</u>	<u>-</u>	<u>541,175</u>
Board designated - future grants pool	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Time restricted for future periods	<u>-</u>	<u>6,500</u>	<u>6,500</u>
Undesignated	<u>194,398</u>	<u>-</u>	<u>194,398</u>
	<u>985,573</u>	<u>6,500</u>	<u>992,073</u>
	<u>\$ 2,598,292</u>	<u>\$ 6,500</u>	<u>\$ 2,604,792</u>
2020			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds:			
Board designated	<u>\$ 1,080,613</u>	<u>\$ -</u>	<u>\$ 1,080,613</u>
Non-endowment funds:			
Board designated	<u>313,129</u>	<u>-</u>	<u>313,129</u>
Board designated - future grants pool	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Board designated - relief funds	<u>3,586</u>	<u>-</u>	<u>3,586</u>
Time restricted for future periods	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Undesignated	<u>357,782</u>	<u>-</u>	<u>357,782</u>
	<u>924,497</u>	<u>2,500</u>	<u>926,997</u>
	<u>\$ 2,005,110</u>	<u>\$ 2,500</u>	<u>\$ 2,007,610</u>

**RIGHT SHARING OF WORLD RESOURCES, INC.
(A NONPROFIT ORGANIZATION)**

NOTES TO FINANCIAL STATEMENTS

NOTE 10 - IN-KIND DONATIONS

In addition to receiving cash contributions, the Organization receives in-kind donations. It is the policy of the Organization to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, unless the in-kind donation is a gift of furniture or equipment which is capitalized, and similarly increase donations. The value of these in-kind donations is included in the financial statements and the corresponding expenses or additions to equipment are as follows:

	<u>2021</u>	<u>2020</u>
Board expenses	\$ -	\$ 3,597
Contract services	2,750	2,665
Miscellaneous	<u>-</u>	<u>296</u>
	<u>\$ 2,750</u>	<u>\$ 6,558</u>

NOTE 11 - SUBSEQUENT EVENT

As a result of the volatility in the United States' financial markets, the market value of the Organization's investments has declined since June 30, 2021. Management has not determined the decrease as of April 29, 2022, the date the financial statements were available to be issued.