

# **Pregnancy Justice**

Financial Statements

December 31, 2024

## **Independent Auditors' Report**

### **Board of Directors Pregnancy Justice**

#### **Opinion**

We have audited the accompanying financial statements of Pregnancy Justice, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pregnancy Justice as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pregnancy Justice and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pregnancy Justice's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pregnancy Justice's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pregnancy Justice'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.

### **Report on Summarized Comparative Information**

We have previously audited Pregnancy Justice's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 7, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*PKF O'Connor Davies, LLP*

June 17, 2025

## Pregnancy Justice

Statement of Financial Position  
December 31, 2024  
(with comparative amounts at December 31, 2023)

	2024	2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 930,864	\$ 665,628
Contributions receivable	835,935	828,957
Subgrantee advances	223,756	-
Prepaid expenses and other assets	264,221	188,408
Investments	4,878,117	4,414,650
Right of use asset, net	2,070,997	1,757,702
Property and equipment, net	608,078	449,992
	<u>\$ 9,811,968</u>	<u>\$ 8,305,337</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 221,041	\$ 178,127
Accrued payroll and related liabilities	181,601	119,038
Lease liability, operating lease	2,128,819	1,802,741
Deferred revenue	36,667	40,833
Refundable advances	440,931	-
Other liabilities	-	3,822
Total Liabilities	<u>3,009,059</u>	<u>2,144,561</u>
Net Assets		
Without donor restrictions	4,135,587	4,319,033
With donor restrictions	<u>2,667,322</u>	<u>1,841,743</u>
Total Net Assets	<u>6,802,909</u>	<u>6,160,776</u>
	<u>\$ 9,811,968</u>	<u>\$ 8,305,337</u>

See notes to financial statements

## Pregnancy Justice

### Statement of Activities Year Ended December 31, 2024 (with summarized totals for the year ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
<b>REVENUE AND SUPPORT</b>				
Foundation support	\$ 408,431	\$ 4,081,447	\$ 4,489,878	\$ 1,965,340
Contributions	474,032	-	474,032	389,679
Special events, less costs of direct benefit to donors of \$2,868 and \$78,610	24,799	-	24,799	69,145
Other support	55,705	-	55,705	72,874
Donated services	4,491,100	-	4,491,100	4,695,871
Investment return	551,959	-	551,959	765,445
Net assets released from restrictions	3,255,868	(3,255,868)	-	-
Total Revenue and Support	<u>9,261,894</u>	<u>825,579</u>	<u>10,087,473</u>	<u>7,958,354</u>
<b>EXPENSES</b>				
Program Services				
Public education	794,564	-	794,564	937,428
Legal/Advocacy	6,027,336	-	6,027,336	5,471,343
Organizing	-	-	-	451,057
Research	497,815	-	497,815	-
Coalition Building	280,118	-	280,118	-
Total Program Services	<u>7,599,833</u>	<u>-</u>	<u>7,599,833</u>	<u>6,859,828</u>
Support Services				
General and administrative	1,335,622	-	1,335,622	913,283
Fundraising	509,885	-	509,885	457,136
Total Support Services	<u>1,845,507</u>	<u>-</u>	<u>1,845,507</u>	<u>1,370,419</u>
Total Expenses	<u>9,445,340</u>	<u>-</u>	<u>9,445,340</u>	<u>8,230,247</u>
Change in Net Assets	(183,446)	825,579	642,133	(271,893)
<b>NET ASSETS</b>				
Beginning of year	<u>4,319,033</u>	<u>1,841,743</u>	<u>6,160,776</u>	<u>6,432,669</u>
End of year	<u>\$ 4,135,587</u>	<u>\$ 2,667,322</u>	<u>\$ 6,802,909</u>	<u>\$ 6,160,776</u>

See notes to financial statements

## Pregnancy Justice

### Statement of Functional Expenses

Year Ended December 31, 2024

(with summarized totals for the year ended December 31, 2023)

	Program Services					Support Services			2024 Total	2023 Total
	Public Education	Legal/ Advocacy	Research	Coalition Building	Total	General and Administrative	Fundraising	Total		
Salaries and related costs	\$ 537,899	\$ 1,267,763	\$ 246,003	\$ 163,490	\$ 2,215,155	\$ 381,757	\$ 290,522	\$ 672,279	\$ 2,887,434	\$ 1,992,837
Contractual services (including in-kind of \$4,491,100 and \$4,695,871 for 2024 and 2023)	149,117	4,413,933	170,917	37,064	4,771,031	794,628	160,174	954,802	5,725,833	5,627,433
Rent and utilities	57,927	136,933	37,671	17,858	250,389	55,111	31,852	86,963	337,352	310,126
Telephone	1,174	2,401	581	363	4,519	1,609	657	2,266	6,785	12,416
Supplies	-	636	93	-	729	4,637	-	4,637	5,366	3,538
Printing and postage	-	492	15	-	507	1,260	2,361	3,621	4,128	3,223
Travel	17,624	34,983	10,510	5,296	68,413	5,483	2,000	7,483	75,896	41,937
Meetings	1,038	47,570	157	44,485	93,250	1,929	76	2,005	95,255	11,242
Subscriptions and books	836	35,727	674	194	37,431	45,818	3,231	49,049	86,480	37,509
Marketing and related costs	-	57	-	-	57	8,213	1,971	10,184	10,241	13,082
Equipment	694	347	5,574	-	6,615	790	58	848	7,463	8,844
Insurance	6,701	15,810	4,334	2,061	28,906	5,088	3,676	8,764	37,670	33,063
Miscellaneous	6,153	34,745	11,484	4,604	56,986	17,693	2,495	20,188	77,174	51,510
Special event expenses	-	-	-	-	-	-	5,292	5,292	5,292	78,610
Depreciation	15,401	35,939	9,802	4,703	65,845	11,606	8,388	19,994	85,839	83,487
Total Functional Expenses	794,564	6,027,336	497,815	280,118	7,599,833	1,335,622	512,753	1,848,375	9,448,208	8,308,857
Less: cost of direct benefit to donors	-	-	-	-	-	-	(2,868)	(2,868)	(2,868)	(78,610)
Total Expenses Reported by Function on Statement of Activities	<u>\$ 794,564</u>	<u>\$ 6,027,336</u>	<u>\$ 497,815</u>	<u>\$ 280,118</u>	<u>\$ 7,599,833</u>	<u>\$ 1,335,622</u>	<u>\$ 509,885</u>	<u>\$ 1,845,507</u>	<u>\$ 9,445,340</u>	<u>\$ 8,230,247</u>

See notes to financial statements

## Pregnancy Justice

### Statement of Cash Flows Year Ended December 31, 2024 (with comparative amounts for the year ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 642,133	\$ (271,893)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	85,839	83,487
Unrealized gains on investments	(204,420)	(404,099)
Realized gains on investments	(134,726)	(216,666)
Amortization of right of use asset	265,383	254,845
Changes in operating assets and liabilities		
Contributions receivable	(6,978)	57,741
Subgrantee advances	(223,756)	-
Prepaid expenses and other assets	(75,813)	(10,642)
Accounts payable	42,914	108,222
Accrued payroll and related liabilities	62,563	(73,717)
Lease liability, operating lease	(252,600)	(235,568)
Deferred revenue	(4,166)	40,833
Refundable advances	440,931	-
Other liabilities	(3,822)	(2,352)
Net Cash from Operating Activities	<u>633,482</u>	<u>(669,809)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(243,925)	(9,890)
Purchases of investments	(1,586,673)	(523,212)
Proceeds from sale of investments	<u>1,462,352</u>	<u>1,322,557</u>
Net Cash from Investing Activities	<u>(368,246)</u>	<u>789,455</u>
Net Change in Cash and Cash Equivalents	265,236	119,646
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>665,628</u>	<u>545,982</u>
End of year	<u>\$ 930,864</u>	<u>\$ 665,628</u>

See notes to financial statements

# **Pregnancy Justice**

Notes to Financial Statements  
December 31, 2024

## **1. Organization and Tax Status**

Pregnancy Justice is a not-for-profit organization that advances and defends the rights of pregnant people, no matter if they give birth, experience a pregnancy loss, or have an abortion. Pregnancy Justice advances their mission in four ways: by providing criminal defense, by advocating for legal and policy change, by publishing cutting-edge research, and by equipping partners in the field with analysis, training, and narrative framing. Pregnancy Justice has maintained this mission since the organization was first established in 2001 as National Advocates for Pregnant Women. In 2022, National Advocates for Pregnant Women, Inc. changed its name to Pregnancy Justice. Pregnancy Justice is primarily supported by foundation grants. The Internal Revenue Service has determined that Pregnancy Justice is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Pregnancy Justice's programs are as follows:

### **Legal Advocacy:**

Pregnancy Justice works directly as co-counsel or consulting counsel on cases around the country to defend the rights of pregnant people, and builds coalitions with defense lawyers, social workers, activists, advocates, and people working in the medical and public health fields. Pregnancy Justice challenges prosecutions and other rights violations that dehumanize pregnant people, that invent separate legal rights for fertilized eggs, embryos, and fetuses, and that expand the war on drugs to harm pregnant people and undermine their rights.

### **Policy Advocacy:**

Pregnancy Justice provides allies and activists with analysis of proposed legislation and policies; comments and testifies on proposed laws across the country; supports initiatives that affirm the civil and human rights of pregnant people and opposes efforts that threaten those rights; and advises and educates advocates and policymakers at the local, state, and federal levels.

### **Public Education:**

Pregnancy Justice develops messaging and engages in media strategy to further their mission, raise public awareness, and shift the narrative. Pregnancy Justice builds relationships with journalists, providing resources and messaging, and use the media and social media to shift societal views and strengthen advocates' ability to defend the personhood and bodily autonomy of pregnant people.

### **Research:**

Pregnancy Justice tracks and documents cases of pregnancy-related criminalization in the country and analyzes data to identify trends in prosecution, who is targeted, on what basis, and where. The data is published in annual updates and in periodic reports. Pregnancy Justice also publishes research and legal analysis on a variety of topics connected to their mission.



## **Pregnancy Justice**

### **Notes to Financial Statements**

December 31, 2024

#### **1. Organization and Tax Status (*continued*)**

##### **Coalition Building:**

Pregnancy Justice supports and participates in coalition building at the local and national levels. Pregnancy Justice occupies a unique position at the intersection of the movements for reproductive justice, racial justice, criminal legal system reform, drug policy reform, and the movement to end family policing, and Pregnancy Justice accomplishes their work in deep collaboration with partners across multiple movements and disciplines. Pregnancy Justice helps to support grassroots partners, coalitions, and stakeholders to advocate for the needs of pregnant people at the state level. Pregnancy Justice presents at conferences and continuing education programs that build partnerships within and beyond the reproductive rights and justice movements, including the private bar and other professions, government officials, and other movements. Pregnancy Justice also works at the national level to mobilize medical and health experts, organizations, and academics to engage in their work.

#### **2. Summary of Significant Accounting Policies**

##### ***Basis of Presentation***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

##### ***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates include functional allocation of expenses, depreciation expense, and allowance for doubtful accounts. Actual results could differ from these estimates.

##### ***Cash and Cash Equivalents***

Cash equivalents include highly liquid investments with a maturity of three months or less at the time of purchase.

##### ***Allowance for Doubtful Accounts***

Pregnancy Justice provides an allowance for doubtful accounts based upon prior experience and management's assessment of the collectability of existing specific accounts.

## **Pregnancy Justice**

Notes to Financial Statements  
December 31, 2024

### **2. Summary of Significant Accounting Policies (continued)**

#### ***Fair Value Measurements***

Pregnancy Justice follows U.S. GAAP guidance for fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Investments and Investment Income***

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the change in net assets.

#### ***Property and Equipment***

Property and equipment in excess of \$1,500 are capitalized, stated at cost and depreciated using the straight-line method over their estimated lives. Leasehold improvements are depreciated over the shorter of the term of the lease, inclusive of all renewal periods which are reasonably assured, or the estimated useful life of the asset.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount of the asset is not recoverable, the value is written down to the asset's fair value, less costs to sell. There were no asset impairments for the years ended December 31, 2024 and 2023.

#### ***Net Asset Presentation***

Pregnancy Justice reports information regarding financial position and activities according to two classes of net assets: without and with donor restrictions.

*Without donor restrictions* – consist of resources available for the general support of Pregnancy Justice's operations. Net assets without donor restrictions may be used at the discretion of Pregnancy Justice's management and Board of Directors.

*With donor restrictions* – represent amounts restricted by donors to be used for specific activities or at some future date, or which require Pregnancy Justice to maintain in perpetuity. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

## **Pregnancy Justice**

Notes to Financial Statements  
December 31, 2024

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Foundation Support and Contributions***

Contributions received, including unconditional promises to give, are recognized as support in the period received. Pregnancy Justice reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods.

#### ***In-kind Contributions***

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

All in-kind contributions for the years ended December 31, 2024, and 2023 consist of legal professional fees utilized for program and general and administrative activities without donor restrictions and are valued at the estimated fair value based on current rates for similar services.

#### ***Subgrantee Advances***

Pregnancy Justice provides advance funding to subgrantees under certain grant agreements to ensure timely and effective program implementation. Subgrantee advances are recorded as assets in Pregnancy Justice's financial statements until expended by the subgrantee in accordance with the grant terms. These advances are monitored regularly to ensure compliance with grant terms and are reconciled as subgrantees report actual expenditures.

#### ***Refundable Advances***

Pregnancy Justice is required to determine whether contributions are conditional or unconditional. Unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions are initially accounted for as a liability or are not recognized as revenue. Once the barriers to entitlement are overcome, the transaction is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions. For a donor-imposed condition to exist, a right of return or release must be stated, and the agreement must include a performance related condition or other measurable barrier.

## **Pregnancy Justice**

### **Notes to Financial Statements**

December 31, 2024

## **2. Summary of Significant Accounting Policies (continued)**

### ***Functional Allocation of Expenses***

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. All other expenses are allocated to functional categories based on estimates of time and effort, except for rent, depreciation, and insurance, which are based on a square footage basis.

### ***Summarized Comparative Information***

The statements of activities and functional expenses include certain prior year summarized comparative information in total but not by net asset class or functional class. 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 Pregnancy Justice's financial statements as of and for the year ended December 31, 2023 from which the summarized information was derived.

### ***Accounting for Uncertainty in Income Taxes***

Pregnancy Justice recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that Pregnancy Justice had no uncertain tax positions that would require financial statement recognition or disclosure. Pregnancy Justice is no longer subject to examinations by the applicable taxing jurisdictions for years prior to 2021.

### ***Advertising***

Advertising is expensed as it is incurred.

### ***Leases***

Pregnancy Justice leases office space and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets ("ROU assets") and operating lease liabilities on the accompanying statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. When leases do not provide an implicit borrowing rate, Pregnancy Justice uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend the lease and when it is reasonably certain that Pregnancy Justice will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for the lease payments is recognized on a straight-line basis of the lease term.

## **Pregnancy Justice**

### **Notes to Financial Statements**

December 31, 2024

## **2. Summary of Significant Accounting Policies (continued)**

### ***Leases (continued)***

Pregnancy Justice's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

### ***Reclassifications***

Certain amounts in the December 31, 2023 financial statements have been reclassified to conform to the December 31, 2024 presentation.

### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 17, 2025.

## **3. Concentration of Credit Risk**

Financial instruments that potentially subject Pregnancy Justice to concentrations of credit risk consist principally of cash and cash equivalents, investments and receivables. At times, cash balances may be in excess of the balance insured by the Federal Deposit Insurance Corporation. At December 31, 2024, Pregnancy Justice's cash and cash equivalent balances on deposit exceeded the federal insurance limits by approximately \$637,000. At December 31, 2023, Pregnancy Justice's cash and cash equivalent balances on deposit exceeded the federal insurance limits by approximately \$361,000.

Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times balances may exceed SIPC limits. At December 31, 2024 and 2023, Pregnancy Justice's uninsured investment holdings totaled approximately \$4,378,000 and \$3,915,000.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment or group of investments represents a significant concentration of credit risk.

A concentration of credit risk existed with respect to contributions receivable since amounts received from three donors represented 69% of the total contributions receivable balance at December 31, 2024. Three donors represented 71% of the total contributions receivable balance at December 31, 2023.

## Pregnancy Justice

### Notes to Financial Statements December 31, 2024

#### 4. Contributions Receivable

Contributions receivable consist of the following at December 31:

	2024	2023
Due within		
Less than one year	\$ 660,935	\$ 768,957
One to five years	175,000	60,000
	<u>\$ 835,935</u>	<u>\$ 828,957</u>

Management determined that any discount would be immaterial and the receivables are fully collectible and no allowance for doubtful accounts has been established.

#### 5. Investments

The following are major categories of investments measured at fair value at December 31:

	2024		
Description	Level 1	Level 2	Total
Equities	\$ 1,119,268	\$ -	\$ 1,119,268
Mutual funds	2,123,199	-	2,123,199
Corporate bonds	-	637,490	637,490
Municipal bonds	-	314,816	314,816
Fixed income	-	683,344	683,344
	<u>\$ 3,242,467</u>	<u>\$ 1,635,650</u>	<u>\$ 4,878,117</u>

  

	2023		
Description	Level 1	Level 2	Total
Equities	\$ 1,032,138	\$ -	\$ 1,032,138
Mutual funds	1,753,106	-	1,753,106
Corporate bonds	-	653,319	653,319
Municipal bonds	-	660,858	660,858
Fixed income	-	315,229	315,229
	<u>\$ 2,785,244</u>	<u>\$ 1,629,406</u>	<u>\$ 4,414,650</u>

Pregnancy Justice recognizes transfers between levels in the fair value hierarchy on the date of the event or change in circumstances that cause the transfer. There were no transfers between levels for the years ended December 31, 2024 and 2023.

## Pregnancy Justice

### Notes to Financial Statements December 31, 2024

#### 6. Property and Equipment

Property and equipment consist of the following at December 31:

	Estimated Useful Lives	2024	2023
Furniture and equipment	5-7 yrs.	\$ 352,885	\$ 275,438
Leasehold improvements	7 yrs.	444,285	444,285
Construction in progress		166,478	-
		963,648	719,723
Accumulated depreciation		(355,570)	(269,731)
		<u>\$ 608,078</u>	<u>\$ 449,992</u>

#### 7. Net Assets With Donor Restrictions

In 2024 and 2023, the activity in the net assets with donor restrictions consists of the following:

Purpose/Restriction	Balance at December 31, 2023	Additions	Net Assets Released	Balance at December 31, 2024
Time restricted general support	\$ 1,341,743	\$ 3,231,250	\$ (2,440,577)	\$ 2,132,416
Abortion and birth justice programs	500,000	850,197	(815,291)	534,906
	<u>\$ 1,841,743</u>	<u>\$ 4,081,447</u>	<u>\$ (3,255,868)</u>	<u>\$ 2,667,322</u>

  

Purpose/Restriction	Balance at January 1, 2023	Additions	Net Assets Released	Balance at December 31, 2023
Time restricted general support	\$ 1,927,103	\$ 1,455,340	\$ (2,040,700)	\$ 1,341,743
Abortion and birth justice programs	200,000	510,000	(210,000)	500,000
	<u>\$ 2,127,103</u>	<u>\$ 1,965,340</u>	<u>\$ (2,250,700)</u>	<u>\$ 1,841,743</u>

#### 8. Commitments and Contingencies

##### *Lease Commitments*

Pregnancy Justice signed a lease for a facility which has a lease term from February 1, 2020, through July 31, 2030. In December 2024, Pregnancy Justice modified the lease for a term which is scheduled to expire on May 31, 2030.

## Pregnancy Justice

Notes to Financial Statements  
December 31, 2024

### 8. Commitments and Contingencies *(continued)*

#### ***Lease Commitments (continued)***

The right-of-use asset associated with the lease above as of December 31 is shown below:

	<u>2024</u>	<u>2023</u>
Right-of-use asset - operating lease	\$ 2,842,404	\$ 2,263,726
Less: accumulated amortization	<u>(771,407)</u>	<u>(506,024)</u>
	<u>\$ 2,070,997</u>	<u>\$ 1,757,702</u>
 Increase in ROU assests due to lease remeasurement	 \$ 578,678	 \$ -
 Cash paid for amounts included in the measurement of operating lease liabilities	 \$ 284,289	 \$ 265,917

The discount rate on the lease is 4.09% for 2024 and 1.59% for 2023.

Future minimum rental payments under the lease arrangement are as follows for the years ending December 31:

2025	\$ 414,668
2026	425,034
2027	435,660
2028	446,552
2029	457,716
Thereafter	<u>195,076</u>
Total Future Minimum Lease Payments	2,374,706
Less Imputed Interest	<u>(245,887)</u>
Total Operating Lease Liability	<u>\$ 2,128,819</u>

Rent expenses is as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Operating lease, included in rent and utilities	\$ 297,073	\$ 285,194



## Pregnancy Justice

Notes to Financial Statements  
December 31, 2024

### 9. Employee Benefit Plan

Pregnancy Justice maintains a defined contribution 403(b) plan. All employees are eligible to participate and contribute provided they work at least 800 hours in a 12 month period and worked at least 90 days for Pregnancy Justice. Contributions by Pregnancy Justice to the plan on behalf of employees are discretionary and based on the employee's individual compensation. Contributions by Pregnancy Justice to the plan amounted to \$93,805 for the year ended December 31, 2024. Contributions by Pregnancy Justice to the plan amounted to \$62,249 for the year ended December 31, 2023.

### 10. Liquidity and Availability of Financial Assets

The following reflects Pregnancy Justice's financial assets at December 31, reduced by amounts not available for general use within one year of that date because of contractual or donor-imposed restrictions or internal designations.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 930,864	\$ 665,628
Contributions receivable	835,935	828,957
Investments	<u>4,878,117</u>	<u>4,414,650</u>
Total Financial Assets	6,644,916	5,909,235
Less: Contractual, internally designated or donor restricted amounts:		
Donor-imposed restrictions beyond one year or purpose restricted	<u>1,045,229</u>	<u>853,333</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 5,599,687</u>	<u>\$ 5,055,902</u>

As part of its liquidity risk management, Pregnancy Justice maintains a cash balance to ensure it is available as its general expenditures, liabilities, and obligations become due within one year. Pregnancy Justice monitors the status and collectability of its contributions receivable on a regular basis. Foundation support and contributions are solicited on a regular basis to increase revenue and support. In addition, Pregnancy Justice's working capital and cash flows have cyclical variations during the year attributable to the cash receipts of contributions and foundation support.

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