JUST Capital Foundation, Inc.

Financial Statements
(Together with Independent Auditors' Report)

For the Years Ended December 31, 2019 and 2018

MARKS PANETH

ACCOUNTANTS & ADVISORS

JUST CAPITAL FOUNDATION, INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

TABLE OF CONTENTS

Marks Paneth LLP
685 Third Avenue
New York, NY 10017
P 212.503.8800
F 212.370.3759
markspaneth.com

MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

The Board of Directors
JUST Capital Foundation, Inc.

We have audited the accompanying financial statements of JUST Capital Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Marks Paneth LLP

New York, NY
June 24, 2020

Morison KSi
Independent member

JUST CAPITAL FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018

ASSETS	**2019**	**2018**
Cash (Note 6B)	$ 682,209	$ 368,182
Accounts receivable (Note 2D)	139,320	55,181
Grants receivable (Note 2F)	700,000	150,000
Prepaid expenses and other assets	187,711	216,642
Property and equipment, net (Notes 2C and 4)	109,132	135,590
Intangible assets (Note 2I)	336,667	376,667
TOTAL ASSETS	$ 2,155,039	$ 1,302,262
LIABILITIES		
Accounts payable and accrued expenses	$ 443,318	$ 298,918
Deferred rent (Note 2G)	341,578	310,460
Line of credit (Note 8)	5,400,000	3,950,000
TOTAL LIABILITIES	6,184,896	4,559,378
COMMITMENTS AND CONTINGENCIES (Note 5)		
NET ASSETS (ACCUMULATED DEFICIT) (Notes 2B and 10)		
Without donor restrictions	(4,941,974)	(3,445,453)
With donor restrictions (Note 7)	912,117	188,337
TOTAL NET ASSETS (ACCUMULATED DEFICIT)	(4,029,857)	(3,257,116)
TOTAL LIABILITIES AND NET ASSETS	$ 2,155,039	$ 1,302,262

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

JUST CAPITAL FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	For the Year Ended December 31, 2019			For the Year Ended December 31, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total 2019	Without Donor Restrictions	With Donor Restrictions	Total 2018
SUPPORT AND REVENUE:						
Contributions (Note 6A)	$ 3,758,356	$ -	$ 3,758,356	$ 4,772,394	$ -	$ 4,772,394
Foundation grants (Note 2F)	1,980,250	1,125,000	3,105,250	1,215,000	230,000	1,445,000
In-kind contributions (Note 2E)	286,432	-	286,432	169,337	-	169,337
Program revenue (Note 2D)	57,623	-	57,623	55,181	-	55,181
Other revenue	140,942	-	140,942	239	-	239
Net assets released from restrictions (Notes 2B and 7)	401,220	(401,220)	-	877,359	(877,359)	-
TOTAL SUPPORT AND REVENUE	6,624,823	723,780	7,348,603	7,089,510	(647,359)	6,442,151
EXPENSES (Note 2H):						
Program services	6,800,945	-	6,800,945	5,817,001	-	5,817,001
Management and administration	967,072	-	967,072	1,132,080	-	1,132,080
Fundraising	353,327	-	353,327	435,737	-	435,737
TOTAL EXPENSES	8,121,344	-	8,121,344	7,384,818	-	7,384,818
CHANGE IN NET ASSETS	(1,496,521)	723,780	(772,741)	(295,308)	(647,359)	(942,667)
Net assets - beginning of year	(3,445,453)	188,337	(3,257,116)	(3,150,145)	835,696	(2,314,449)
NET ASSETS - END OF YEAR	$ (4,941,974)	$ 912,117	$ (4,029,857)	$ (3,445,453)	$ 188,337	$ (3,257,116)

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

JUST CAPITAL FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

		Supporting Services			
	Program	Management & Administration	Fundraising	Total 2019	Total -
Salaries and wages	$ 3,582,956	$ 410,977	$ 195,378	$ 4,189,311	$ 3,871,706
Payroll taxes, fringe benefits and employment costs (Note 9)	754,450	111,921	33,228	899,599	855,343
Research	584,611	27,487	1,593	613,691	654,356
Marketing	449,836	-	-	449,836	381,540
Occupancy (Notes 2G and 5)	532,800	56,149	8,859	597,808	580,925
Staff recruitment, training and development	606	14,386	-	14,992	33,761
Consultants	343,401	217,785	105,871	667,057	430,006
Accounting and auditing	-	26,885	-	26,885	26,500
Legal fees (Note 2E)	89,360	18,245	-	107,605	109,761
Travel and related expenses	24,641	22,424	47	47,112	29,957
Meetings and conferences	21,588	16,899	1,421	39,908	77,023
Office expenses	74,268	7,827	1,235	83,330	90,016
Non-capital purchases, equipment	24,121	2,542	401	27,064	7,766
Donated interest (Note 2E)	231,790	24,427	3,855	260,072	169,337
Other	27,286	2,876	454	30,616	16,129
Depreciation and amortization (Notes 2I and 4)	59,231	6,242	985	66,458	50,692
	$ 6,800,945	$ 967,072	$ 353,327	$ 8,121,344	$ 7,384,818

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

JUST CAPITAL FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

		Supporting Services		
	Program	Management & Administration	Fundraising	Total 2018
Salaries and wages	$ 3,056,642	$ 476,893	$ 338,171	$ 3,871,706
Payroll taxes, fringe benefits and employment costs (Note 9)	689,930	116,737	48,676	855,343
Research	614,437	35,248	4,671	654,356
Marketing	381,540	-	-	381,540
Occupancy (Notes 2G and 5)	490,845	62,963	27,117	580,925
Staff recruitment, training and development	31,265	2,496	-	33,761
Consultants	233,056	196,950	-	430,006
Accounting and auditing	-	26,500	-	26,500
Legal fees (Note 2E)	3,079	106,682	-	109,761
Travel and related expenses	17,546	11,481	930	29,957
Meetings and conferences	59,584	17,360	79	77,023
Office expenses	53,365	34,176	2,475	90,016
Non-capital purchases, equipment	2,402	4,237	1,127	7,766
Donated interest (Note 2E)	133,776	25,570	9,991	169,337
Other	6,702	9,293	134	16,129
Depreciation and amortization (Notes 2I and 4)	42,832	5,494	2,366	50,692
	$ 5,817,001	$ 1,132,080	$ 435,737	$ 7,384,818

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

JUST CAPITAL FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (772,741)	$ (942,667)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	66,458	50,692
	(706,283)	(891,975)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(84,139)	(55,181)
Grants receivable	(550,000)	350,000
Prepaid expenses and other assets	28,931	(19,116)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	144,400	(121,524)
Deferred rent	31,118	41,845
Net Cash Used in Operating Activities	(1,135,973)	(695,951)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	-	(400,000)
Net Cash Used in Investing Activities	-	(400,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from line of credit	1,450,000	1,200,000
Net Cash Provided by Financing Activities	1,450,000	1,200,000
NET INCREASE IN CASH	314,027	104,049
Cash - beginning of year	368,182	264,133
CASH - END OF YEAR	$ 682,209	$ 368,182

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

JUST Capital Foundation, Inc. (the "Foundation") is a not-for-profit corporation established in 2013 for charitable purposes and is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code. The Foundation, an independent, nonprofit research organization, uses the power of information and markets to address some of the most pressing social, economic, and environmental challenges of our time. JUST Capital's mission is to build an economy that works for all Americans by helping companies improve how they serve all their stakeholders – workers, customers, communities, the environment, and shareholders.

Uniquely, JUST Capital engages the American public to determine what matters most to them when it comes to just business behavior. Since 2015, JUST Capital has surveyed more than 96,000 Americans, representative of the U.S. adult population, who agree that companies should pay a living wage, create good jobs, provide fair pay and good benefits, meet supply chain labor standards, treat customers well, reduce environmental impacts, promote gender and racial equity, and support local communities. The Foundation then does extensive research to define metrics, gather data, analyze performance, and ultimately rank the largest 1,000 publicly traded U.S. corporations on these issues. The Foundation's methodology is recognized as one of the most analytically robust, unbiased, transparent, and data-driven approaches currently deployed, utilizing over 380,000 data points. The Foundation leverages these data, rankings, and analysis to incentivize and influence more just corporate behavior.

Our Rankings of America's JUST Companies – released in November 2019 in partnership with Forbes – defined for the first time which companies are leading the way in the new stakeholder economy. The Rankings, which feature the JUST 100 and Industry Leader lists, celebrate business leadership on just issues to promote a "race to the top." The top performers – who provide a powerful benchmark to incentivize more just business behavior – were celebrated in a high-profile event with Forbes and awarded our JUST Seal.

JUST Capital also drives capital toward more just companies through our JUST Alpha research, creating new event and media platforms like the Bloomberg Investor Breakfast and the CNBC Quarterly JUST Calls, to building investable indexes and the JUST ETF, to licensing our data. In 2018, Goldman Sachs launched its first ever environmental, social, and governance (ESG) focused exchange-traded fund (ETF) – the JUST ETF – which is based on the JUST U.S. Large Cap Diversified Index ("JULCD"), the first benchmark index based on JUST Capital's proprietary research and rankings. The Index includes the top 50% of Russell 1000 companies ranked by JUST Capital by industry and is constructed to match the Russell's industry weights. It features companies driving positive change on the issues the American public cares about most – issues like worker pay and wellbeing, beneficial products, the environment, strong communities, and more.

The Foundation's definitive polling, rankings, indexes, and data empower all market participants – workers, investors, business leaders, consumers, advocacy groups – with the information they need to support, purchase from, invest in, and work for companies that perform best on the issues they care about.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Presentation***

The Foundation's financial statements have been prepared on the accrual basis of accounting. The Foundation adheres to accounting principles generally accepted in the United States of America ("U.S. GAAP").

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. ***Net Assets***

The Foundation's net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.
- With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Foundation or the passage of time. This net asset class might also include those resources whose stipulations are to be maintained in perpetuity by the Foundation. The Foundation had no net assets with donor restrictions maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled, the stipulated time period has elapsed) are reported as net assets released from restrictions.

C. ***Property and Equipment***

Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. The Foundation capitalizes acquisitions that have a cost of $3,000 or more and a useful life of greater than one year. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Amortization of leasehold improvements is calculated over the lesser of the estimated useful lives of the assets or the length of the lease.

D. ***Program Revenue***

Program revenue consists of licensing fees related to the JUST ETF (see Note 1). Revenue is calculated based on a 20% share of the expense ratio of the average quarterly Assets Under Management ("AUM"). Total revenue earned during the year ended December 31, 2019 and 2018, amounted to $57,623 and $55,181, respectively, and is included as program revenue in the accompanying statements of activities.

E. ***In-kind Contributions***

The Foundation records donated interest and contributed services at their fair value provided they meet the criteria for recognition. Donated interest of $260,072 and $169,337, respectively, and professional fees of $26,360 and $0, respectively, for the years ended December 31, 2019 and 2018, are reflected as both income and expense in the accompanying financial statements.

F. ***Grants Receivable***

Grants are recorded as revenue when the grant is made. The Foundation bases its allowance for doubtful accounts on its historical loss experience, the age of the receivables, and an evaluation of the creditworthiness of the donor. Grants receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Historically, the Foundation has not had collection issues with grants and therefore has determined that no allowance was necessary as of December 31, 2019 and 2018 for grants receivable. Grants receivable are expected to be collected within one year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. ***Deferred Rent***

The Foundation leases rental property through 2027. The difference between rental payments due under the leases and rent expense calculated on the straight-line basis for the years ended December 31, 2019 and 2018, amounted to $31,118 and $41,845, respectively. As of December 31, 2019 and 2018, a liability in the amount of $341,578 and $310,460, respectively, is reflected as deferred rent on the accompanying statements of financial position. See Note 5A for further discussion.

H. ***Functional Allocation of Expenses***

The cost of providing the various program and supporting services has been summarized on a functional basis in the accompanying statements of activities and functional expenses. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited.

The expenses that are allocated include occupancy, office expenses, depreciation, and amortization, which are allocated on a headcount basis, as well as salaries and wages, benefits, payroll taxes, and interest, which are allocated on the basis of estimates of time and effort.

I. ***Intangible Assets***

During 2018, the Foundation entered into a licensing agreement for the use of the Foundation's JULCD. The costs incurred to position the Foundation to be able to enter into such an agreement were estimated to be $400,000, consisting mostly of legal expenses, which are being amortized over ten years. These costs were valued under the Cost Approach using the current replacement cost basis. Amortization of this intangible asset amounted to $40,000 and $23,333 for the years ended December 31, 2019 and 2018.

J. ***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 and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

K. ***Change in Accounting Principle***

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction and addresses the complexity and diversity in practice of characterizing grants and similar contracts with government agencies and others as reciprocal transactions (exchanges) or nonreciprocal transactions and distinguishing between conditional and unconditional contributions. These changes had no impact on the change in net assets for the year ended December 31, 2019. Specifically, ASU 2018-08 resulted in improved characterization of grants and similar contracts with government agencies.

ASU 2014-09 created Topic 606, *Revenue from Contracts with Customers*, in the Accounting Standards Codification ("ASC"). Topic 606 requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The new guidance also added Subtopic 30-40, *Other Assets and Deferred Costs – Contracts with Customers* to the ASC to require the deferral of incremental costs of obtaining contracts with a customer. The Foundation adopted the requirements of the new guidance as of January 1, 2019, utilizing the modified retrospective method of transition. The new guidance did not impact the Foundation's change in net assets for the years ended December 31, 2019 and 2018. Further, the Foundation did not have any contract assets or contract liabilities as of December 31, 2019 and 2018. Accounts receivable as of December 31, 2019 and 2018, are presented on the accompanying statements of financial position and accounts receivable as of January 1, 2018 amounted to $0.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. ***Reclassification***

Certain reclassifications have been made to the 2018 financial statements to conform to the 2019 financial statement presentation. These reclassifications had no effect on net assets or changes in net assets.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments. In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation strives to operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. The Foundation considers all expenditures related to its ongoing programs as well as management and administration to support those activities to be general expenditures.

The Foundation has access to a revolving line of credit to fund any cash needs from revenue shortfalls. See Note 8 for information about the Foundation's line of credit.

As of December 31, 2019, the financial assets available to meet general expenditures over the next 12 months were as follows:

Cash	$ 682,209
Accounts receivable	139,320
Grants receivable	700,000
	$ 1,521,529

The above table does not take into account the Foundation's liabilities of $6,184,896 which exceed financial assets available to meet cash needs for general expenditures. See Note 10 regarding the Foundation's accumulated deficit.

NOTE 4 – PROPERTY AND EQUIPMENT

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

	2019	2018	Estimated Useful Lives
Website	$ 17,085	$ 17,085	15 years
Computers and networking equipment	16,205	16,205	5 years
Furniture and fixtures	151,038	151,038	7 years
Leasehold improvements	44,910	44,910	12 years
Total costs	229,238	229,238	
Less: accumulated depreciation and amortization	(120,106)	(93,648)	
Net book value	$ 109,132	$ 135,590	

Depreciation and amortization expense amounted to $26,458 and $27,359 for the years ended December 31, 2019 and 2018, respectively.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

A. In January 2016, the Foundation signed a lease for new office space that ends in 2027. This lease is guaranteed by a Board member of the Foundation.

Minimum rental payments for years subsequent to December 31, 2019 are as follows:

Year ending December 31,	
2020	$ 498,446
2021	509,661
2022	553,848
2023	566,310
2024	579,052
Thereafter	1,610,166
	$ 4,317,483

Rent expense for the years ended December 31, 2019 and 2018, amounted to $565,630 and $548,921, respectively, and is included in occupancy expense in the accompanying statements of functional expenses.

B. The Foundation believes it had no uncertain tax positions as of December 31, 2019 and 2018, in accordance with Accounting Standards Codification ("ASC") Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 6 – CONCENTRATIONS

A. For the years ended December 31, 2019 and 2018, contributions from a Board member of the Foundation made up approximately 44% and 57%, respectively, of total contributions.

B. Cash that potentially subjects the Foundation to a concentration of credit risk includes cash accounts with banks that exceeded the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Accounts are insured up to $250,000 per depositor, per FDIC-insured institution and per ownership category. As of December 31, 2019 and 2018, there was approximately $432,000 and $104,000, respectively, of cash held by one bank that exceeded FDIC limits. Such excess includes outstanding checks.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31:

	2019	2018
Time restricted	$ 700,000	$ -
Restricted for specific purposes	212,117	188,337
	$ 912,117	$ 188,337

Net assets released from restrictions amounted to $401,220 and $877,359 for the years ended December 31, 2019 and 2018, respectively.

NOTE 8 – LINE OF CREDIT

The Foundation has a revolving line of credit with a limit of $5,400,000 which was obtained from a Board member. The line of credit originated on October 20, 2017 for $2,550,000, and was subsequently increased to $2,750,000 (November 2017). The line of credit was amended and restated on December 20, 2019 to increase the line to $5,400,000. The line is unsecured and bears no interest. The principal amount of the lesser of $5,400,000 or the aggregate of the unpaid balance is due on December 20, 2021. As of December 31, 2019 and 2018, the unpaid balance amounted to $5,400,000 and $3,950,000, respectively. As of June 24, 2019, the outstanding balance amounted to $5,400,000.

NOTE 9 – PENSION PLAN

Effective July 1, 2016, the Foundation's employees can participate in a 401(k) profit sharing pension plan covering all eligible employees. Eligible employees can make elective deferrals under a salary reduction agreement. The Foundation matches, dollar for dollar, up to 4% of an employee's compensation. The Foundation may also make discretionary contributions. For the years ended December 31, 2019 and 2018, contributions from the Foundation amounted to $109,146 and $102,038, respectively.

NOTE 10 – ACCUMULATED DEFICIT

The Foundation incurred a loss of $772,741 for the year ended December 31, 2019 which resulted in an accumulated deficit of $4,029,857 as of December 31, 2019. The Foundation has a committed base of donors that have continued to fund operations in 2020 to mitigate the deficit and resolve any shortages in cash flow (See Note 8). Management is continuing to take steps to support the long-term sustainability of the Foundation, including working to put in place a strategic development program. This program is more tightly integrated to the issue-centered programs and marketing to better leverage content and use every opportunity for prospect recruitment and engagement. The program includes a plan to increase Board support, targeted outreach to high-net worth donor communities, and implementing a tiered giving structure to better support the development of a community of donors that are united in a commitment to the JUST Capital mission and vision. The development program includes ongoing outreach to foundations, and, importantly, a new focus on support from the private sector and corporate philanthropy. In support of these efforts JUST Capital has purchased a subscription to a donor research tool, and expects to implement Salesforce by the end of the year to more effectively manage contacts and engagement with all external audiences, in particular, donors and potential donors. Finally, the development program will be supported by an increasingly robust schedule of events and activities, including conference participation, issue-specific conference calls, and engagement opportunities with Board members.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through June 24, 2020, the date the financial statements were available to be issued.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic, which continues to spread throughout the United States. The Foundation could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Foundation's mission, programs, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. Accordingly, the Foundation cannot predict the extent to which its financial condition and results of operations will be affected.