



Special Olympics
Georgia

**SPECIAL OLYMPICS GEORGIA, INC.
AND AFFILIATE
NORCROSS, GEORGIA**

**AUDITED
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	1-2
CONSOLIDATED STATEMENTS OF ACTIVITIES AND NET ASSETS	3-4
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES	5-6
CONSOLIDATED STATEMENTS OF CASH FLOWS	7
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	8-20
SUPPLEMENTARY INFORMATION:	
CONSOLIDATING STATEMENT OF FINANCIAL POSITION	21-22
CONSOLIDATING STATEMENT OF ACTIVITIES AND NET ASSETS	23-24
INFORMATION ON STATE AND AREA REVENUES AND EXPENSES (UNAUDITED)	25



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Special Olympics Georgia, Inc. and Affiliate
Norcross, Georgia

Opinion

We have audited the accompanying financial statements of Special Olympics Georgia, Inc. and Affiliate (collectively, the "Organization") (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Consolidating Statements presented on pages 21-24, are presented for purposes of additional analysis and are not part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the

consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Consolidating Statements on pages 21-24 are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

The Information on State and Area Revenues and Expenses (Unaudited) presented on page 25, which is the responsibility of management, has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Jones and Kolb

March 20, 2023

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents - state and affiliate accounts	\$ 1,970,934	\$ 1,591,307
Cash and cash equivalents - area accounts	2,555,697	2,544,347
Restricted cash	<u>49,811</u>	<u>110,096</u>
 Total cash and cash equivalents	 4,576,442	 4,245,750
 Investments	 18,300,852	 19,622,568
Honorary board pledges receivable, net	41,900	45,500
Other receivables	6,640	55,147
Prepaid expenses	<u>26,029</u>	<u>43,894</u>
 Total current assets	 <u>22,951,863</u>	 <u>24,012,859</u>
 PROPERTY AND EQUIPMENT		
Property and equipment	6,242,973	6,226,104
Less accumulated depreciation	<u>(1,138,588)</u>	<u>(960,774)</u>
 Net property and equipment	 <u>5,104,385</u>	 <u>5,265,330</u>
 OTHER ASSETS		
Note receivable	4,570,300	4,570,300
Long-term honorary board pledges receivable, net	19,024	27,192
Deposits	<u>300</u>	<u>300</u>
 Total other assets	 <u>4,589,624</u>	 <u>4,597,792</u>
 Total assets	 <u><u>\$32,645,872</u></u>	 <u><u>\$33,875,981</u></u>

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

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

LIABILITIES AND NET ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Accounts payable	\$ 53,115	\$ 170,749
Accrued expenses	32,880	32,931
Deferred revenue	<u>158,303</u>	<u>165,092</u>
Total current liabilities	<u>244,298</u>	<u>368,772</u>
 NOTES PAYABLE		
Principal amount	7,000,000	7,000,000
Less deferred loan costs, net	<u>(414,439)</u>	<u>(457,620)</u>
Notes payable less unamortized deferred loan costs	<u>6,585,561</u>	<u>6,542,380</u>
Total liabilities	<u>6,829,859</u>	<u>6,911,152</u>
 NET ASSETS		
Without donor restrictions		
Undesignated	23,523,768	25,497,076
Designated reserve funds	<u>1,201,750</u>	<u>1,395,061</u>
Total net assets without donor restrictions	24,725,518	26,892,137
Net assets with donor restrictions	<u>1,090,495</u>	<u>72,692</u>
Total net assets	<u>25,816,013</u>	<u>26,964,829</u>
Total liabilities and net assets	<u><u>\$32,645,872</u></u>	<u><u>\$33,875,981</u></u>

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

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES AND NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>2022 TOTAL</u>	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>2021 TOTAL</u>
PUBLIC SUPPORT AND REVENUE						
Support and contributions	\$ 2,934,747	\$ 1,267,203	\$ 4,201,950	\$ 2,486,684	\$ 107,519	\$ 2,594,203
Loss on uncollectible pledges	-	(20,581)	(20,581)	-	(16,467)	(16,467)
In-kind contributions	23,315	-	23,315	9,110	-	9,110
Investment (loss) income, net	(3,325,290)	-	(3,325,290)	2,347,716	-	2,347,716
Fundraising events	876,974	-	876,974	1,066,098	-	1,066,098
Revenue from Special Olympics, Inc	364,242	-	364,242	380,514	-	380,514
Registration and other income	128,682	-	128,682	62,272	-	62,272
Interest on note receivable	45,711	-	45,711	45,705	-	45,705
Total public support and revenue	<u>1,048,381</u>	<u>1,246,622</u>	<u>2,295,003</u>	<u>6,398,099</u>	<u>91,052</u>	<u>6,489,151</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>228,819</u>	<u>(228,819)</u>	<u>-</u>	<u>79,333</u>	<u>(79,333)</u>	<u>-</u>
EXPENSES						
Program services						
Sports and training	1,054,341	-	1,054,341	909,425	-	909,425
Field services	1,335,985	-	1,335,985	911,712	-	911,712
Public education	211,564	-	211,564	216,485	-	216,485
Total program services	<u>2,601,890</u>	<u>-</u>	<u>2,601,890</u>	<u>2,037,622</u>	<u>-</u>	<u>2,037,622</u>

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

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES AND NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2022 TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2021 TOTAL
Support services						
General and administrative	190,710	-	190,710	251,268	-	251,268
Development	491,986	-	491,986	408,750	-	408,750
Public relations	159,233	-	159,233	116,941	-	116,941
	<u>841,929</u>	<u>-</u>	<u>841,929</u>	<u>776,959</u>	<u>-</u>	<u>776,959</u>
Total support services						
	<u>841,929</u>	<u>-</u>	<u>841,929</u>	<u>776,959</u>	<u>-</u>	<u>776,959</u>
Total expenses	<u>3,443,819</u>	<u>-</u>	<u>3,443,819</u>	<u>2,814,581</u>	<u>-</u>	<u>2,814,581</u>
CHANGE IN NET ASSETS	(2,166,619)	1,017,803	(1,148,816)	3,662,851	11,719	3,674,570
NET ASSETS						
Beginning of year	<u>26,892,137</u>	<u>72,692</u>	<u>26,964,829</u>	<u>23,229,286</u>	<u>60,973</u>	<u>23,290,259</u>
NET ASSETS						
End of year	<u>\$ 24,725,518</u>	<u>\$ 1,090,495</u>	<u>\$ 25,816,013</u>	<u>\$ 26,892,137</u>	<u>\$ 72,692</u>	<u>\$ 26,964,829</u>

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

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services				Support Services				Total Expenses
	Sports and Training	Field Services	Public Education	Total	General and Administrative	Development	Public Relations	Total	
Salaries and benefits	\$ 431,943	\$ 391,774	\$ 136,535	\$ 960,252	\$ 19,342	\$ 154,028	\$ 90,737	\$ 264,107	\$ 1,224,359
Lodging	151,222	13,078	-	164,300	-	3,186	-	3,186	167,486
Uniforms	9,680	130,035	-	139,715	-	-	-	-	139,715
Meals	11,635	59,708	-	71,343	71	823	241	1,135	72,478
Promotion	-	35,835	-	35,835	-	20,299	-	20,299	56,134
Supplies	4,547	55,441	1,145	61,133	841	1,303	479	2,623	63,756
Transportation	13,567	39,377	1,611	54,555	1,356	2,016	1,154	4,526	59,081
Rent	15,174	42,128	4,121	61,423	2,092	4,777	1,551	8,420	69,843
Awards	42,864	77,133	10,534	130,531	6,021	13,538	4,513	24,072	154,603
Payments to Special Olympics, Inc.	28,501	24,994	7,088	60,583	3,059	7,909	3,059	14,027	74,610
Facilities	16,230	53,756	11	69,997	6	54,998	1,005	56,009	126,006
Other fundraising	-	-	-	-	-	78,897	-	78,897	78,897
Other games expenses	91,227	35,777	-	127,004	-	-	-	-	127,004
Printing	98	10,930	24	11,052	10	3,067	10	3,087	14,139
Equipment rental and maintenance	33,754	25,244	8,008	67,006	11,441	9,023	3,073	23,537	90,543
Insurance	32,017	28,078	7,962	68,057	4,005	8,884	3,436	16,325	84,382
Postage and shipping	4,073	4,786	1,001	9,860	572	1,286	429	2,287	12,147
Telephone	7,992	11,629	2,033	21,654	511	2,504	780	3,795	25,449
Professional fees	-	-	-	-	103,030	-	-	103,030	103,030
Contract services	5,209	90,822	999	97,030	2,280	24,417	35,659	62,356	159,386
Volunteer professional development	6,236	35,730	-	41,966	2,302	43,398	-	45,700	87,666
Other expenses	19,146	45,278	4,465	68,889	7,764	24,181	1,957	33,902	102,791
In-kind expenses	23,315	-	-	23,315	-	-	-	-	23,315
Depreciation	55,889	65,673	13,734	135,296	18,980	17,652	5,884	42,516	177,812
Interest	50,022	58,779	12,293	121,094	7,027	15,800	5,266	28,093	149,187
Total expenses	\$ 1,054,341	\$ 1,335,985	\$ 211,564	\$ 2,601,890	\$ 190,710	\$ 491,986	\$ 159,233	\$ 841,929	\$ 3,443,819

The accompanying notes to consolidated financial statements
are an integral part of this statement.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services				Support Services				
	Sports and Training	Field Services	Public Education	Total	General and Administrative	Development	Public Relations	Total	Total Expenses
Salaries and benefits	\$ 393,563	\$ 372,852	\$ 128,887	\$ 895,302	\$ 112,177	\$ 137,400	\$ 73,857	\$ 323,434	\$ 1,218,736
Lodging	15,589	2,671	119	18,379	5	322	5	332	18,711
Uniforms	-	40,218	-	40,218	-	-	-	-	40,218
Meals	5,284	8,267	-	13,551	15	156	-	171	13,722
Promotion	-	17,550	-	17,550	-	36,359	-	36,359	53,909
Supplies	4,087	50,691	1,229	56,007	610	1,540	406	2,556	58,563
Transportation	5,226	8,304	1,278	14,808	510	1,571	495	2,576	17,384
Rent	12,382	34,555	3,594	50,531	3,465	4,180	1,207	8,852	59,383
Awards	25,189	34,732	8,241	68,162	2,721	9,174	2,721	14,616	82,778
Payments to Special Olympics, Inc.	22,984	15,863	6,716	45,563	2,432	7,642	2,258	12,332	57,895
Facilities	6,019	12,702	139	18,860	46	30,242	-	30,288	49,148
Other fundraising	-	-	-	-	-	66,031	-	66,031	66,031
Other games expenses	4,056	25,165	-	29,221	-	-	-	-	29,221
Printing	443	14,738	145	15,326	48	2,530	48	2,626	17,952
Equipment rental and maintenance	18,862	24,531	6,127	49,520	549	6,828	2,023	9,400	58,920
Insurance	24,270	28,614	8,940	61,824	2,622	8,839	2,622	14,083	75,907
Postage and shipping	4,599	6,042	458	11,099	239	8,402	148	8,789	19,888
Telephone	5,795	10,003	1,665	17,463	1,339	1,961	583	3,883	21,346
Professional fees	-	-	-	-	89,243	-	-	89,243	89,243
Contract services	41,291	49,117	13,508	103,916	4,460	15,037	18,762	38,259	142,175
Volunteer professional development	1,675	12,775	11	14,461	55	13,764	2	13,821	28,282
Other expenses	206,039	20,930	1,743	228,712	-	19,274	681	19,955	248,667
In-kind expenses	9,111	-	-	9,111	-	-	-	-	9,111
Depreciation	54,625	64,403	17,871	136,899	25,510	19,894	5,901	51,305	188,204
Interest	48,336	56,989	15,814	121,139	5,222	17,604	5,222	28,048	149,187
Total expenses	\$ 909,425	\$ 911,712	\$ 216,485	\$ 2,037,622	\$ 251,268	\$ 408,750	\$ 116,941	\$ 776,959	\$ 2,814,581

The accompanying notes to consolidated financial statements
are an integral part of this statement.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (1,148,816)	\$ 3,674,570
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:		
Depreciation expense	177,812	188,204
Amortization of deferred loan costs	43,181	43,181
Write-off of uncollectible pledges	18,681	14,167
Unrealized and realized gain on investments	3,880,087	(2,028,882)
Decrease (increase) in operating assets:		
Honorary board pledges receivable	(6,913)	(25,886)
Other receivables	48,507	3,433
Prepaid expenses	17,865	(7,791)
(Decrease) increase in operating liabilities:		
Accounts payable	(117,634)	134,301
Accrued expenses	(51)	8,057
Deferred revenue	(6,789)	18,580
Total adjustments	<u>4,054,746</u>	<u>(1,652,636)</u>
Net cash and cash equivalents provided by operating activities	<u>2,905,930</u>	<u>2,021,934</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(16,867)	-
Proceeds from sales of investments	3,388,517	2,469,470
Purchases of investments	<u>(5,946,888)</u>	<u>(4,324,470)</u>
Net cash and cash equivalents used in investing activities	<u>(2,575,238)</u>	<u>(1,855,000)</u>
NET INCREASE IN CASH	330,692	166,934
CASH AND CASH EQUIVALENTS, Beginning of year	<u>4,245,750</u>	<u>4,078,816</u>
CASH AND CASH EQUIVALENTS, End of year	<u><u>\$ 4,576,442</u></u>	<u><u>\$ 4,245,750</u></u>

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

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Special Olympics Georgia, Inc. ("SOGA") is a Georgia not-for-profit corporation that is accredited by Special Olympics, Inc. ("SOI") to conduct "Special Olympics activities" within the State of Georgia. SOGA provides year-round programs of sports training and athletic competition for children and adults with intellectual disabilities in Georgia. The major program activities are divided into the following three areas:

Sports and training – includes but is not limited to planning, implementing, managing and evaluating the five state competitions held throughout the year.

Field services – includes but is not limited to providing services and support to local and area agencies and volunteers.

Public education – includes but is not limited to activities associated with increasing public awareness and knowledge about the activities and benefits of SOGA's programs.

The programs are supported primarily through contributions from individuals, corporations and foundations. SOGA's operations include the combined accounts of the state office and all area and county programs, presented net of intra-organization transactions.

SOGA Support Organization, Inc. ("SOGA II") is a Georgia not-for-profit corporation organized as a supporting organization to SOGA to provide real estate, renovations and equipment for a "Training for Life: Sports Lab and Center." The facility is uniquely designed to provide a fully equipped sports lab and a gymnasium to offer on-site training for athletes, as well as the administrative space and support needed for SOGA's expanding network of volunteers and staff. SOGA II was incorporated in the State of Georgia in October 2016 to qualify as an eligible Qualified Active Low-Income Community Business ("QALICB") for purposes of receiving New Markets Tax Credit financing for the construction of the new facility (See Note 2).

These consolidated financial statements present the consolidated financial position of SOGA and SOGA II (collectively, the "Organization"). All significant inter-entity accounts and transactions have been eliminated in the consolidated financial statements.

B. In September 2020, the Financial Accounting Standards Board issued Accounting Standard Update ("ASU") 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which was effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the Statements of Activities and Net Assets, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. Management does not expect this ASU to have a significant impact on the Organization's financial statements.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

C. The accompanying consolidated financial statements of the Organization have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues and related assets are recognized when earned, and expenses are recognized when the obligations are incurred.

D. The Organization classifies net assets, revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. The Organization records contributions of cash and other assets as unrestricted income unless specifically restricted by the donor. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net assets with donor restrictions – Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating those resources be maintained in perpetuity. The donors of these assets permit the Organization to use all of the income earned on related investments for general or specified purposes. More specifically, items included in net assets with donor restrictions are gifts for which restrictions have not been met.

When restrictions expire (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 restriction and reported in the Consolidated Statements of Activities and Net Assets as "net assets released from restrictions."

E. Support and contributions are recognized as revenue when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional pledges that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges 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 interest rates applicable to the years in which the promises are received. For unconditional pledges received during the years ended December 31, 2022 and 2021, the discount rate used was 4.32% and 0.15%, respectively. Amortization of the discounts is included in support and contributions in the accompanying Consolidated Statements of Activities and Net Assets.

The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

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 are substantially met. Consequently,

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

at December 31, 2022 and 2021, contributions totaling \$92,200 and \$120,950, respectively, have not been recognized in the accompanying Consolidated Statement of Activities and Net Assets because the conditions on which they depend have not yet been met. These amounts are included in deferred revenue in the Consolidated Statements of Financial Position.

The Organization records non-cash contributions at their estimated fair market value at the date of the contribution. The Center records contributed services as contribution revenue and as an expense if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization recognizes revenues from fundraising events in the period the event occurs. Amounts received prior to the event are reported as deferred revenue on the Consolidated Statement of Financial Position. The Organization did not have any deferred revenues related to fundraisers at December 31, 2022 and 2021.

The Organization has entered into an integrated direct marketing program ("IDMP") with SOI, in which SOGA and other participating Special Olympics organizations share the net revenue generated by the program. SOGA receives an advance payment of \$21,269 per month which is recognized in the month received. If the advanced payment received by SOGA is less than the actual IDMP payable for that year, SOI will pay the difference by March 1st of the subsequent year. If the advanced payment received exceeds the actual IDMP amount payable, then SOGA will reimburse SOI by April 1st of the subsequent year or have SOI deduct such excess from the April 1 advance payment. The true up of the IDMP payments are recognized in the period they occur as SOGA cannot reasonably estimate the amount of over or under payment at year-end. This revenue is included in Revenue from Special Olympics Inc. on the Consolidated Statements of Activities and Net Assets. SOGA also has revenue related to cooperative projects with SOI. This revenue is recognized in the period the project is completed.

Registration and other income include revenues from games registrations, training courses and the sale of merchandise. The revenues from registrations and training courses are recognized in the period the event or training occurs. Payments received prior to the event or training are recognized as deferred income on the Consolidated Statements of Activities and Net Assets. Revenues from the sale of merchandise are recognized when the sale occurs.

F. The costs of program and supporting services activities have been summarized on a functional basis in the Consolidated Statements of Activities and Net Assets. The Consolidated Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, professional fees, transportation, occupancy, depreciation, interest and other office related expenses. Allocations are based on the percentage of time that

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

each staff member is involved in the Organization's six divisions. Total staff involvement for each division is then calculated and the allocation is based on the total staff involvement in each division. The Organization publishes a "distribution table" annually that identifies the annual distribution percentages for allocated expenses.

G. The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") 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 consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

H. The Organization considers all highly liquid debt instruments with a maturity of three months or less at the date of purchase, not held in investment accounts, to be cash and cash equivalents.

I. The Organization maintains its cash balances with high-credit quality financial institutions. At times, such balances may be in excess of the federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

J. Restricted cash consists of reserved funds from the New Markets Tax Credit ("NMTC") transaction (See Note 2). The funds are restricted for use toward the annual fees related to the NMTC. The restricted cash is subject to a blocked account agreement which is effective over the 7-year NMTC compliance period.

K. Investments include common stocks, mutual funds, U.S. treasuries, corporate bond obligations, exchange traded funds and money market accounts. Interest, dividends and increases and decreases in market value are reported as investment income in the accompanying Consolidated Statements of Activities and Net Assets.

L. The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are recorded at cost and donated assets are recorded at their estimated fair market value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful life of the asset ranging from three to thirty-nine years.

M. Deferred revenue represents event sponsorships and advance monies received under conditional grants.

N. SOGA and SOGA II are generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). However, they are subject to IRC Section 511(a) for income taxes on unrelated business income. SOGA and SOGA II had no tax liability as of December 31, 2022 and 2021.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

The Internal Revenue Service has classified SOGA as a publicly supported organization as described in section 509(a) of the Internal Revenue Code which allows donors to take the maximum charitable contribution deduction and SOGA II as a supporting organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of SOGA.

O. Deferred loan costs in connection with New Markets Tax Credit program (See Notes 2 and 7) are being amortized over the life of the related agreements. Amortization expense related to these costs totaled \$43,181 for the years ended December 31, 2022 and 2021, respectively, and is recorded as interest expense on the accompanying Consolidated Statements of Functional Expenses. The costs are presented as an offset to the notes payable on the accompanying Consolidated Statements of Financial Position.

P. Management has evaluated subsequent events through March 20, 2023, which is the date these consolidated financial statements were available to be issued.

2. NEW MARKET TAX FINANCING

In March 2017, the Organization entered into a series of debt transactions to access additional funds through the NMTC program. The funds were used to assist in funding the construction of its State Headquarters in Norcross, Georgia (See Notes 6 and 7). The NMTC program permits taxpayers to claim federal tax credits for making Qualified Equity Investments ("QEI") in a designated Community Development Entity ("CDE"). The CDE must use substantially all of the proceeds to make Qualified Low-Income Community Investments ("QLICIs"). The tax credits are claimed over a seven-year period. The Organization has partnered with an investor, PNC New Markets Investment Partners, LLC ("Investor"), to utilize the NMTC Program.

The Investor established a qualified equity investment fund, SOGA Investment Fund, LLC (the "Investment Fund") to raise the capital for the transaction. The Investment Fund was funded with \$2,429,700 equity from the Investor and a \$4,570,300 leveraged loan ("NMTC Leverage Loan") from SOGA.

The loan accrues interest at a fixed rate of 1.00%. Starting in March 2017, interest-only payments are due quarterly over the first seven years ("Compliance Period"). Commencing with the June 2024 quarterly payment, the QEI will be required to make quarterly principal and interest payments through the maturity date of March 15, 2045. The outstanding principal balance was \$4,570,300 at December 31, 2022 and 2021. Interest income related to this note was approximately \$45,000 for the years ended December 31, 2022 and 2021, respectively.

The capital raised by the Investment Fund was used to make a \$7,000,000 QEI in a CDE called ENMP 69 L.P, a wholly owned subsidiary of the Investment Fund. The CDE then loaned these funds to SOGA II in the form of two loans (See Note 7).

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

After the Compliance Period, the Investor will exit the transaction through the exercise of an option agreement which it has entered into with SOGA. Under the agreement, the Investor will "put" its interest in the Investment Fund to SOGA for a purchase price of \$1,000 at any time during the 180-day period beginning on the last day of the Compliance Period ("Put Option Period"). In the event that the Investor has not exercised this put option, SOGA has 180 days from the expiration of the Put Option Period to exercise its call option to purchase the Investor's entire interest in the Investment Fund for a purchase price equal to the fair market value of the interest as determined by an independent appraiser. SOGA will realize its savings from the NMTC transactions through the exercise of this put or call option, at which time it will control the Investment Fund and can effectively forgive the notes payable (See Note 7).

3. LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31 are composed of the following:

	<u>2022</u>	<u>2021</u>
Current assets, December 31:	\$ 22,951,863	\$ 24,012,859
Less those unavailable for general expenditures within one year due to:		
Prepaid expenses	(26,029)	(43,894)
Funds restricted for use toward the Training for Life:		
Sports Lab Center and New Markets Tax Credit		
Fees (See Note 7)	(49,811)	(110,096)
Board-designated funds for operating reserve	(212,940)	(210,044)
Board-designated investment funds for building reserve	<u>(988,810)</u>	<u>(1,185,017)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 21,674,273</u>	<u>\$ 22,463,808</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

4. PLEDGES RECEIVABLE

Pledges receivable are summarized as follows:

	<u>2022</u>	<u>2021</u>
Honorary board pledges	\$ 86,024	\$ 95,892
Less allowance	<u>(25,100)</u>	<u>(23,200)</u>
Total pledges, net	<u>\$ 60,924</u>	<u>\$ 72,692</u>
Amount due in:		
1 year	\$ 58,500	\$ 60,000
2 years	<u>27,524</u>	<u>35,892</u>
Total pledges	<u>\$ 86,024</u>	<u>\$ 95,892</u>

5. INVESTMENTS

U.S. GAAP establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within this hierarchy states that valuations are based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets or other observable inputs other than quoted market prices. Level 3 within the hierarchy states that valuations are based on significant unobservable inputs. As of December 31, 2022 and 2021, the only assets that are measured at fair value on a recurring basis in periods subsequent to initial recognition are investments. Such investments are classified within Level 1 and Level 2 of the valuation hierarchy.

The Organization used the following methods and significant assumptions to estimate fair value:

Common stocks, mutual funds, exchange traded funds and U.S. Treasuries - Valued at the closing price reported on the active market on which the individual securities are traded.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Money market accounts - Valued as cash and cash equivalents which approximates fair market value.

Corporate bond obligations - Valued based on quoted prices for similar assets.

The following tables set forth by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31:

	2022		
	Level 1	Level 2	Total
Common stocks and mutual funds	\$ 5,700,685	\$ -	\$ 5,700,685
Exchange traded funds	10,788,078	-	10,788,078
U.S. Treasuries	160,000	-	160,000
Money market accounts	345,631	-	345,631
Corporate bond obligations	-	1,306,458	1,306,458
	<u>\$ 16,994,394</u>	<u>\$ 1,306,458</u>	<u>\$ 18,300,852</u>
	2021		
	Level 1	Level 2	Total
Common stocks and mutual funds	\$ 9,568,311	\$ -	\$ 9,568,311
Exchange traded funds	8,014,846	-	8,014,846
Money market accounts	338,001	-	338,001
Corporate bond obligations	-	1,701,410	1,701,410
	<u>\$ 17,921,158</u>	<u>\$ 1,701,410</u>	<u>\$ 19,622,568</u>

Investment income, net of investment expense is composed of the following for the years ended December 31:

	2022	2021
Interest and dividends	\$ 658,003	\$ 424,917
Net realized gain on sales of securities	68,289	459,757
Net unrealized (loss) gain on securities	(3,948,376)	1,569,125
Less investment expenses	<u>(103,206)</u>	<u>(106,083)</u>
Investment (loss) income, net	<u>\$ (3,325,290)</u>	<u>\$ 2,347,716</u>

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	<u>2022</u>	<u>2021</u>
Land	\$ 430,000	\$ 430,000
Building	5,335,007	5,335,007
Office equipment	278,793	278,793
Furniture and fixtures	121,627	121,627
Vehicles	<u>77,546</u>	<u>60,677</u>
 Total	 6,242,973	 6,226,104
Less accumulated depreciation	<u>(1,138,588)</u>	<u>(960,774)</u>
 Net property and equipment	 <u><u>\$5,104,385</u></u>	 <u><u>\$5,265,330</u></u>

Depreciation expense was \$177,812 and \$188,204 for the years ended December 31, 2022 and 2021, respectively.

7. NOTES PAYABLE

In 2017, SOGA II obtained financing in an agreement structured under the NMTC program (See Note 2). This program, enacted by Congress as part of the Community Renewal Tax Relief Act of 2000, permits individual and corporate taxpayers to receive a credit against federal income taxes for making a QEI in CDEs. The CDE used substantially all of each QEI to make QLICI loans on favorable terms to SOGA II as a QALICB.

The outstanding balances on the notes at December 31, 2022 and 2021 are as follows:

ENMP 69, LP, Note A	\$ 4,570,300
ENMP 69, LP, Note B	<u>2,429,700</u>
	 <u><u>\$ 7,000,000</u></u>

The loans made to SOGA II by the CDE have a maturity date of March 15, 2052 and accrue interest at 1.3673% per annum. Payments are due quarterly and began on March 15, 2017. During the year ended December 31, 2022 and 2021, total interest expense on Note A and Note B was \$74,245 and \$31,760, respectively.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Interest only is paid during the 7-year Compliance Period. Thereafter, the loans are amortized with principal and interest payments required through the maturity dates in 2052. The loans are collateralized by essentially all of the assets of the Organization.

The Organization incurred deferred loan costs of \$666,300 during the year ending December 31, 2017, to facilitate the closing of the NMTC financing. The unamortized portion of these costs are netted against the principal amount of the notes payable on the Consolidated Statements of Financial Position; \$456,300 will be amortized over the life of the loan and \$210,000 will be amortized over the NMTC Compliance Period. Accumulated amortization at December 31, 2022 and 2021 was \$251,881 and \$208,700, respectively.

8. NET ASSETS

Change to net assets with donor restrictions are as follows on December 31:

	<u>2021</u>	<u>Net Additions</u>	<u>Releases</u>	<u>2022</u>
Subject to expenditure for specified purpose:				
Healthy Athletes	\$ -	\$ 1,179,571	\$ (150,000)	\$ 1,029,571
Subject to passage of time:				
Honorary Board	<u>72,692</u>	<u>67,051</u>	<u>(78,819)</u>	<u>60,924</u>
Total donor-restricted	<u>\$ 72,692</u>	<u>\$ 1,246,622</u>	<u>\$ (228,819)</u>	<u>\$ 1,090,495</u>
	<u>2020</u>	<u>Net Additions</u>	<u>Releases</u>	<u>2021</u>
Subject to passage of time:				
Honorary Board	<u>\$ 60,973</u>	<u>\$ 91,052</u>	<u>\$ (79,333)</u>	<u>\$ 72,692</u>
Total donor-restricted	<u>\$ 60,973</u>	<u>\$ 91,052</u>	<u>\$ (79,333)</u>	<u>\$ 72,692</u>

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Board-designated net assets consist of an operating reserve designated to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, uninsured losses, or one-time nonrecurring expenses to build long-term capacity. In addition, the board has designated a building reserve to fund any unexpected repairs and maintenance costs. Total board-designated assets are as follows as of December 31:

	<u>2022</u>	<u>2021</u>
Operating reserve	\$ 212,940	\$ 210,044
Building reserve	<u>988,810</u>	<u>1,185,017</u>
Total	<u><u>\$ 1,201,750</u></u>	<u><u>\$ 1,395,061</u></u>

9. IN-KIND CONTRIBUTIONS

The Organization's in-kind contributions consisted of the following as of December 31:

	<u>2022</u>	<u>2021</u>
Facilities	\$ 9,380	\$ 4,800
Program books	7,500	1,100
Water	4,575	1,544
Miscellaneous	<u>1,860</u>	<u>1,666</u>
Total	<u><u>\$ 23,315</u></u>	<u><u>\$ 9,110</u></u>

The in-kind contributions are valued using estimated average U.S. prices for identical or similar products or services using pricing data of similar products or services under a "like-kind" methodology, considering the utility of the foods or services at the time of the contribution. These in-kind products were used for the Organization's program services. No in-kind contributions were restricted.

A substantial number of volunteers donated a significant amount of time to assist in the Organization's program services and fundraising activities. These contributed services are not recorded in the consolidated financial statements, as the services do not meet the criteria to be recognized. The Organization received approximately 118,000 and 115,000 hours of donated services for the years ended December 31, 2022 and 2021, respectively.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

10. RELATED PARTY TRANSACTIONS

Revenue from SOI consists of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
SOI direct mail	\$ 357,535	\$ 380,514
SOI cooperative projects	<u>6,707</u>	<u>-</u>
Total	<u>\$ 364,242</u>	<u>\$ 380,514</u>

The Organization paid \$74,610 and \$57,895, for the years ended December 31, 2022 and 2021, respectively, to SOI for program support.

11. 403(b) PLAN

The Organization maintains a 403(b)-retirement savings plan (the "Plan"). Eligible employees may make elective deferrals beginning on their hire date and can participate in employer contributions after attaining the age of 18 and completing one year and 1,000 hours of service. The Plan provides for the Organization to make contributions in the amount of five percent of the compensation of eligible participants. Participants are immediately vested in their elective deferrals. Participants are fully vested in employer's matching contributions after three years of service. Amounts forfeited by participants who are terminated from the Plan prior to being fully vested are used to reduce employer contributions. The Organization's contributions to this plan totaled \$31,891 and \$43,755, for the years ended December 31, 2022 and 2021, respectively.

12. CONTINGENCIES

In the ordinary course of business, the Organization is subject to claims by various parties. Most claims are covered by liability insurance, subject to a deductible. In management's opinion, there are no outstanding claims that could have a material impact on its consolidated financial statements.

Investments are subject to interest rate risk, credit risk and market risk. The capital markets are currently experiencing a great deal of volatility that is causing significant fluctuations in the market value of investments. These conditions could impact the classification, liquidity and valuation of cash, cash equivalents and investments. Investments and cash equivalents are subject to interest rate risk, credit risk and market risk. Due to the level of risk associated with certain investments and cash equivalents, it is likely that the market volatility in the near term will affect the amounts reported in the accompanying consolidated financial statements.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

In March 2020, the World Health Organization declared the outbreak of a novel strain of coronavirus (COVID-19) as a pandemic, with the outbreak widespread in the U.S. Therefore, the Organization continued to cancel games and events through the beginning of 2021. While the Organization was able to resume most activities in 2022, the participation at each event was below levels seen prior to COVID-19. Future potential impacts to the Organization may include continued disruptions or restrictions on the Organization's ability to hold games and fundraising events. No adjustments have been made to these consolidated financial statements as a result of this uncertainty.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	<u>ASSETS</u>			
	<u>SOGA</u>	<u>SOGA II</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
CURRENT ASSETS				
Cash and cash equivalents - state and affiliate accounts	\$ 1,970,421	\$ 513	\$ -	\$ 1,970,934
Cash and cash equivalents - area accounts	2,555,697	-	-	2,555,697
Restricted cash	-	49,811	-	49,811
Total cash and cash equivalents	4,526,118	50,324	-	4,576,442
Investments	18,582,047	-	(281,195)	18,300,852
Honorary board pledges receivable, net	41,900	-	-	41,900
Other receivables	6,640	-	-	6,640
Intercompany receivables	(872)	974,960	(974,088)	-
Prepaid expenses	26,029	-	-	26,029
Total current assets	23,181,862	1,025,284	(1,255,283)	22,951,863
PROPERTY AND EQUIPMENT				
Property and equipment	295,000	5,947,973	-	6,242,973
Less accumulated depreciation	(276,414)	(862,174)	-	(1,138,588)
Net property and equipment	18,586	5,085,799	-	5,104,385
OTHER ASSETS				
Note receivable	4,570,300	-	-	4,570,300
Long-term honorary board pledges receivable, net	19,024	-	-	19,024
Deposits	300	-	-	300
Total other assets	4,589,624	-	-	4,589,624
Total assets	<u>\$ 27,790,072</u>	<u>\$ 6,111,083</u>	<u>\$ (1,255,283)</u>	<u>\$ 32,645,872</u>

See Independent Accountant's Report.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

LIABILITIES AND NET ASSETS

	<u>SOGA</u>	<u>SOGA II</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
CURRENT LIABILITIES				
Accounts payable	\$ 53,115	\$ -	\$ -	\$ 53,115
Accrued expenses	1,006,968	-	(974,088)	32,880
Deferred revenue	158,303	-	-	158,303
Total current liabilities	1,218,386	-	(974,088)	244,298
NOTES PAYABLE				
Principal amount	-	7,000,000	-	7,000,000
Less deferred loan costs, net	-	(414,439)	-	(414,439)
Notes payable less unamortized deferred loan costs	-	6,585,561	-	6,585,561
Total liabilities	1,218,386	6,585,561	(974,088)	6,829,859
NET ASSETS				
Without donor restrictions				
Undesignated	24,279,441	(755,673)	-	23,523,768
Designated reserve funds	1,201,750	-	-	1,201,750
Total net assets without donor restrictions	25,481,191	(755,673)	-	24,725,518
Net assets with donor restrictions	1,090,495	-	-	1,090,495
Equity contributions from SOGA	-	281,195	(281,195)	-
Total net assets	26,571,686	(474,478)	(281,195)	25,816,013
Total liabilities and net assets	<u>\$ 27,790,072</u>	<u>\$ 6,111,083</u>	<u>\$ (1,255,283)</u>	<u>\$ 32,645,872</u>

See Independent Accountant's Report.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>SOGA</u>	<u>SOGA II</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
Public support and revenue				
Support and contributions	\$ 2,934,747	\$ -	\$ -	\$ 2,934,747
In-kind contributions	23,315	-	-	23,315
Contributions from SOGA II	55,289	-	(55,289)	-
Investment loss, net	(3,325,314)	24	-	(3,325,290)
Fundraising events	876,974	-	-	876,974
Revenue from Special Olympics, Inc.	364,242	-	-	364,242
Registration and other income	128,682	-	-	128,682
Rent	-	289,533	(289,533)	-
Interest on note receivable	45,711	-	-	45,711
Total public support and revenue	<u>1,103,646</u>	<u>289,557</u>	<u>(344,822)</u>	<u>1,048,381</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>228,819</u>	<u>-</u>	<u>-</u>	<u>228,819</u>
EXPENSES				
Program services				
Sports and training	957,060	97,281	-	1,054,341
Field services	1,221,300	114,685	-	1,335,985
Public education	179,741	31,823	-	211,564
Total program services	<u>2,358,101</u>	<u>243,789</u>	<u>-</u>	<u>2,601,890</u>

See Independent Accountant's Report.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>SOGA</u>	<u>SOGA II</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
Support services				
General and administrative	454,081	81,451	(344,822)	190,710
Development	456,559	35,427	-	491,986
Public relations	148,725	10,508	-	159,233
	<u>1,059,365</u>	<u>127,386</u>	<u>(344,822)</u>	<u>841,929</u>
Total support services				
	<u>1,059,365</u>	<u>127,386</u>	<u>(344,822)</u>	<u>841,929</u>
Total expenses	<u>3,417,466</u>	<u>371,175</u>	<u>(344,822)</u>	<u>3,443,819</u>
CHANGE IN NET ASSETS				
WITHOUT DONOR RESTRICTIONS	<u>(2,085,001)</u>	<u>(81,618)</u>	<u>-</u>	<u>(2,166,619)</u>
CHANGES IN NET ASSETS				
WITH DONOR RESTRICTIONS				
Support and contributions	1,267,203	-	-	1,267,203
Loss on uncollectible pledges	(20,581)	-	-	(20,581)
Net assets released from restrictions	(228,819)	-	-	(228,819)
	<u>1,017,803</u>	<u>-</u>	<u>-</u>	<u>1,017,803</u>
CHANGE IN NET ASSETS				
WITH DONOR RESTRICTIONS	<u>1,017,803</u>	<u>-</u>	<u>-</u>	<u>1,017,803</u>
CHANGE IN NET ASSETS	<u>(1,067,198)</u>	<u>(81,618)</u>	<u>-</u>	<u>(1,148,816)</u>
NET ASSETS, Beginning of year	<u>27,638,884</u>	<u>(674,055)</u>	<u>-</u>	<u>26,964,829</u>
NET ASSETS, End of year	<u>\$ 26,571,686</u>	<u>\$ (755,673)</u>	<u>\$ -</u>	<u>\$ 25,816,013</u>

See Independent Accountant's Report.

SPECIAL OLYMPICS GEORGIA, INC. AND AFFILIATE
INFORMATION ON STATE AND AREA
REVENUES AND EXPENSES (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>State Accounts</u>	<u>Area Accounts</u>	<u>Totals</u>
PUBLIC SUPPORT			
AND REVENUE			
Support and contributions	\$ 3,675,271	\$ 526,679	\$ 4,201,950
Loss on uncollectible pledges	(20,581)	-	(20,581)
In-kind contributions	23,315	-	23,315
Investment (loss) income, net	(3,329,169)	3,879	(3,325,290)
Fundraising projects	677,604	199,370	876,974
Revenue from Special Olympics, Inc.	364,242	-	364,242
Registration and other income	68,018	60,664	128,682
Interest	45,711	-	45,711
	<hr/>	<hr/>	<hr/>
Total public support and revenue	\$ 1,504,411	\$ 790,592	\$ 2,295,003
	<hr/>	<hr/>	<hr/>
EXPENSES			
Salaries and benefits	\$ 1,218,859	\$ 5,500	\$ 1,224,359
Lodging	157,105	10,381	167,486
Uniforms	15,609	124,106	139,715
Meals	14,042	58,436	72,478
Promotion	20,299	35,835	56,134
Supplies	21,282	42,474	63,756
Transportation	25,714	33,367	59,081
Rent	39,789	30,054	69,843
Awards	127,838	26,765	154,603
Payments to Special Olympics, Inc.	74,610	-	74,610
Facilities	77,302	48,704	126,006
Other fundraising	-	78,897	78,897
Other games expenses	41,482	85,522	127,004
Printing	13,391	748	14,139
Equipment rental and maintenance	88,891	1,652	90,543
Insurance	84,382	-	84,382
Postage and shipping	11,261	886	12,147
Telephone	21,609	3,840	25,449
Professional fees	103,030	-	103,030
Contract services	154,821	4,565	159,386
Volunteer professional development	59,885	27,781	87,666
Other expenses	83,321	19,470	102,791
In-kind expenses	23,315	-	23,315
Depreciation	177,812	-	177,812
Interest	149,187	-	149,187
	<hr/>	<hr/>	<hr/>
Total expenses	\$ 2,804,836	\$ 638,983	\$ 3,443,819
	<hr/>	<hr/>	<hr/>

See Independent Accountant's Report.