

**THE THOMAS MORE SOCIETY**  
**FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITOR'S REPORT**  
For the Years Ended December 31, 2021 and 2020

# **THE THOMAS MORE SOCIETY**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
The Thomas More Society

We have audited the accompanying financial statements of **THE THOMAS MORE SOCIETY** (a nonprofit organization) which comprise the statements of assets, liabilities, and net assets-cash basis as of December 31, 2021 and 2020, and the related statements of support, revenue and expenses-cash basis and functional expenses-cash basis 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 the cash basis of accounting as described in Note 2. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 presentations 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.

To the Board of Directors  
The Thomas More Society  
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### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of **THE THOMAS MORE SOCIETY** as of December 31, 2021 and 2020, and its support, revenue, and expenses for the years then ended in conformity with the cash basis of accounting as described in Note 2.

### **Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

*Cary J. Hall & Associates, LLC*

Chicago, Illinois  
June 28, 2022

**THE THOMAS MORE SOCIETY**

## Statements of Assets, Liabilities, and Net Assets-Cash Basis

December 31, 2021 and 2020

<b>ASSETS</b>	<b>2021</b>	<b>2020</b>
<b>Current Assets:</b>		
Cash and cash equivalents (Note 2)	\$ 5,766,264	\$ 4,805,145
Investments (Note 3)	10,948	35,822
Total Current Assets	5,777,212	4,840,967
<b>Long-term Assets:</b>		
Fixed assets, net (Note 5)	118	247
Total Long-Term Assets	118	247
<b>Other Assets:</b>		
Bond deposit (Note 10)	700,000	600,000
Security deposit	24,757	24,757
Total Other Assets	724,757	624,757
Total Assets	\$ 6,502,087	\$ 5,465,971
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Credit card payable	\$ 29,965	\$ 15,660
Retirement plan payables	8,874	8,660
Health savings account payable	-	1,548
Transit pass payable	-	629
Total Current Liabilities	38,839	26,497
<b>NET ASSETS</b>		
<b>Unrestricted:</b>		
Without donor restrictions	6,463,248	5,439,474
Total Net Assets	6,463,248	5,439,474
Total Liabilities and Net Assets	\$ 6,502,087	\$ 5,465,971

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

**THE THOMAS MORE SOCIETY**  
**Statements of Support, Revenue, and Expenses-Cash Basis**  
**For the Years Ended December 31, 2021 and 2020**

	2021	2020
<b>REVENUES AND SUPPORT</b>		
Contributions - Direct Public Support	\$ 14,025,337	\$ 17,328,488
Contributions - Securities	162,759	64,830
PPP Loan Forgiveness (Note 9)	-	277,380
Net Passive Activity Income	1,380	570
Interest and dividends	2,018	2,461
Gain sale of donated stock (Note 3)	7,507	11,765
	<u>14,199,001</u>	<u>17,685,494</u>
<b>EXPENSES</b>		
Program services	8,066,190	12,315,593
Management and General	502,942	429,178
Fundraising	4,606,095	1,468,105
	<u>13,175,227</u>	<u>14,212,876</u>
<b>CHANGE IN NET ASSETS</b>	1,023,774	3,472,618
<b>NET ASSETS</b>		
Beginning of year	<u>5,439,474</u>	<u>1,966,856</u>
End of year	<u>\$ 6,463,248</u>	<u>\$ 5,439,474</u>

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

**THE THOMAS MORE SOCIETY**  
**Statements of Functional Expenses-Cash Basis**  
**For the Years Ended December 31, 2021 and 2020**

	2021			2020			
	Supporting Services			Supporting Services			
	Program Services	Management and General	Fundraising	Program Services	Management and General	Fundraising	Total
Legal fees and court costs	\$ 4,664,767	\$ -	\$ -	\$ 5,708,513	\$ -	\$ -	\$ 5,708,513
Legal research fees	59,548	-	-	74,904	-	-	74,904
Books and literature	1,659	-	-	2,667	-	-	2,667
Postage	3,305	414	438,404	36,723	681	13,114	50,518
Printing	4,237	1,391	86,210	961,526	561	-	962,087
Speak out donation	1,000	-	-	-	-	-	-
Salaries - office	1,029,963	115,234	459,126	906,069	77,000	374,060	1,357,129
Salaries - officers	674,092	57,512	21,318	602,875	50,800	18,325	672,000
Payroll taxes	122,455	12,103	36,046	120,559	11,073	26,787	158,419
Credit card processing	7,246	-	-	8,615	-	-	8,615
Insurance	59,090	-	61	21,690	45,758	-	67,448
Insurance - health	138,351	36,207	53,739	201,577	-	8,057	209,634
Storage and utilities	-	-	-	-	2,424	-	2,424
Rent	155,202	27,168	4,000	156,670	15,361	-	172,031
Office expenses and supplies	-	29,936	-	-	38,339	-	38,339
Accounting fees	-	137,585	-	-	128,301	-	128,301
Payroll processing	-	9,527	-	-	6,271	-	6,271
Bank charges	-	11,089	-	-	6,959	-	6,959
Telephone	17,884	10,443	-	27,813	4,090	-	31,903

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

**THE THOMAS MORE SOCIETY**  
**Statements of Functional Expenses-Cash Basis**  
**For the Years ended December 31, 2021 and 2020**

	2021				2020			
	Supporting Services		Supporting Services		Supporting Services		Supporting Services	
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Contract services	643,666	-	272,948	916,614	2,929,042	-	173,804	3,102,846
Computer services	13,362	32,345	14,506	60,213	19,150	31,390	5,762	56,302
Staff expenses - auto	8,048	-	-	8,048	521	-	-	521
Staff expenses - travel	140,515	-	-	140,515	72,281	-	-	72,281
Staff expenses - other	17,024	-	-	17,024	13,410	-	-	13,410
Dues and memberships	12,767	-	-	12,767	12,561	-	-	12,561
Advertising and promotion	-	-	410,204	410,204	293,475	-	-	293,475
Website	9,936	-	-	9,936	7,321	-	-	7,321
Delivery service	3,887	-	-	3,887	10,955	-	-	10,955
Charitable contributions	151,733	-	-	151,733	70,225	-	-	70,225
Business and cafeteria	-	16,899	-	16,899	-	8,081	-	8,081
Banquet expenses	71,369	-	-	71,369	30,574	-	-	30,574
Simple - Employer match	35,495	4,761	7,740	47,996	13,097	1,207	2,162	16,466
Processing fee - Ane-dot	-	-	193,712	193,712	-	-	141,962	141,962
Conference and convention	19,591	-	-	19,591	12,780	-	-	12,780
Fundraising service	-	-	2,608,081	2,608,081	-	-	704,072	704,072
Depreciation	-	128	-	128	-	858	-	858
Sundry taxes and licenses	-	200	-	200	-	24	-	24
<b>Total Functional Expenses</b>	<b>\$ 8,066,190</b>	<b>\$ 502,942</b>	<b>\$ 4,606,095</b>	<b>\$ 13,175,227</b>	<b>\$ 12,315,593</b>	<b>\$ 429,178</b>	<b>\$ 1,468,105</b>	<b>\$ 14,212,876</b>

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



## **THE THOMAS MORE SOCIETY**

### **Notes to Financial Statements**

December 31, 2021 and 2020

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#### **NOTE 1 - NATURE OF THE ORGANIZATION**

The Thomas More Society (the Society) is a national public interest law firm dedicated to restoring respect in law for life, family, and religious liberty. Based in Chicago, the Thomas More Society defends and fosters support for these causes by providing high-quality, pro bono legal services from local trial courts all the way to the United States Supreme Court.

The Society was forged out of necessity in 1997 in order to continue defending the historic N.O.W. v. Scheidler case. This nationwide class action lawsuit brought by the National Organization for Women against prominent pro-life leader Joseph Scheidler (among others) was a transparent attempt to gag pro-life activism at abortion clinics nationally through the blatant misuse of federal antitrust and racketeering statutes.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation: The accompanying financial statements have been prepared on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under this basis of accounting, assets are recognized when paid for in cash, such as depreciable property and equipment and investments. Investments are reported at market value. Also, revenues are recognized when received in cash rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred. Consequently, the Society has not recognized contributions receivable or accounts payable to vendors and their related effects on the change in net assets in the accompanying financial statements. Also, the statement of cash flows has been omitted.

Financial statement presentation: The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets be displayed in the Statements of Assets, Liabilities, and Net Assets-Cash Basis and that the amounts of change in each of those classes of net assets be displayed in the Statements of Support, Revenue, and Expenses-Cash Basis.

In accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP), the Society reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction. There were no donor restrictions during the years ended December 31, 2021 and 2020.

Net assets: Net assets and revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Society and changes therein are classified as follows:

## THE THOMAS MORE SOCIETY

### Notes to Financial Statements

December 31, 2021 and 2020

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#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Society. The Society's board may designate assets without restrictions for specific operational purposes from time to time.

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

Fair value measurements and disclosures: The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level-1 - Observable inputs are unadjusted, quoted prices for identical assets or liabilities in active market at the measurement date. Level 1 securities include highly liquid U.S. Treasury securities, certain common stocks and mutual funds.

Level-2 - Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date. Most debt securities, preferred stocks, certain equity securities, short-term investments, and derivatives are model priced using observable inputs and are classified as Level 2.

Level-3 - Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Examples of Level 3 assets include investments in limited partnerships.

There are financial assets classified as Level 1, 2, and 3 assets under the fair value hierarchy described above.

Contributions and promises to give: Contributions received, including unconditional promises to give, if any, are reported at their net realizable values. Gifts of cash and other assets are reported as with donor restriction if they are received with donor stipulations that limit their use or if they are intended to support activities in future periods.

## THE THOMAS MORE SOCIETY

### Notes to Financial Statements

December 31, 2021 and 2020

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#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the same reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Support, Revenue, and Expenses-Cash Basis as net assets released from restrictions.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Revenue recognition: Revenue is recognized when received and consists primarily of contributions from the direct public.

Donated services and materials: Donated stock is recorded at its fair market value at the time of the donation. Where measurable, gifts in kind are recorded at their fair market value. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. Volunteers provided various services throughout the year to the Society that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Fixed assets: Fixed assets are stated at cost. The Society capitalizes expenditures for additional renewals and betterments. Depreciation is computed over the estimated useful lives of the assets by the straight-line method for financial reporting as follows:

Furniture and fixtures	5-7 years
Computer, software and office equipment	5 years

Change in accounting principle: In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. ASU 2016-14 amends the current reporting model for non-profit organizations and enhances their required disclosures. The major changes impacting the Society include: (1) requiring the presentation of only two classes of net assets now titled "net assets with donor restriction" and "net assets without donor restriction," (2) requiring that all non-profits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs,

## THE THOMAS MORE SOCIETY

### Notes to Financial Statements

December 31, 2021 and 2020

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#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Change in accounting principle-continued: (3) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (4) presenting investment return net of external investment expenses, and (5) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of non-profit financial statements. The Society has adopted ASU 2016-14 as of and for the years ended December 31, 2021 and 2020. The Society also changed its presentation of net asset classes and expanded footnote disclosures as required by ASU 2016-14.

Income taxes: The Society was incorporated in the State of Illinois and is exempt from federal, state, and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, has made no provision for income taxes in the accompanying financial statements.

Concentration of credit risk: Financial instruments, which potentially subject the Society to concentration of credit risk, consist primarily of cash and cash equivalents. At times the Society has cash deposits at financial institutions which exceed the Federal Deposit Insurance Corporation (FDIC) insurance limits.

Use of estimates: In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates that are used.

Cash and cash equivalents: The Society considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Subsequent events: Subsequent events have been evaluated through June 28, 2022, which is the date the financial statements were available to be issued.

#### **NOTE 3 - INVESTMENTS AT COST**

Investments at December 31, 2021 and 2020, are summarized below:

	2021	2020
Stocks, Silver & Limited Partnerships	\$ 10,948	\$ 35,822

The cost of the investments detailed above is determined by the quotation price at the date of donation.

# THE THOMAS MORE SOCIETY

## Notes to Financial Statements

December 31, 2021 and 2020

### **NOTE 3 - INVESTMENTS AT COST FAIR VALUE - CONTINUED**

The Society's holdings in equities consist of common stock securities, silver and limited liability partnerships, which were determined by the quoted market prices at the donation date. The Society includes these prices in the amounts disclosed in Level 1, 2, and 3 of the hierarchy. The following tables present the Society's assets at December 31, 2021 and 2020, that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy. At the date of the financial statements, the cost of the investments approximates fair market value. The difference between cost and fair value is immaterial.

2021				
	Total	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Stocks	\$ -	\$ -	\$ -	\$ -
Silver	3,443	-	3,443	-
Limited Liability Partnerships	7,505	-	-	7,505
Totals	<u>\$ 10,948</u>	<u>\$ -</u>	<u>\$ 3,443</u>	<u>\$ 7,505</u>
2020				
	Total	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Stocks	\$ 24,650	\$ 24,650	\$ -	\$ -
Silver	3,443	-	3,443	-
Limited Liability Partnerships	7,729	-	-	7,729
Totals	<u>\$ 35,822</u>	<u>\$ 24,650</u>	<u>\$ 3,443</u>	<u>\$ 7,729</u>

For the years ended December 31, 2021 and 2020, the Society reported a realized gain of \$7,507 and \$11,765, recorded in the Statements of Support, Revenue, and Expenses-Cash Basis.

## THE THOMAS MORE SOCIETY

### Notes to Financial Statements

December 31, 2021 and 2020

#### **NOTE 4 - LIQUIDITY AND AVAILABILITY**

Total financial statements at year end December 31, 2021 and 2020:

	2021	2020
Cash and cash equivalents	\$ 5,766,264	\$ 4,805,145
Investments at cost value	10,948	35,822
Total financial assets at year end	5,777,212	4,840,967
Less: amounts not available to be used within one year	-	-
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,777,212</u>	<u>\$ 4,840,967</u>

The Society receives significant contributions from the general public for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

The Society manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Society operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Further, the Society's investment portfolio consists of common stock securities which are not subject to any constraints limiting the Society's ability to respond quickly to changes in market conditions.

#### **NOTE 5 - PROPERTY AND EQUIPMENT**

As of December 31, 2021 and 2020, major classes of property and equipment are as follows:

	2021	2020
Computer and office equipment	\$ 91,757	\$ 91,757
Furniture and fixtures	28,800	28,800
Computer software	6,828	6,828
Less: accumulated depreciation and amortization	(127,267)	(127,138)
Property and equipment, net	<u>\$ 118</u>	<u>\$ 247</u>

## THE THOMAS MORE SOCIETY

### Notes to Financial Statements

December 31, 2021 and 2020

#### **NOTE 6 - LEASE AGREEMENTS**

The Society rents space under separate lease agreements for use of office space in both Chicago, Illinois and Omaha, Nebraska. Lease payments totaled \$13,393 per month at the Chicago, Illinois location and \$1,708 per month at the Omaha, Nebraska location. The Chicago, Illinois lease is effective for the period August 1, 2018, through June 30, 2026. The Society has the option to terminate the lease effective as of the end of the sixth year. The Omaha, Nebraska lease is effective from April 1, 2019, through March 31, 2022. The Society also subleases space under separate lease agreements for use of office space in San Diego, California and Brookfield, Wisconsin. Lease payments totaled \$800 per month at the San Diego, California location and \$1,218 per month at the Brookfield, Wisconsin location. The San Diego, California sublease is effective for the period August 1, 2021, through August 31, 2023. The Brookfield, Wisconsin sublease is effective October 1, 2021, through September 30, 2022. Total lease expense was \$186,370 and \$172,031 for the years ended December 31, 2021 and 2020.

The following is a schedule of future minimum rental payments required under the above leases:

<u>Years</u>	<u>Chicago, Illinois</u>	<u>Omaha, Nebraska</u>	<u>San Diego, California</u>	<u>Brookfield, Wisconsin</u>	<u>Totals</u>
2022	\$ 146,560	\$ 5,212	\$ 9,600	\$ 10,964	\$ 172,336
2023	150,927	-	6,400	-	157,327
2024	155,440	-	-	-	155,440
2025	172,752	-	-	-	172,752
2026 and beyond	86,376	-	-	-	86,376
	<u>\$ 712,055</u>	<u>\$ 5,212</u>	<u>\$ 16,000</u>	<u>\$ 10,964</u>	<u>\$ 744,231</u>

## **THE THOMAS MORE SOCIETY**

### **Notes to Financial Statements**

**December 31, 2021 and 2020**

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#### **NOTE 7 - SIMPLE RETIREMENT PLAN**

The Society sponsors a SIMPLE IRA Plan. The Society's contribution under this plan shall be based upon a matching contribution equal to 100% of their elective deferrals, up to 3% of each employee's compensation for the calendar year. Eligibility requires employees who earned at least \$5,000 per year during any two preceding years and who are expected to earn at least \$5,000 in the current year to participate in the plan.

The total Society's SIMPLE IRA contribution for the years ended December 31, 2021 and 2020, was \$47,996 and \$16,466, which represents the Society's matching contribution. SIMPLE IRA plans must be maintained on a calendar year basis. The Society also uses the calendar year, and its contributions for a year are deductible if made by the due date (including extensions) of the Society's return for the year.

#### **NOTE 8 - FLEXIBLE BENEFITS PLAN - SECTION 125**

The Thomas More Society Flexible Benefits Plan is a benefit program that allows the employees to use pretax benefit dollars through payroll deduction to pay for insurance premiums and unreimbursed medical expenses which they normally pay with out-of-pocket taxable dollars.

Section 125 of the Internal Revenue Code permits the Society to offer their employees the opportunity to participate in designing their own personalized benefit plan on a pretax basis. Eligible employees are those who are regularly scheduled to work 35 or more hours per week for the Society.

#### **NOTE 9 - SBA PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS**

##### **Paycheck Protection Program (PPP)**

On April 20, 2020, the Society received \$267,380 as part of the PPP. The PPP is a loan designed to provide a direct incentive for small businesses and not-for-profits to keep their workers on the payroll. The Small Business Association (SBA) will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses or not-for-profits any fees. This loan has a maturity of two years and an interest rate of 1%. The loan amount was forgiven in 2020 and recorded as revenue in the Statements of Support, Revenue, and Expenses-Cash Basis.



## **THE THOMAS MORE SOCIETY**

### **Notes to Financial Statements**

**December 31, 2021 and 2020**

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#### **NOTE 9 - SBA PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS - CONTINUED**

##### **SBA EIDL Grant**

The Society as part of the SBA's Economic Injury Disaster Loan (EIDL) program applied for and received an EIDL grant of \$10,000 as an advance on their EIDL loan. This advance was treated as a tax-free grant and did not need to be paid back. The \$10,000 grant was recorded as revenue in the Statements of Support, Revenue, and Expenses-Cash Basis.

#### **NOTE 10 - BOND DEPOSIT**

The Society currently represents a client in a civil court matter which is on appeal and as to which an appeal bond has been required for the years ended December 31, 2021 and 2020. The amount deposited is \$700,000 and \$600,000 respectively and is recorded as an Other Asset in the Statement of Assets, Liabilities, and Net Assets - Cash Basis. The asset is restricted, meaning it cannot be used for a purpose other than the bond.