THE BABY BUGGY, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2015

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

THE BABY BUGGY, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Baby Buggy, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The Baby Buggy, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 of 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.

MBAF CPAs
NEW YORK 440 Park Avenue South, 3rd Floor, New York NY 10016 | **T** 212 576 1400 **F** 212 576 1414 | www.mbafcpa.com
VALHALLA 400 Columbus Avenue, Suite 200E, Valhalla NY 10595 | **T** 914 741 0800 **F** 914 741 1034 | www.mbafcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Baby Buggy, Inc. as of December 31, 2015, 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.

Report on Summarized Comparative Information

We have previously audited The Baby Buggy, Inc.'s 2014 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 5, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

MBAF CPAs, LLC

New York, NY
April 25, 2016

THE BABY BUGGY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2015

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR DECEMBER 31, 2014)

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 1,259,216	$ 453,256
Investments	1,484,155	1,724,130
Contributions receivable	3,756	13,800
Inventory	1,165,052	706,140
Prepaid expenses and other assets	49,496	35,692
Property and equipment, net	3,926	6,246
	$ 3,965,601	**$ 2,939,264**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$ 61,947	$ 57,588
NET ASSETS		
Unrestricted - operating	3,528,829	2,446,074
Unrestricted - board designated	-	65,345
	3,528,829	2,511,419
Temporarily restricted	374,825	370,257
	3,903,654	2,881,676
	$ 3,965,601	**$ 2,939,264**

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

THE BABY BUGGY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2014)

	Unrestricted	Temporarily Restricted	2015	2014
SUPPORT AND REVENUES				
Contributions	$ 552,391	$ 207,120	$ 759,511	$ 671,594
Contributions in-kind	5,653,633	-	5,653,633	5,000,117
Special events income, net of expenses of $599,805 and $145,943 in 2015 and 2014, respectively	1,875,107	239,877	2,114,984	934,456
Investment (loss) income	(63,025)	-	(63,025)	69,923
Other income	3,308	-	3,308	-
Net assets released from restrictions	442,429	(442,429)	-	-
	8,463,843	4,568	8,468,411	6,676,090
EXPENSES				
Program	6,359,899	-	6,359,899	6,016,742
General and administrative	824,516	-	824,516	501,833
Fundraising	262,018	-	262,018	195,420
	7,446,433	-	7,446,433	6,713,995
CHANGE IN NET ASSETS BEFORE ACQUISITION	1,017,410	4,568	1,021,978	(37,905)
CONTRIBUTION IN THE ACQUISITION OF LA DIAPER DRIVE	-	-	-	102,909
CHANGE IN NET ASSETS	1,017,410	4,568	1,021,978	65,004
NET ASSETS - BEGINNING OF YEAR	2,511,419	370,257	2,881,676	2,816,672
NET ASSETS - END OF YEAR	**$ 3,528,829**	**$ 374,825**	**$ 3,903,654**	**$ 2,881,676**

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

THE BABY BUGGY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2014)

	Program	General and Administrative	Fundraising	2015	2014
FUNCTIONAL EXPENSES					
Salaries	$ 657,515	$ 167,822	$ 200,429	$ 1,025,766	$ 874,982
Payroll taxes and fringe benefits	82,103	108,005	27,704	217,812	229,875
Program supplies, in-kind	4,895,793	-	-	4,895,793	4,668,523
Program supplies	331,183	2	14	331,199	230,027
Depreciation	-	4,091	-	4,091	4,216
Repairs and maintenance	15,170	901	552	16,623	21,712
Occupancy	170,843	6,368	6,367	183,578	153,172
Telephone	21,335	788	879	23,002	16,120
Insurance	12,300	2,567	4,122	18,989	14,792
Office expense	86,249	39,120	15,930	141,299	132,576
Utilities	13,833	521	521	14,875	-
Delivery	47,305	(654)	(712)	45,939	53,914
Professional fees	19,684	110,327	6,367	136,378	86,853
Professional fees, in-kind	-	297,279	-	297,279	129,910
Marketing	516	86,392	(540)	86,368	81,135
Office expansion	5	720	-	725	2,252
Printing	6,065	267	385	6,717	13,936
	$ 6,359,899	**$ 824,516**	**$ 262,018**	**$ 7,446,433**	**$ 6,713,995**

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

THE BABY BUGGY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2014)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 1,021,978	$ 65,004
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	4,091	4,216
Unrealized loss (gain) on investment	54,393	(69,907)
Contribution of LA Diaper Drive	-	(102,909)
Realized loss on investment	5,857	-
Donated goods - contributions	(5,354,705)	(4,870,207)
Goods utilized in program expenses	4,895,793	4,668,523
Changes in operating assets and liabilities:		
Contributions receivable	10,044	41,050
Prepaid expenses and other assets	(13,804)	(10,187)
Accounts payable and accrued expenses	4,359	(995)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	628,006	(275,412)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,771)	-
Proceeds from sale of investments	535,303	309,631
Purchases of investments	(355,578)	(49,704)
Cash obtained in acquistion of LA Diaper Drive	-	26,480
NET CASH PROVIDED BY INVESTING ACTIVITIES	177,954	286,407
NET INCREASE IN CASH AND CASH EQUIVALENTS	805,960	10,995
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	453,256	442,261
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,259,216	$ 453,256

Supplemental Disclosure of Non-cash Activity:

Acquisition of LA Diaper Drive (Note 3)

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

1. NATURE OF THE ORGANIZATION

The Baby Buggy, Inc. (the "Organization") was incorporated February 26, 2001. The Organization's mission is to provide critical gear, clothing and services to families in need with the goal of providing for the health and safety of their children. The Baby Buggy, Inc. is an exempt organization for federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code and under the corresponding provisions of the New York State tax laws. The Organization has been classified to be a publicly supported organization and not a private foundation under Section 509(a) and is qualified for deductible contributions as provided in Section 170(b)(1)(A)(ii). The Organization's primary source of income is contributions.

The Organization focuses on the following major segments:

Health – The primary focus is Nurse-Family Partnership ("NFP") programs in New York City, Jersey City, Los Angeles, Dallas, Detroit and Houston. NFP pairs poor first-time moms with a visiting nurse from the 20th week of pregnancy until her child's second birthday. Demonstrated impacts include better maternal health, lower rates of child abuse and childhood accidents, longer intervals between birth, and better maternal employment and graduation rates.

Fatherhood - The Organization's Fatherhood Initiative provides clothing, gear, and products for children of low-income, non-custodial fathers enrolled in fathering programs at 13 organizations in New York City and Los Angeles. These programs help fathers feel empowered to embrace fatherhood and the responsibilities that accompany it and to provide poor fathers the tools they need to keep their children safe and healthy. The Organization also offers financial education workshops and benefits screening to help improve the family's overall and financial well-being.

Education – The Organization's educational program includes working in conjunction with agencies such as Early Head Start and Head Start that offer free, high-quality education for young children, as well as a range of health and family support services for their parents.

Intervention – The Organization donates to programs that provide services for at-risk children and families who are living in poverty and faced with challenging circumstances. These programs offer case management, counseling, advocacy, and parenting workshops, as well as crisis intervention when necessary.

Domestic Violence – The Organization's domestic violence program offers women dealing with domestic violence shelter, support, crisis intervention, case management, and counseling, as well as life skills, parenting and job readiness workshops.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (continued)

The classification of the Organization's net assets and its support, revenues, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets – permanently restricted, temporarily restricted, and unrestricted – be displayed in the statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

These three classes are defined as follows:

Permanently Restricted – 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.

Temporarily Restricted – 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 temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities.

Unrestricted – The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

Investments

Investments are recorded at fair value based upon quoted market prices. The related dividend and interest income is recorded as unrestricted income in the statement of activities.

Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Contributions Receivable

Contributions receivable represent unconditional promises to give by donors. At December 31, 2015 and 2014, the Organization had contributions receivable of $3,756 and $13,800, respectively. The Organization considers all gifts of long-lived assets to be temporarily restricted. The Organization uses the allowance method to determine uncollectible contributions receivable. Such allowance is based on management's assessments of the creditworthiness of its donors, the age of the receivables, as well as current economic conditions and historical information. The Organization has determined that no allowance for uncollectible contributions receivable is necessary as of December 31, 2015. Unless material, the Organization does not discount long term receivables.

Inventory

Inventory is stated at cost, if purchased, or at fair value, if available, or at the value placed by the donors on the date of donation, if contributed. Inventory is stated at the lower of cost or market, with cost being determined by the first-in, first-out method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are stated at cost and are being depreciated on the straight-line method over the estimated useful lives of the assets. The Organization has established a $1,000 threshold above which assets are capitalized.

In-Kind Contributions

The Organization receives contributions of donated non-cash assets and services that are an integral part of its operations. Such assets and services are recognized as income as contributions in-kind and expensed as in-kind at their values based on market values of items and services donated or on current prices at the time of donation, if no receipt is available. Contributions are recorded in the period received.

Donated Services

Donated services are recognized as revenue, if the services received create or enhance non-financial assets, require specified skills provided by individuals possessing those skills and typically need to be purchased if not provided by donation. Accordingly, the Organization does not record the value of those volunteer hours that do not meet the criteria for recognition under U.S. GAAP.

Special Events

The Organization conducts special events in which a portion of gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The direct costs of the special events which ultimately benefit the donor rather than the Organization are recorded as exchange transaction revenue and exchange transaction expense. All proceeds received in excess of the direct costs are recorded as special events income in the accompanying statement of activities.

For the years ended December 31, 2015 and 2014, the Organization reported special events income of $2,714,789 and $1,080,399, respectively, and expense of $599,805 and $145,943, respectively. The direct costs of special events include expenses for the benefit of the donor. For example, meals and facilities rental are considered direct costs of special events.

Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications using payroll allocation.

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 of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated events through April 25, 2016, which is the date the financial statements were available to be issued.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset 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 the Organization's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

Income Taxes

The Organization files informational returns in the federal and New York State jurisdictions. The Organization is generally no longer subject to income tax examinations by the Internal Revenue Service or New York State for returns filed before 2012.

The accounting standard for uncertainty in income taxes prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, disclosure, and transition.

The Organization does not expect a significant increase or decrease to the total amounts of unrecognized tax positions during the year ended December 31, 2015. However, the Organization may be subject to audit by tax authorities. The Organization believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the Organization would classify it as "Interest Expense." The Organization would classify penalties in connection with underpayments of tax as "Other Expense."

Fair Value Measurements and Fair Value-Definition and Hierarchy

Fair value is defined 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.

The accounting standard establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable units be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about inputs used by market participants at the measurement date. The fair value hierarchy is categorized into three levels based on inputs as follows:

Level 1 - Valuation based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Valuation based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuation based on inputs that are unobservable and significant to the overall fair value measurement.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the standard. The three valuation techniques are as follows:

Market approach - Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

Cost approach - Amount that would be required to replace the service capacity of an asset (i.e. replacement cost); and

Income approach - Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

Recent Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting standard update which affects the revenue recognition of entities that enter into either (1) certain contracts to transfer goods or services to customers or (2) certain contracts for the transfer of nonfinancial assets. The update indicates an entity should recognize revenue in an amount that reflects the consideration the entity expects to be entitled to in exchange for the goods or services transferred by the entity. The update is to be applied to the beginning of the year of implementation or retrospectively and is effective for annual periods beginning after December 15, 2018 and in interim periods in annual periods beginning after December 15, 2019. Early application is permitted but no earlier than annual reporting periods beginning after December 31, 2016. The Organization is currently evaluating the effect the update will have on its financial statements.

3. LOS ANGELES DIAPER DRIVE

In May 2014, Baby Buggy acquired The Los Angeles Diaper Drive ("LADD"), a California nonprofit public benefit corporation, which was one of the largest diaper banks in the country. As part of the acquisition, Baby Buggy assumed the operations and assets of The Los Angeles Diaper Drive, including its warehouse supply of diapers.

Baby Buggy provided no consideration in acquiring LADD. For accounting purposes, the transaction was deemed to be an acquisition. The major assets acquired and liabilities assumed are as follows:

Cash	$	26,480
Inventory		76,123
Security deposit		1,300
Other liabilities		(994)
Total contribution	$	102,909

4. INVESTMENTS

Determination of Fair Values

The valuation methodologies used to determine the fair values of assets and liabilities under the "exit price" notion reflect market-participant objectives and are based on the application of the fair value hierarchy that prioritizes observable market inputs over unobservable inputs. The Organization determines the fair values of certain financial assets based on quoted market prices, where available. The Organization also determines fair value based on future cash flows discounted at the appropriate current market rate. Fair values reflect adjustments for items such as counterparty credit quality, the Organization's credit standing, liquidity and risk margins on unobservable parameters.

The mutual funds and stocks are recorded at fair value using quoted prices. The government bonds are recorded based on quoted prices by the broker.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. 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 Organization's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with these investments, it is at least reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and the statement of activities.

The following tables present by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2015 and 2014. As required by fair value measurement accounting standards, investments are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement. The investments are all classified as unrestricted net assets.

December 31, 2015	Fair Value on a Recurring Basis	Quoted Market Prices in Active Market for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	$ 313,691	$ -	$ 313,691	$ -
Stocks - Consumer Goods	519,635	519,635	-	-
Mutual funds - other	650,829	650,829	-	-
	$ 1,484,155	$ 1,170,464	$ 313,691	$ -

December 31, 2014	Fair Value on a Recurring Basis	Quoted Market Prices in Active Market for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	$ 530,225	$ -	$ 530,225	$ -
Stocks - Consumer Goods	256,665	256,665	-	-
Mutual funds - other	937,240	937,240	-	-
	$ 1,724,130	$ 1,193,905	$ 530,225	$ -

4. INVESTMENTS (CONTINUED)

The aggregate cost basis, gross unrealized gains and losses, and fair market value of the government bonds, stocks, and mutual funds at December 31, 2015 and 2014, are as follows:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2015				
Government bonds	$ 310,174	$ 3,517	$ -	$ 313,691
Stocks	567,636	-	(48,001)	519,635
Mutual Funds	662,974	-	(12,145)	650,829
	$ 1,540,784	$ 3,517	$ (60,146)	$ 1,484,155
December 31, 2014				
Government bonds	$ 514,194	$ 16,031	$ -	$ 530,225
Stocks	210,343	46,322	-	256,665
Mutual Funds	939,744	-	(2,504)	937,240
	$ 1,664,281	$ 62,353	$ (2,504)	$ 1,724,130

The Organization holds government bonds, which have maturity dates from July through December 2016 and interest rates ranging from 4.875% through 5.375%.

The components of the activity of the Organization's government bonds, stocks, and mutual funds as of December 31, 2015 and 2014 were as follows:

December 31,	2015	2014
Investments, beginning of year	$ 1,724,130	$ 1,914,150
Purchase of investments, including realized gains	355,578	49,704
Sales of investments	(535,303)	(309,631)
Realized loss on sale of investments	(5,857)	-
Unrealized gain (loss) on investments reported at fair value	(54,393)	69,907
Investments, end of year	$ 1,484,155	$ 1,724,130

5. PROPERTY AND EQUIPMENT

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

	2015	2014	Estimated Useful Lives
Equipment	$ 33,546	$ 31,776	3-5 Years
Less: accumulated depreciation	(29,620)	(25,530)	
	$ 3,926	$ 6,246	

Depreciation expense was $4,091 and $4,216 for the years ended December 31, 2015 and 2014, respectively.

6. INVENTORY

As of December 31, 2015 and 2014, inventory consists of clothing and essential baby gear amounting to $1,165,052 and $706,140, respectively.

7. IN-KIND CONTRIBUTIONS

During the years ended December 31, 2015 and 2014, the Organization recognized total in-kind contributions of $5,653,633 and $5,000,117, respectively. Included in these amounts are donated legal and professional services at $297,278 and $129,910, respectively. In-kind contributions consist of goods donated by corporations and individuals which are recorded on the date of donation. Volunteer hours are not included as in-kind contributions, except for legal services.

8. RETIREMENT PLAN

The Organization adopted a 403(b) retirement plan (the "Plan") which covers most of the employees. The Plan is a defined contribution plan. Employees are eligible to make elective deferrals beginning on their date of hire. Those employees who have completed six months of employment and are employed on the last day of the Plan year are also eligible for a discretionary nonelective employer contribution. For the years ended December 31, 2015 and 2014, the Organization did not make any contributions to the Plan.

9. COMMITMENTS AND CONTINGENCIES

The Organization signed a non-cancelable operating lease for office space in New York, which expires on October 14, 2017.

In March 2015, the Organization signed a non-cancelable operating lease for office space for their Los Angeles operations, which expires on March 31, 2018.

At December 31, 2015, future minimum lease payments were as follows:

Year ended December 31,	
2016	$ 189,947
2017	164,591
2018	12,675
	$ 367,213

Rent expense for the years ended December 31, 2015 and 2014 was $183,578 and $153,172, respectively.

10. CONCENTRATIONS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000.

For the year ended December 31, 2015, one company donated approximately $683,000 in product to the Organization which amounted to approximately 16% of the Organization's total corporate in-kind contributions for the year.

10. CONCENTRATIONS (CONTINUED)

For the year ended December 31, 2015, three donors contributed approximately $275,000 in cash to the Organization which amounted to approximately 37% of the Organization's contributions, other than in-kind, for the year.

11. NET ASSETS

Unrestricted Net Assets – Board Designated

In 2004, the Board designated funds received from a litigation settlement be used for the Administration for Children Services and Department of Homeless Services prevention assistance programs. At December 31, 2014, the Board designated fund balance was $65,345. In February 2015, the Board voted to release the remaining board designated funds.

Temporarily Restricted Net Assets

Temporarily restricted net assets are purpose restricted and consist of the following at December 31,:

	2015	2014
Infant Gear	$ 7,500	$ 15,000
Project Safe Sleep	41,350	54,845
Nurse Family Partnership	100,000	59,215
Family Resource Center	-	5,609
Fatherhood	174,749	229,809
Diaper Donor	-	4,279
LA Operations	51,226	
Bedtime Bash - 2015	-	1,500
	$ 374,825	$ 370,257

Net assets were released from restrictions by satisfying the restricted purposes for the year ended December 31, 2015 as follows:

Infant Gear	$ 28,320
Project Safe Sleep	13,493
Nurse Family Partnership	59,216
Family Resource Center	5,610
Fatherhood	294,937
Diaper Donor	4,279
LA Operations	35,074
Bedtime Bash - 2015	1,500
	$ 442,429

12. SUBSEQUENT EVENT

In April 2016, the Organization began doing business as GOOD+ Foundation. However, the Organization's legal name or filing has not changed.