Network for Teaching Entrepreneurship and Related Organization

Consolidated Financial Statements and Supplementary Information

Year Ended June 30, 2021

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Independent Auditor's Report

The Board of Directors
Network for Teaching Entrepreneurship
and Related Organization
New York, New York

Opinion

We have audited the consolidated financial statements of Network for Teaching Entrepreneurship and Related Organization, (the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

Other Matter

Other Information

Our audit of the consolidated financial statements was conducted for the purpose of forming an opinion on those statements as a whole. The supplementary information presented on pages 28 through 30 of this report is presented for purposes of additional analysis and is not a required 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 to 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 to other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 consolidated financial statements, and our report dated December 20, 2020, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

BDO USA, LLP

December 8, 2021

Network for Teaching Entrepreneurship and Related Organization

Consolidated Statement of Financial Position (with comparative totals for 2020)

June 30,	**2021**	2020
Assets		
Cash and cash equivalents (Note 2)	**$ 7,410,851**	$ 5,019,749
Accounts receivable, net of allowances of $31,994 for both years (Note 2)	**86,955**	106,602
Contributions receivable, net (Notes 2 and 5)	**1,609,266**	2,603,560
Employee and teacher advances	**14,388**	21,132
Inventories (Note 2)	**26,684**	27,378
Prepaid expenses and other assets	**356,635**	114,313
Investments held in perpetuity (Notes 2, 4 and 14)	**14,450,803**	11,650,421
Fixed assets, net (Notes 2 and 6)	**62,855**	80,636
	$ 24,018,437	$ 19,623,791
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	**$ 535,183**	$ 1,178,492
Accrued compensation and related liabilities	**520,272**	267,273
Deferred rent (Note 9)	**264,919**	322,541
Other liabilities (Note 8)	**50,000**	75,000
Loans payable (Note 16)	**1,106,145**	1,079,700
Total Liabilities	**2,476,519**	2,923,006
Commitments and Contingencies (Notes 3, 7, 8, 9, 11, 12, 14, 15, and 16)		
Net Assets (Notes 2, 10, 11, and 14)		
Without donor restrictions	**4,250,736**	760,798
With donor restrictions	**17,291,182**	15,939,987
Total Net Assets	**21,541,918**	16,700,785
	$ 24,018,437	$ 19,623,791

See accompanying notes to consolidated financial statements.

Network for Teaching Entrepreneurship and Related Organization

Consolidated Statement of Activities (with comparative totals for 2020)

Year ended June 30,

	Without Donor Restriction	With Donor Restriction	Total 2021	Total 2020
Support and Revenues				
Contributions	$ 5,345,684	$ 3,438,664	**$ 8,784,348**	$ 9,400,842
License fees	27,500	-	**27,500**	20,000
Contract services	1,224,057	-	**1,224,057**	1,086,232
Training fees	112,567	-	**112,567**	140,100
Material sales	3,687	-	**3,687**	4,137
Teachers' and other in-kind contribution (Notes 2 and 13)	4,405,283	-	**4,405,283**	4,818,744
Miscellaneous income	134,493	-	**134,493**	83,582
Royalty income	105,579	-	**105,579**	76,780
Net assets released from restrictions (Note 10)	5,615,601	(5,615,601)	**-**	-
Total Support and Revenues	16,974,451	(2,176,937)	**14,797,514**	15,630,417
Expenses				
Program services	11,727,915	-	**11,727,915**	13,702,936
Total Program Services	11,727,915	-	**11,727,915**	13,702,936
Supporting services:				
Management and general	1,603,600	22,455	**1,626,055**	1,910,362
Fundraising	1,232,746	-	**1,232,746**	1,543,524
Total Supporting Services	2,836,346	22,455	**2,858,801**	3,453,886
Total Expenses	14,564,261	22,455	**14,586,716**	17,156,822
Change in Net Assets, before nonoperating revenues	2,410,190	(2,199,392)	**210,798**	(1,526,405)
Nonoperating Revenues				
Investment return, net (Note 2)	48	3,550,587	**3,550,635**	95,701
PPP Loan forgiveness	1,079,700	-	**1,079,700**	-
Change in Net Assets	3,489,938	1,351,195	**4,841,133**	(1,430,704)
Net Assets, beginning of year	760,798	15,939,987	**16,700,785**	18,131,489
Net Assets, end of year	$ 4,250,736	$ 17,291,182	**$ 21,541,918**	$ 16,700,785

See accompanying notes to consolidated financial statements.

Network for Teaching Entrepreneurship and Related Organization

Consolidated Statement of Functional Expenses (with comparative totals for 2020)

Year ended June 30,

		Supporting Services			Total	
	Program Services	Management and General	Fundraising	Total Supporting Services	**2021**	2020
Salaries and wages	$ 4,405,467	$ 661,305	$ 545,643	$ 1,206,948	**$ 5,612,415**	$ 5,300,987
Payroll taxes and fringe benefits	830,342	124,643	102,843	227,486	**1,057,828**	1,111,312
Total Salaries and Benefits	5,235,809	785,948	648,486	1,434,434	**6,670,243**	6,412,299
Students - expenses	509,613	-	-	-	**509,613**	1,018,261
Teachers - expenses	166,588	-	-	-	**166,588**	937,166
Occupancy	426,475	238,330	52,275	290,605	**717,080**	813,991
Telephone, copier and postage	116,007	14,501	14,501	29,002	**145,009**	93,158
Travel and entertainment	278	6,489	528	7,017	**7,295**	375,075
Marketing expense	12,977	-	3,274	3,274	**16,251**	43,741
Consulting and professional fees	453,313	452,506	228,721	681,227	**1,134,540**	1,823,196
Equipment, furniture and fixtures	12,575	11,081	11,385	22,466	**35,041**	36,576
IT hosting and maintenance	115,034	16,879	14,379	31,258	**146,292**	135,136
Office supplies	2,974	3,548	3,566	7,114	**10,088**	61,387
Publications and subscriptions	47,780	7,617	7,977	15,594	**63,374**	127,591
Interest and fees	546	31,587	60	31,647	**32,193**	18,850
Bad debt	23,017	-	215,476	215,476	**238,493**	34,615
Insurance	126,316	15,789	15,789	31,578	**157,894**	140,212
Conference and events	6,989	1,079	5,106	6,185	**13,174**	188,829
Cost of materials	6,945	-	-	-	**6,945**	7,479
Miscellaneous expenses	59,396	22,920	11,223	34,143	**93,539**	31,822
Total Expenses, before in-kind expenses and teacher services and depreciation and amortization expense	7,322,632	1,608,274	1,232,746	2,841,020	**10,163,652**	12,299,384
In-Kind Expenses and Teacher Services (Notes 2 and 13)	4,405,283	-	-	-	**4,405,283**	4,818,744
Depreciation and Amortization Expense	-	17,781	-	17,781	**17,781**	38,694
Total Expenses	$ 11,727,915	$ 1,626,055	$ 1,232,746	$ 2,858,801	**$ 14,586,716**	$ 17,156,822

See accompanying notes to consolidated financial statements.

Network for Teaching Entrepreneurship and Related Organization

Consolidated Statement of Cash Flows (with comparative totals for 2020)

Year ended June 30,		**2021**		2020
Cash Flows from Operating Activities				
Change in net assets	$	**4,841,133**	$	(1,430,704)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation and amortization		**17,781**		38,694
Change in present value of contributions receivable		**9,857**		3,250
Net unrealized gains on investments		**(2,857,393)**		333,371
Net realized gains on investments		**(540,102)**		(233,280)
Donated securities		**(28,269)**		(41,564)
Provision for bad debt		**(238,493)**		34,615
PPP Loan forgiveness		**(1,079,700)**		-
Decrease (increase) in:				
Accounts receivable		**19,647**		159,935
Contributions receivable		**1,222,930**		1,168,830
Employee and teacher advances		**6,744**		7,943
Inventory		**694**		825
Prepaid expenses and other assets		**(242,322)**		107,557
Increase (decrease) in:				
Accounts payable and accrued expenses		**(643,309)**		238,469
Accrued compensation and related liabilities		**252,999**		50,377
Deferred rent		**(57,622)**		(31,379)
Other liabilities		**(25,000)**		(25,000)
Net Cash Provided by Operating Activities		**659,575**		381,939
Cash Flows from Investing Activities				
Purchases of investments		**(2,524,823)**		(675,468)
Proceeds from sales of investments		**3,150,205**		1,352,170
Net Cash Provided by Investing Activities		**625,382**		676,702
Cash Flows from Financing Activities				
Proceeds from loans		**1,256,145**		1,079,700
Principal payments on loan		**(150,000)**		-
Proceeds from line of credit		**-**		150,000
Repayments on line of credit		**-**		(150,000)
Net Cash Provided by Financing Activities		**1,106,145**		1,079,700
Net Increase in Cash and Cash Equivalents		**2,391,102**		2,138,341
Cash and Cash Equivalents, beginning of year		**5,019,749**		2,881,408
Cash and Cash Equivalents, end of year	$	**7,410,851**	$	5,019,749

See accompanying notes to consolidated financial statements.

1. Nature of Organization

The Network for Teaching Entrepreneurship and Related Organization (the Organization) provides entrepreneurship education to young people from low-income communities. The Organization publishes curriculum, trains teachers to teach the program, and works with those educators to facilitate experiential learning for youth, culminating in each student's creation of an original business plan. The Organization's program is integrated into the school day, either as a stand-alone course or as modules in economics, math, or other relevant subjects.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Network for Teaching Entrepreneurship (NFTE) and NFTE Endowment Fund, Inc., a related organization through common Board membership, common management and/or common ownership. All material intercompany transactions and balances have been eliminated.

General

The consolidated financial statements have been prepared on an accrual basis and conform to accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to not-for-profit organizations. In the consolidated statement of financial position, assets are presented in order of liquidity or conversion to cash, and liabilities are presented according to their maturity resulting in the use of cash.

Consolidated Financial Statement Presentation

The classification of the 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—with donor restrictions and without donor restrictions—be displayed in a consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a consolidated statement of activities.

The classes of net assets are defined as follows:

With Donor Restrictions - This class consists of net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization, pursuant to those stipulations. When such stipulations end or are fulfilled, such donor restricted net assets are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities. Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization are classified as net assets with donor restrictions—perpetual in nature.

Without Donor Restrictions - This class consists of the part of net assets that is not restricted by donor-imposed stipulations.

Investment return, net is reported as increases (or decreases) in net assets without donor restriction, unless the use of the income received is limited by donor-imposed restrictions or New York Prudent Management of Institutional Funds Act (NYPMIFA) (also see Note 14). Expirations of with donor restriction net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

Measure of Operations

The Organization includes in its measure of operations:

- All revenues and expenses that are an integral part of its programs and supporting activities
- Net assets released from restrictions to support operating expenditures

The Organization excludes from its measure of operations:

- Investment return, net of expenses
- Paycheck Protection Program (PPP) loan forgiveness

Cash and Cash Equivalents

The Organization considers all investments with a maturity of three months or less at the time of purchase, other than those held in the Organization's investment portfolio for long-term purposes, to be cash equivalents.

Contributions Receivable

The fair value of all contributions, including unconditional promises to give, is recognized as revenue at the time that the donor's unconditional promise is received.

Conditional promises are recorded when the donor-imposed conditions are substantially met.

Fixed Assets

Fixed assets are recorded at cost. Expenditures for maintenance, repairs and minor renewals are expensed as incurred. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. The Organization's policy is to capitalize expenditures in excess of $5,000, which represent new purchases, or extend the life of existing fixed assets. The current estimated useful lives are as follows:

Furniture and equipment	5–10 years
Curriculum design and internal use of software	3 years
Leasehold improvements	Lesser of lease term or 15 years

The useful lives are estimated based on historical experience with similar assets, taking into account anticipated technological or other changes.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of June 30, 2021, there have been no such losses.

Revenue Recognition

The Organization reports gifts of cash and other assets as with donor restriction if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—with donor restriction net assets are reclassified to without donor restriction net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Unconditional promises to give with payments due in future periods are presumed to be time-restricted by the donor until received and are reported as with donor restriction net assets.

Conditional promises to give are recognized when the conditions on which they depend upon are substantially met. Until that point, any amounts received are recorded as refundable advances.

The Organization reports gifts of land, buildings and equipment as without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as with donor restriction. Absent explicit donor stipulations about 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.

The Organization has contracts with government and third parties for the performance of various services, which are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Government and other grants revenues are nonexchange transactions in which no commensurate value is exchanged. Accordingly, contribution accounting is applied under ASC Topic 958 *Not-for-Profit Entities*. Government and other grants contracts are evaluated for contributions that are conditional. The Organization recognizes revenue as expenses are incurred, to a maximum of the grant award. The Organization records deferred revenue for receipts received in advance of the program performance.

Training fees are recorded as revenue when training services are provided. License fees, material sales and royalty income are recognized when earned.

In-Kind Contributions

Amounts are reported in the consolidated financial statements for voluntary donations of services if those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and would typically be purchased if not provided by donation.

Typically, the Organization's programs are taught by teachers and youth workers who are paid directly by their institutions. These individuals are an integral part of delivering the Organization's programs to its targeted students. The Organization, therefore, includes an average portion of those salaries (based on the hours delivering the Organization experience) in the consolidated financial statements as a required specialized skill provided, which would have to be purchased if it were not paid for by others.

Inventories

Inventories consist of educational materials used in programs and also sold to third parties. Inventories are stated at the lower of cost or market. Cost is determined by the weighted-average cost method.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and other disclosures in the consolidated financial statements. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization was incorporated in the state of New York and is exempt from federal and state income taxes under Sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code (IRC) and, therefore, has made no provision for income taxes in the accompanying consolidated financial statements. In addition, NFTE Endowment Fund, Inc. is a type 2 supporting organization, and the Organization has been determined by the Internal Revenue Service (IRS) not to be a “private foundation” within the meaning of Section 509(a) of the IRC.

Accounting for Uncertainty in Income Taxes

The Organization follows the provisions of U.S. GAAP, which state that an organization must recognize the tax liability associated with tax positions taken for tax return purposes when it is more likely than not the position will not be sustained upon examination by a taxing authority. The Organization does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required.

Comparative Financial Information

The consolidated financial statements include certain prior year summarized comparative information. With respect to the consolidated statement of activities, prior-year information is not presented by net asset class. With respect to the consolidated statement of functional expenses, the prior-year expenses by expense classification are presented in total rather than by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the prior year consolidated financial statements from which the summarized information was derived.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents. At various times, the Organization has cash deposits at financial institutions, which exceed the Federal Deposit Insurance Corporation insurance limits. The Organization has not experienced any losses on cash and cash equivalents.

Functional Allocation of Expenses

The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in the accompanying consolidated financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited using specific identification and allocation percentages based on management's calculations. Direct expenses are assigned to the various programs and supporting services based upon actual costs incurred. Certain categories of expenses are attributable to one or more program or supporting functions of the Organization. Those expenses are allocated based upon various allocation factors, including square footage occupied and time and effort.

Fair Value Measurements

U.S. GAAP defines fair value, establishes a framework for measuring fair value and expands the disclosures about fair value measurements. U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market-corroborated, or unobservable. U.S. GAAP established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. The Organization classifies fair value balances based on the fair value hierarchy defined by U.S. GAAP, as follows:

Level 1 - Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments at the reporting date.

Level 2 - Valuations are based on (i) quoted prices - those investments, or similar investments, in active markets; (ii) quoted prices - those investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments or similar investments that are redeemable at or near the balance sheet date and for which a model was derived for valuation.

Level 3 - Valuations are based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the investments; (ii) the investments cannot be independently valued; or (iii) the investments cannot be immediately redeemed at or near the fiscal year-end.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investment return, net, is recognized when earned and consists of interest, dividends, and realized and unrealized gains and losses, less direct external investment expenses. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Risks and Uncertainties - Investments

The Organization's investments consist of a variety of investment securities and investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Organization's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Applicability of the New York Prudent Management of Institutional Funds Act

On September 17, 2010, New York state enacted NYPMIFA. This law, which is a modified version of The Uniform Prudent Management of Institutional Funds Act (UPMIFA), made significant changes to the rules governing how New York not-for-profit organizations may manage, invest and spend their endowment funds. The law is designed to allow organizations to cope more easily with fluctuations in the value of their endowments and to afford them greater access to funds needed to support their programs and services in difficult financial times.

Nonretirement Postemployment Benefits

The Organization provides certain postemployment benefits to eligible former or inactive employees and their dependents during the period subsequent to employment but prior to retirement and accrues for the related cost over the service lives of the employees. These benefits include certain healthcare coverage and severance benefits.

Accounts Receivable, Net

Accounts receivable represents government contract and third-party revenues that have been billed but not collected as of the date of the accompanying consolidated financial statements. The Organization provides an allowance for doubtful accounts based upon prior-year experience and management's assessment of the collectability of specific accounts. The allowance for doubtful accounts was $31,994 for the year ended June 30, 2021.

Recently Adopted Accounting Pronouncement

Revenue from Contracts with Customers (Topic 606)

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that superseded existing revenue recognition guidance. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing and uncertainty of revenue and cashflows arising from contracts with customers, including significant judgements and changes in judgements. The provisions of ASU 2014-09 were adopted by the Organization beginning July 1, 2020. Effective July 1, 2020, the Organization elected the modified retrospective approach in adopting ASU 2014-09 to all contracts under the scope of the guidance. The adoption of this ASU did not have a material impact on the consolidated financial statements.

Fair Value Measurement

ASU 2018-13, Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement, was issued as part of the FASB disclosure framework project to improve the effectiveness of disclosures about fair value measurements required under Accounting Standards Codification (ASC) 820. The ASU amends the disclosure requirements for recurring and nonrecurring fair value measurements by removing, modifying and adding certain disclosures. The guidance is effective for the Organization's fiscal year 2021, and the adoption of this update did not have a material impact on the Organization's consolidated financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Leases (Topic 842)

On February 25, 2016, the FASB issued ASU 2016-02, *Leases*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The FASB also issued ASU 2020-05, which deferred the effective date for the Organization until annual periods beginning after December 15, 2021. The Organization is currently evaluating the impact of this ASU on its consolidated financial statements.

Not-for-Profit Entities (Topic 958)

The FASB issued ASU 2020-07, the update to clarify the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items.

The enhanced presentation and disclosure requirements include the contributed nonfinancial assets as separately stated as an individual line item in the consolidated statement of activities, distinct from contributions of cash or other financial assets. The contributed nonfinancial assets are also disaggregated in a footnote by category that shows the type of contributed nonfinancial assets in the consolidated statement of activities. For each type of contributed nonfinancial assets recognized, a not-for-profit will disclose the not-for-profit's policy (if any) on liquidating rather than using contributed nonfinancial assets; qualitative considerations on whether the contributed nonfinancial assets were liquidated or used during the reporting period, and, if used, a description of how the asset was employed should be included; any donor-imposed restrictions related to the contributed nonfinancial assets; and the valuation methods and inputs utilized to determine a fair value. In accordance with Topic 820, *Fair Value Measurement*, it should be measured at initial recognition. The principal or most advantageous market is utilized to calculate fair value if it is market in which the not-for-profit is restricted by the donor from selling or utilizing the contributed nonfinancial assets.

The update does not change existing recognition and measurement requirements for contributed nonfinancial assets and is effective for annual reporting periods beginning after June 15, 2021 with early adoption permitted. The Organization is currently evaluating the impact of the adoption of the ASU on its consolidated financial statements.

3. Liquidity and Availability of Resources

The Organization's financial assets available for use within one year of the consolidated statement of financial position date for general expenditure are as follows:

June 30, 2021	
Cash and cash equivalents	$ 7,410,851
Accounts receivable, net of allowance	86,955
Contributions receivable, net	1,609,266
Total Financial Assets Available to Management for General Expenditures	9,107,072
Less:	
Amounts unavailable to management for general expenditures within one year:	
Contributions receivable, non-current portion	(395,000)
Total Financial Assets Available to Management for General Expenditures Within One Year	$ 8,712,072

Liquidity Management

The Organization expects approximately $2.8 million of amounts restricted with purpose restrictions to be released within one year. In relation to with donor restriction net assets, management has the ability to adjust expenditures based on cash available; therefore, these amounts are not included in the table above as a reduction to total financial assets available to management for general expenditures within one year.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Organization also has a committed line of credit in the amount of $1,700,000, which was undrawn at June 30, 2021.

4. Fair Value Measurements

The Organization's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with U.S. GAAP. See Note 2 for a discussion of the Organization's policies regarding this hierarchy.

A description of the valuation techniques applied to the Organization's major categories of assets measured at fair value are as follows. There were no changes in valuation methodology as of June 30, 2021.

Money-Market Fund - The money-market fund is valued based on the net asset value (NAV) of the shares held by the Organization, which is actively traded on national securities exchanges. NAV is based upon the fair value of the money-market fund's underlying investments. The money market fund are valued at the last unadjusted quoted NAV of shares held on a daily basis and are classified as Level 1.

Mutual Funds - The Organization has investments in mutual funds. For these investments, the Organization has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. These mutual funds are invested primarily in investment-grade bonds and large and mid-capitalization equity securities. Each mutual fund's NAV is the value of a single share, which is actively traded on national securities exchanges. The mutual funds are valued at the last unadjusted quoted NAV of shares held on a daily basis and are classified as Level 1.

Fund of Hedge Funds - The Organization invests with a fund of hedge funds manager. For this investment, the Organization has access to the manager but not to the individual positions of the manager. A significant amount of the fund of hedge funds' investments consists of illiquid assets. The Organization uses NAV or its equivalent as a practical expedient to determine the fair value of all investments that (i) do not have a readily determinable fair value and (ii) prepare its investees' financial statements consistent with the measurement principles of an investment company or an entity with the attributes of an investment company. Investments for which fair value is measured using NAV per share or its equivalent as a practical expedient have not been categorized within the fair value hierarchy, and certain related tables have been appropriately excluded from the consolidated financial statements.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level within the fair value hierarchy, the Organization's financial assets at fair value:

June 30, 2021

	Level 1	Total
Money-market fund	$ 1,616,746	$ 1,616,746
Mutual funds	12,787,594	12,787,594
Total Investments in the Fair Value Hierarchy	$ 14,404,340	14,404,340
Fund of hedge funds*		46,463
Total		$ 14,450,803

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy table. The fair value amounts presented in the preceding table are intended to permit reconciliation of the fair value hierarchy to the accompanying consolidated statement of financial position.

The Organization had no financial assets or financial liabilities that were measured at fair value on a non-recurring basis during the year ended June 30, 2021. In addition, there were no transfers between levels during the year ended June 30, 2021.

In accordance with ASU 2009-12, the Organization's disclosures include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the NAV per share or its equivalent for which the fair value is not readily determinable as of June 30, 2021.

The following table sets forth a summary of the Organization's investments with a reported NAV:

June 30, 2021

Investments		Fair Value	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
SIRE SPV, LLC	$	46,463	None	None	Redemptions are made based on the value of assets that are liquidated, less expenses incurred	None

5. Contributions Receivable, Net

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate of 0.75%.

The Organization's contributions receivable consist of:

June 30, 2021

Amounts due in:		
One year or less	$	1,221,806
Between two to five years		395,000
Thereafter		-
		1,616,806
Less: discount to present value		(7,540)
	$	1,609,266

At June 30, 2021, there are no conditional pledges outstanding.

6. Fixed Assets, Net

Fixed assets, net, consist of the following:

June 30, 2021		
Leasehold improvements	$	275,392
Computer equipment		791,844
Furniture and fixtures		548,139
Curriculum design and internal-use software		1,199,940
		2,815,315
Less: accumulated depreciation and amortization		(2,752,460)
	$	62,855

For the year ended June 30, 2021, depreciation and amortization expense was $17,781.

7. Retirement Plan

The Organization has a 403(b) defined contribution plan (the Plan), which is offered to all employees of the Organization. Employees are permitted to make voluntary contributions to the Plan based on a percentage of their annual compensation but not more than permitted under IRS regulations. The Organization makes discretionary matching contributions of 50% of employee voluntary contributions, not to exceed 3% of the employee's base compensation. The Organization expensed $38,385 in matching contributions for the year ended June 30, 2021.

8. Other Liabilities

The Organization signed an agreement with one former senior executive, which include payments in future years. As of June 30, 2021, $50,000 remained payable under this agreement. This amount is reflected as other liabilities in the consolidated statement of financial position as of June 30, 2021.

9. Commitments and Contingencies

Operating Leases

The Organization leases office space under various leases expiring at various dates through June 30, 2025.

Future minimum annual lease payments are as follows:

Year ending June 30,		
2022	$	553,386
2023		553,386
2024		553,386
2025		415,040
	$	2,075,198

The Organization amended its 15-year lease agreement on April 2021, which included eight months of free rent. For consolidated financial statement purposes, base rent is amortized on a straight-line basis over the term of the lease at an average monthly amount of $44,263. The amortized free rent is equivalent to approximately $323,000 over the life of the lease. Rent expense and deferred rent amounted to $599,833 and $264,919, respectively, for the year ended June 30, 2021.

The Organization has a letter of credit with a financial institution in the amount of $228,672 to cover the security deposit on the lease space for the New York City office. The initial letter of credit is automatically extended annually on March 31, however, not beyond May 30, 2025, unless either party gives a 60-day written notice for expiration.

10. With Donor Restriction Net Assets - Purpose-Restricted

With donor restriction net assets are available for the following purposes:

June 30, 2021		
Program office delivery	$	587,208
Partner programs		50,000
Entrepreneurship Teacher Corps		80,421
Curriculum and Platform Development		50,000
Multiple programs and operations		5,790,962
	$	6,558,591

With donor restriction net assets were released from restrictions in fulfillment of the following purposes or due to the expiration of time restrictions:

Year ended June 30, 2021		
Program office delivery	$	476,672
Partner programs		157,500
Entrepreneurship teacher corps		121,743
Curriculum and platform development		202,650
Multiple programs and operations		4,657,036
Released from Restrictions	$	5,615,601

11. With Donor Restriction Net Assets - Held in Perpetuity

With donor restriction net assets – perpetual-in-nature represent donor restricted contributions to be held in perpetuity. Those contributions plus the pro rata share of the change in portfolio valuation are expendable for the following purposes:

June 30, 2021		
Regional programs	$	42,059
Teacher training and development		2,277,966
Deferred compensation		511,108
Volunteers		150,000
Alumni services		912,665
Multiple programs and operations		6,838,793
	$	10,732,591

12. Line of Credit

The Organization has a $1,700,000 secured working capital line of credit with a bank, which is available through February 14, 2022 and is subject to annual renewal. The interest rate is subject to change from time to time based on changes in an independent index, which is the rate of interest published in the Wall Street Journal as the U.S. Prime Rate (prime rate). The prime rate at June 30, 2021 is 3.25%. The loan is collateralized by a perfected security interest in the Organization's inventory, chattel paper, accounts receivable, equipment, and general intangibles. At June 30, 2021, there was no outstanding line of credit balance.

13. Teachers' and Other In-Kind Contribution

The Organization's valuation of teachers' in-kind contribution for the year ended June 30, 2021 totaled $4,395,283. This represents 83,850 classroom hours that the Organization taught. The average teacher salary was selected on a city-by-city basis from the U.S. Department of Labor – Bureau of Labor Statistics. The remaining in-kind amount of $10,000 relates to other support provided.

14. Endowment Fund

NFTE Endowment Fund, Inc. is a separate legal entity and is governed by a separate Board of Directors and maintains a donor restricted endowment fund (the Endowment Fund) consisting of various funds that have been established for various purposes and have been classified as with donor restriction net assets - held in perpetuity (see Note 11).

The Board of Directors of NFTE Endowment Fund, Inc. has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Endowment Fund is classified as with donor restriction - perpetual in nature and includes the following:

- The original value of gifts donated to the endowment.

- The original value of subsequent gifts to the endowment.
- Accumulation of the endowment made in accordance with the direction of applicable donor instructions.

The remaining portion of the Endowment Fund that is not classified as with donor restriction—perpetual in nature is classified as with donor restriction—purpose-restricted until those amounts are appropriated for expenditure by NFTE Endowment Fund, Inc. in a manner consistent with the donor's intent. In accordance with NYPMIFA, NFTE Endowment Fund, Inc. considers the following factors in making a determination to appropriate or accumulate Endowment Fund:

- The duration and preservation of the fund.
- The purposes of NFTE Endowment Fund, Inc. and the Endowment Fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- The investment policies of NFTE Endowment Fund, Inc.
- Other resources of NFTE Endowment Fund, Inc.

The following table provides a reconciliation of the change in NFTE Endowment Fund, Inc.'s Endowment Fund net assets:

Year ended June 30, 2021

	Without Donor Restriction	With Donor Restrictions	Total
Endowment Net Assets (Deficit), beginning of year	$ -	$ 11,650,421	$ 11,650,421
Investment return, net	-	3,550,587	3,550,587
Appropriation of endowment assets for expenditure	-	(772,455)	(772,455)
Endowment Net Assets, end of year	$ -	$ 14,428,553	$ 14,428,553

NFTE Endowment Fund, Inc. has adopted investment and spending policies for endowment assets that attempt to provide sufficient income to meet various program and operational expenses, and to extend the pursuit of NFTE Endowment Fund, Inc.'s mission in perpetuity. Of the $14,428,553, $10,732,591 is included in net assets with donor restrictions – held in perpetuity, with the remaining amount of $3,695,962 is included in net assets with donor restrictions – purpose-restricted.

Under this policy, as approved by the Board of Directors of NFTE Endowment Fund, Inc., the investment performance of NFTE Endowment Fund, Inc.'s portfolio will be measured relative to the following benchmarks:

- S&P 500 for the Vanguard 500 Index Fund Investor.
- S&P 500 Index for the Davis New York Venture Fund.
- Morningstar Large-Cap Value Index for the Sound Shore Fund.
- Barclays Capital U.S. Aggregate Index for BlackRock Total Return.

- Dow Credit Suisse Long/Short Equity Edge Fund Index for the Fund of Hedge Funds.
- Barclays five-to-ten-year U.S. Credit Index for the Vanguard Intermediate Term Investment Grade Fund.

To satisfy its long-term rate-of-return objectives, NFTE Endowment Fund, Inc. 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). NFTE Endowment Fund, Inc. targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

NFTE Endowment Fund, Inc.'s asset allocation also includes alternative equity investments. Within the alternative equity investment categories, NFTE Endowment Fund, Inc. is mindful of each investment manager's strategies and the liquidity of each manager's investment portfolio (see Note 4).

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies as of June 30, 2021.

NFTE Endowment Fund, Inc. may appropriate for distribution each year 5% of its invested assets based upon their rolling average value over the prior 12 quarters, which is in line with their targeted rate of return. In establishing this policy, NFTE Endowment Fund, Inc. considered the long-term expected return on its endowment. Accordingly, over the long term, NFTE Endowment Fund, Inc. expects the current spending policy to allow its endowment to grow annually.

For fiscal year 2021, the Board of Directors of NFTE Endowment Fund, Inc. approved for appropriation $750,000, which is included in net assets released from restrictions in the consolidated statement of activities.

15. Risks and Uncertainties - COVID-19 and CARES Act

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the increase in exposure globally.

In order to help stem the spread of COVID-19, the Organization has temporarily closed all of its physical locations on March 6, 2020, moved its operations to a fully remote environment and restricted all non-essential travel to protect its employees and customers from the spread of this virus, consistent with governmental restrictions and guidance. The corporate headquarters and regional offices were closed, except for critical functions related to the support of remote workers and the flow of business operations. Currently, the Organization considers these closures to be temporary. At this time, management does not anticipate an adverse impact on operations, should these closures continue indefinitely into the future, or become permanent, if management concludes a physical office presence is no longer necessary.

The Organization's operations are heavily dependent on funding from donors, school districts and Community-Based Organizations (CBO) to provide services to the public. Additionally, funding from school districts and CBOs may be subject to budget modifications depending on appropriations by federal, state and local governmental sources. The Organization restricted travel and contact with the public, which inherently reduced expenditures and corresponding cash outlays. The Organization does not anticipate lifting these restrictions or returning to office space until the COVID-19 pandemic is controlled and a course of treatment is widely available to the public. If the Organization chooses to return to normal operations, it may incur incremental and other COVID-19 pandemic-related expenses. COVID-19-related expenses consist of additional costs to the Organization to protect its employees, contractors, and customers, and to support social distancing requirements resulting from the pandemic. These costs could include, and are not limited to, new or added benefits provided to employees, the purchase of additional personal protection equipment and disinfecting supplies, additional facility cleaning services, and increased technology expenses to support remote working, where possible.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full impact that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

Although the Organization cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, as the pandemic continues, it may have a material adverse effect on the Organization's results of future operations, financial position, and liquidity in fiscal year 2022.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) was enacted. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

It also appropriated funds for the Small Business Administration's Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans (EIDL) to provide liquidity to small businesses harmed by COVID-19.

Based on the CARES Act, the Organization has applied for and has received funds in fiscal year 2020 under the Small Business Administration's PPP in the amount of $1,079,700. The PPP loan may be partially or fully forgiven if the business keeps its employee counts and employee wages stable. The Organization received approval in fiscal year 2021 from SBA that the PPP loan for $1,079,700 was forgiven and as such, had recorded the PPP loan and forgiveness following the guidance of ASC 470 *Debt* and ASC 405 *Liabilities-Extinguishment of Liabilities*.

In fiscal year 2021, the Organization has applied for and received funds from the second draw of PPP loan for $1,106,145. The application for these funds requires the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. This certification further requires the Organization to take into account its current business activity and its ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on the Organization having initially qualified for the loan and qualifying for the forgiveness of such loan based on our future adherence to the forgiveness criteria. The balance outstanding at June 30, 2021 is $1,106,145.

The Organization also applied for a loan for $150,000 available through the EIDL for which the proceeds were received on July 2020. This loan has been fully repaid in fiscal year 2021.

16. Loans Payable

On February 5, 2021, NFTE has applied and received a second draw of PPP loan from a financial institution in the amount of $1,106,145. This loan bears a fixed interest at 1.0% per annum and matures on February 5, 2026. Principal payments on the loan are deferred until maturity. The outstanding amount of principal balance at June 30, 2021 was $1,106,145.

17. Subsequent Events

Management has performed subsequent events procedures through December 8, 2021, which is the date that the consolidated financial statements were available to be issued. There were no other subsequent events identified that would require an adjustment to the consolidated financial statements or disclosure as a result of these procedures.

Supplementary Information

Network for Teaching Entrepreneurship and Related Organization

Schedule of Consolidating Financial Position (with comparative totals for 2020)

June 30,

	Network for Teaching Entrepreneurship	NFTE Endowment Fund, Inc.	Eliminations	Total 2021	Total 2020
Assets					
Cash and cash equivalents	$ 7,410,851	$ -	$ -	**$ 7,410,851**	$ 5,019,749
Accounts receivable, net	86,955	-	-	**86,955**	106,602
Contributions receivable, net	1,631,516	-	(22,250)	**1,609,266**	2,603,560
Employee and teacher advances	14,388	-	-	**14,388**	21,132
Inventories	26,684	-	-	**26,684**	27,378
Prepaid expenses and other assets	356,635	-	-	**356,635**	114,313
Investments held in perpetuity	-	14,450,803	-	**14,450,803**	11,650,421
Fixed assets, net	62,855	-	-	**62,855**	80,636
	$ 9,589,884	$ 14,450,803	$ (22,250)	**$ 24,018,437**	$ 19,623,791
Liabilities and Net Assets					
Liabilities					
Accounts payable and accrued expenses	$ 535,183	$ 22,250	$ (22,250)	**$ 535,183**	$ 1,178,492
Accrued compensation and related liabilities	520,272	-	-	**520,272**	267,273
Deferred rent	264,919	-	-	**264,919**	322,541
Other liabilities	50,000	-	-	**50,000**	75,000
Loans payable	1,106,145	-	-	**1,106,145**	1,079,700
Total Liabilities	2,476,519	22,250	(22,250)	**2,476,519**	2,923,006
Commitments and Contingencies					
Net Assets					
Without donor restriction	4,250,736	-	-	**4,250,736**	760,798
With donor restriction	2,862,629	14,428,553	-	**17,291,182**	15,939,987
Total Net Assets	7,113,365	14,428,553	-	**21,541,918**	16,700,785
	$ 9,589,884	$ 14,450,803	$ (22,250)	**$ 24,018,437**	$ 19,623,791

Network for Teaching Entrepreneurship and Related Organization

Schedule of Consolidating Activities (with comparative totals for 2020)

Year ended June 30,

	Network for Teaching Entrepreneurship	NFTE Endowment Fund, Inc.	Eliminations	Total 2021	Total 2020
Support and Revenues					
Contributions	$ 8,784,348	$ -	$ -	**$ 8,784,348**	$ 9,400,842
Contributions from endowment	750,000	-	(750,000)	**-**	-
License fees	27,500	-	-	**27,500**	20,000
Contract services	1,224,057	-	-	**1,224,057**	1,086,232
Training fees	112,567	-	-	**112,567**	140,100
Material sales	3,687	-	-	**3,687**	4,137
Teachers' and other in-kind contribution	4,405,283	-	-	**4,405,283**	4,818,744
Miscellaneous income	134,493	-	-	**134,493**	83,582
Royalty income	105,579	-	-	**105,579**	76,780
Total Support and Revenues	15,547,514	-	(750,000)	**14,797,514**	15,630,417
Expenses					
Program services	11,727,915	-	-	**11,727,915**	13,702,936
Contribution expense	-	750,000	(750,000)	**-**	-
Total Program Services and Contribution Expense	11,727,915	750,000	(750,000)	**11,727,915**	13,702,936
Supporting services:					
Management and general	1,603,600	22,455	-	**1,626,055**	1,910,362
Fundraising	1,232,746	-	-	**1,232,746**	1,543,524
Total Supporting Services	2,836,346	22,455	-	**2,858,801**	3,453,886
Total Expenses	14,564,261	772,455	(750,000)	**14,586,716**	17,156,822
Change in Net Assets, before nonoperating revenues	983,253	(772,455)	-	**210,798**	(1,526,405)
Nonoperating Revenues					
Investment return, net	48	3,550,587	-	**3,550,635**	95,701
PPP Loan forgiveness	1,079,700	-	-	**1,079,700**	-
Change in Net Assets	2,063,001	2,778,132	-	**4,841,133**	(1,430,704)
Net Assets, beginning of year	5,050,364	11,650,421	-	**16,700,785**	18,131,489
Net Assets, end of year	$ 7,113,365	$ 14,428,553	$ -	**$ 21,541,918**	$ 16,700,785

Network for Teaching Entrepreneurship and Related Organization

Schedule of Fiscal Year Trend Analysis (in thousands)

	2011**	2012**	2013**	2014**	2015**	2016**	2017**	2018**	2019**	2020**	**2021***
Assets and Liabilities											
Total assets	$ 16,779	$ 16,615	$ 17,112	$ 17,740	$ 17,904	$ 25,258	$ 29,975	$ 24,807	$ 19,742	$ 19,624	**$ 24,018**
Total liabilities	2,081	1,705	1,658	2,182	2,476	2,122	1,813	1,500	1,611	2,923	**2,477**
With Donor Restrictions											
Revenue - purpose-restricted	$ 5,520	$ 4,188	$ 4,683	$ 6,449	$ 7,023	$ 14,277	$ 13,706	$ 5,514	$ 4,260	$ 4,892	**$ 3,439**
Assets - purpose-restricted released	(4,436)	(4,536)	(5,284)	(5,619)	(7,293)	(6,369)	(8,774)	(11,287)	(11,446)	(10,659)	**(5,616)**
Revenue and Expense											
Total revenues	$ 13,758	$ 14,679	$ 17,180	$ 17,875	$ 17,820	$ 24,887	$ 21,806	$ 13,698	$ 13,347	$ 15,631	**$ 14,798**
Total expenses	13,673	14,675	17,544	19,210	18,245	17,321	18,298	19,439	19,195	17,157	**14,587**
Surplus (Deficit)											
Operating	$ 85	$ 4	$ (364)	$ (1,335)	$ (425)	$ 7,566	$ 3,508	$ (5,741)	$ (5,848)	$ (1,526)	**$ 211**
Nonoperating	1,070	208	908	1,438	296	141	1,519	885	673	95	**4,630**
Net Surplus (Deficit)	$ 1,155	$ 212	$ 544	$ 103	$ (129)	$ 7,707	$ 5,027	$ (4,856)	$ (5,175)	$ (1,431)	**$ 4,841**

** Includes teachers' in-kind in 2011 ($1,972), 2012 ($2,371), 2013 ($2,426), 2014 ($2,854), 2015 ($3,069), 2016 ($3,294), 2017 ($3,381), 2018 ($4,162), 2019 ($4,748), 2020 ($4,813), and 2021 ($4,395).