

THE FAB FOUNDATION

Financial Statements

December 31, 2023 and 2022

THE FAB FOUNDATION

December 31, 2023 and 2022

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Independent Auditor's Report

To the Board of Directors
The Fab Foundation
Boston, Massachusetts

Opinion

We have audited the financial statements of The Fab Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Fab Foundation as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Fab Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 The Fab Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 The Fab Foundation'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 The Fab Foundation'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.

Edelstein & Company LLP

Boston, Massachusetts
November 11, 2024

THE FAB FOUNDATION

Statements of Financial Position December 31,

	2023	2022
Assets:		
Cash	\$ 1,498,735	\$ 2,563,990
Accounts receivable	83,479	244,109
Grants receivable	25,000	564,593
Prepaid expenses and other assets	22,367	6,525
Equipment, net	4,598	74,243
Total assets	<u>\$ 1,634,179</u>	<u>\$ 3,453,460</u>
Liabilities and net assets		
Liabilities:		
Accounts payable	\$ 104,969	\$ 247,143
Accrued expenses	152,355	152,009
Grants payable	-	869,566
Line of credit	135,000	135,000
Deferred revenue	315,616	83,961
Total liabilities	<u>707,940</u>	<u>1,487,679</u>
Net assets (deficit):		
Without donor restrictions	(1,122)	415,920
With donor restrictions	927,361	1,549,861
	<u>926,239</u>	<u>1,965,781</u>
Total liabilities and net assets	<u>\$ 1,634,179</u>	<u>\$ 3,453,460</u>

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Statements of Activities and Changes in Net Assets For the Years Ended December 31,

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, support and gains:						
Grants and contributions - financial assets	\$ 254,644	\$ 967,468	\$ 1,222,112	\$ 201,366	\$ 894,453	\$ 1,095,819
Contributions - nonfinancial assets	4,000	-	4,000	-	-	-
Tuition	491,817	-	491,817	833,188	-	833,188
Contracts	152,677	-	152,677	634,152	-	634,152
Conference fees	144,121	-	144,121	86,088	-	86,088
Interest income	27,846	-	27,846	82	-	82
Gain on sale of equipment	164,274	-	164,274	-	-	-
Net assets released from restrictions	1,589,968	(1,589,968)	-	2,342,764	(2,342,764)	-
Total revenue, support and gains	2,829,347	(622,500)	2,206,847	4,097,640	(1,448,311)	2,649,329
Expenses:						
Program services:						
Organizational services	2,320,258	-	2,320,258	2,723,043	-	2,723,043
Education	507,733	-	507,733	704,748	-	704,748
Total program services	2,827,991	-	2,827,991	3,427,791	-	3,427,791
Management and general	393,959	-	393,959	320,041	-	320,041
Fundraising	24,439	-	24,439	8,787	-	8,787
Total expenses	3,246,389	-	3,246,389	3,756,619	-	3,756,619
Change in net assets	(417,042)	(622,500)	(1,039,542)	341,021	(1,448,311)	(1,107,290)
Net assets, beginning of year	415,920	1,549,861	1,965,781	74,899	2,998,172	3,073,071
Net assets (deficit), end of year	\$ (1,122)	\$ 927,361	\$ 926,239	\$ 415,920	\$ 1,549,861	\$ 1,965,781

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

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Statements of Cash Flows

For the Years Ended December 31,

2023

2022

Cash flows from operating activities:

Change in net assets	\$ (1,039,542)	\$ (1,107,290)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Provision for expected credit losses	4,514	20,839
Depreciation	31,519	64,623
Gain on sale of equipment	(164,274)	-
Changes in operating assets and liabilities:		
Accounts receivable	156,116	(17,795)
Grants receivable	539,593	473,407
Prepaid expenses and other assets	(15,842)	6,499
Accounts payable	(142,174)	143,474
Accrued expenses	346	(16,956)
Grants payable	(869,566)	869,566
Deferred revenue	231,655	(171,095)
Net cash (used in) provided by operating activities	(1,267,655)	265,272

Cash flows from investing activities:

Purchases of equipment	(2,600)	(5,297)
Proceeds from sale of equipment	205,000	-
Net cash provided by (used in) investing activities	202,400	(5,297)

Net (decrease) increase in cash	(1,065,255)	259,975
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Cash, beginning of year	2,563,990	2,304,015
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Cash, end of year	\$ 1,498,735	\$ 2,563,990
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Supplemental disclosure of cash flows information:

Cash paid during the year for interest	\$ 18,442	\$ 15,725
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**Statements of Functional Expenses
For the Years Ended December 31,**

	2023						2022					
	Program Services		Total Program Services	Management and General	Fundraising	Total	Program Services		Total Program Services	Management and General	Fundraising	Total
	Organizational Services	Education					Organizational Services	Education				
Professional fees	\$ 432,426	\$ 215,078	\$ 647,504	\$ 175,554	\$ -	\$ 823,058	\$ 348,554	\$ 283,001	\$ 631,555	\$ 133,993	\$ -	\$ 765,548
Lab components and operating expenses	522,534	-	522,534	15,491	-	538,025	646,500	2,701	649,201	13,563	-	662,764
Sponsorships	496,080	-	496,080	-	-	496,080	35,000	-	35,000	-	-	35,000
Salaries, payroll taxes and benefits	362,186	16,289	378,475	37,565	24,435	440,475	151,765	5,830	157,595	8,746	8,746	175,087
Staffing	1,500	232,410	233,910	-	-	233,910	3,145	362,558	365,703	-	-	365,703
Travel	210,073	741	210,814	17,765	-	228,579	91,613	134	91,747	5,679	-	97,426
Conferences	129,894	25,000	154,894	756	-	155,650	110,331	25,000	135,331	1,572	-	136,903
Grants and awards	152,150	-	152,150	323	-	152,473	1,315,757	-	1,315,757	200	-	1,315,957
Office expense	11,327	11,808	23,135	42,601	-	65,736	2,490	9,384	11,874	24,157	-	36,031
Occupancy	-	-	-	31,671	-	31,671	-	-	-	16,031	-	16,031
Depreciation	-	-	-	31,519	-	31,519	-	-	-	64,623	-	64,623
Interest	-	-	-	18,442	-	18,442	-	-	-	15,725	-	15,725
Insurance	-	-	-	13,639	-	13,639	5,710	-	5,710	33,107	-	38,817
Bank fees	313	1,881	2,194	5,482	4	7,680	278	3,622	3,900	2,197	41	6,138
Provision for expected credit losses	-	4,514	4,514	-	-	4,514	10,325	10,514	20,839	-	-	20,839
Miscellaneous	1,100	-	1,100	3,151	-	4,251	883	2,004	2,887	192	-	3,079
Postage and delivery	675	12	687	-	-	687	692	-	692	256	-	948
	<u>\$ 2,320,258</u>	<u>\$ 507,733</u>	<u>\$ 2,827,991</u>	<u>\$ 393,959</u>	<u>\$ 24,439</u>	<u>\$ 3,246,389</u>	<u>\$ 2,723,043</u>	<u>\$ 704,748</u>	<u>\$ 3,427,791</u>	<u>\$ 320,041</u>	<u>\$ 8,787</u>	<u>\$ 3,756,619</u>

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

THE FAB FOUNDATION

Notes to Financial Statements

1. Organization

Nature of Activities

The Fab Foundation (the “Organization”) was organized in February 2009 under the laws of the State of California for the purpose of providing access to the tools, the knowledge and the financial means to educate, innovate and invent using technology and digital fabrication to allow anyone to make (almost) anything, and thereby creating opportunities to improve lives and livelihoods around the world. The Organization’s headquarters are in Massachusetts. Community organizations, educational institutions and non-profit concerns are the Organization’s primary beneficiaries. The Organization’s primary sources of revenue and support are from contracts for the procurement of fab labs, grants and contributions, and tuition for Fab Academy. A fab lab is comprised of off-the-shelf, industrial-grade fabrication and electronics tools, wrapped in open source software and programs.

Program Descriptions

Organizational Services

The Organization promotes digital fabrication by facilitating the development of community-based and educational fab labs, the dissemination of best practices in digital fabrication throughout the fab lab network, facilitation and dissemination of research and community-beneficial projects, the funding and facilitation of fab lab and digital fabrication projects that benefit people and communities in exemplary ways, such as mobile fab labs for emergency aid, or fab labs for developing world contexts. These services include deploying, installing, training, and consulting for new fab labs as well as programmatic support of established fab labs. The Organization works to gather and provide critical evaluation data as well as provide tools for tracking the impact of fab labs in educational, business and social contexts. As part of its services the Organization provides a network function for the fab lab community, bringing together fab labs around the world either physically (for annual meetings and workshops) or virtually through online tools and resources. Additionally, as a resource to educational organizations, entrepreneurial organizations and the general public the Organization has developed an online global map of Fab Labs, MakerSpaces, and Innovation spaces such that people or organizations that need access to these facilities can find them easily.

Education

The Organization brings digital fabrication tools and processes to people of all ages, teaching the skills and knowledge of digital fabrication, developing curriculum for formal and informal educational settings, as well as designing and offering professional development training programs for teachers, fab lab managers and other professionals. The Organization offers advanced technical education through the Fab Academy which provides instruction and supervises investigation of mechanisms, applications, and implications of digital fabrication and other technologies. The Fab Academy is a worldwide, distributed campus utilizing fab labs as classrooms and libraries for a new kind of technical literacy. The Organization also provides professional development and resources for K12 teachers and educators through its SCOPES-DF website and research platform (scopesdf.org). This site shares resources and disseminates best educational practices for educators using digital fabrication to teach STEM disciplines and skills.

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Notes to Financial Statements

2. Summary of Significant Accounting Policies

Basis of Presentation

In order to ensure the observance of limitations and restrictions placed on the use of resources available to the Organization, the Organization determines the classification of its net assets and its revenue and support, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

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

The Organization did not have any net assets with donor restrictions that are perpetual in nature as of December 31, 2023 and 2022, or for the years then ended.

Revenue and Support

Grants and contributions are recorded as support without or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Grants and contributions that are classified as with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the restriction or expiration of the time restriction. Grants and contributions are recognized in the period in which the donor's commitment is made, if unconditional. Conditional grants and contributions are recognized when performance and/or control barriers are met by the Organization.

Contract revenue is generally related to the procurement and delivery of fab labs. Additional performance obligations, such as installation, training and curriculum development may also be included in these contracts. The Organization's performance obligations related to these contracts is to procure and deliver fab labs, and to provide any additional services as noted above which are included in the contracts. Contract revenue is recognized over time as performance obligations are met. The transaction price for each performance obligation is the amount of consideration to which the Organization expects to be entitled in exchange for transferring the promised deliverables to the customer as outlined in the contract. Any amounts received in excess of the revenue recognized are reported as deferred revenue.

Tuition received for Fab Academy is due prior to the start of each course. The Organization's performance obligation related to tuition revenue is to provide instruction to students. The initial deposit fee is non-refundable, while the balance of the tuition fees may be refunded if the student notifies the Organization of their withdrawal prior to commencement of the class. Tuition revenue is recognized when the instruction commences. The transaction price is the amount of tuition charged for each course, which is a set flat rate, with scholarships awarded to certain students based on eligibility. Tuition revenue is recognized net of scholarships. Any amounts received in advance of instruction are reported as deferred revenue.

Conference fees consist of registration fees for the annual fab lab conference. The Organization's performance obligation related to these fees consists of admission to the conference and related activities. Conference fees are recognized as revenue when the conference commences. The transaction price represents the fee charged to individuals to attend the conference.

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Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Revenue and Support (continued)

Donations of property and equipment and other tangible assets are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

The Organization may receive in-kind support in the form of contributed services. Contributed services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind contributions are recognized at fair value when received.

The Organization receives contributions of time by volunteers, including Board members which do not meet the criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Cash

Cash consists of deposits held in checking and money market accounts at a federally insured bank.

Equipment

Equipment is recorded at cost or fair value at the date of donation, net of accumulated depreciation. Expenditures for maintenance, repairs, and renewals are charged to expense when incurred, whereas additions in excess of \$2,000 are capitalized. Depreciation is computed over the estimated useful lives (3 - 7 years) of the equipment using the straight-line method.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, such as equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, and impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. For the years ended December 31, 2023 and 2022, the Organization did not recognize any impairment.

Grants

The Organization records a liability for unconditional grants when they have been approved by management. Grants that are considered conditional are recorded when the terms of such conditions/barriers are met or overcome. Grants to be paid in more than one year are discounted to reflect present value of the future payments. Grants payable at December 31, 2022 were to be paid within one year.

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Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Leases

The Organization's leases are short-term in nature, and as such, the exemption for adopting Financial Accounting Standard Board's Accounting Standards Update 2016-02, *Leases*, has been elected.

Functional Allocation of Expenses

The Organization records or allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are recorded directly according to their natural expenditure classification. The financial statements report certain categories of expenses that are attributed to both program and support services. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes and benefits, which are allocated on the basis of estimates of time and effort.

Use of Estimates and Subsequent Events

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounting estimates include the recognition of revenue from contracts.

The Organization's management has evaluated the effect which subsequent events may have on these financial statements. Management's evaluation was completed on November 11, 2024, the date these financial statements became available to be issued. No events have occurred subsequent to the statement of financial position date and through the date of evaluation that met the criteria required for disclosure or accrual.

Income Taxes

The Organization is a publicly supported organization whose activities are described in Internal Revenue Code Section 501(c)(3) and, therefore, is exempt from income taxes. The Organization is also exempt from Massachusetts and California income tax.

Adoption of New Accounting Standard

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses* (Accounting Standards Codification "ASC" 326). ASC 326 changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through changes in net assets. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivable. The Organization adopted the standard effective January 1, 2023 using the modified retrospective approach. The impact of the adoption was not considered material to the financial statements and primarily resulted in new disclosures only.

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Notes to Financial Statements

3. Availability and Liquidity

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date at December 31, 2023 and 2022, are comprised of the following:

	2023	2022
Cash	\$ 1,498,735	\$ 2,563,990
Accounts receivable	83,479	244,109
Grants receivable	25,000	564,593
Total financial assets	<u>1,607,214</u>	<u>3,372,692</u>
Less: portion of net assets with donor restrictions not available to meet general expenditures within the next year	<u>(300,000)</u>	<u>(789,719)</u>
Financial assets available to meet general expenditures within the next year	<u>\$ 1,307,214</u>	<u>\$ 2,582,973</u>

Certain restricted grants received by the Organization include funds available for general operations which are allowed as a percentage of the direct expenditures made under the grants. For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization has estimated the portion of these grants which will be allocated for general expenditure over the next year. As part of the Organization's liquidity plan, excess cash is invested in money market accounts. Additionally, the Organization maintains a \$200,000 line of credit, as disclosed in Note 10. As of December 31, 2023 and 2022, \$65,000 remained available on the line of credit.

4. Accounts Receivable

Accounts receivable (contract assets) are stated at the amount management expects to collect on outstanding balances. The Organization maintains an allowance for estimated credit losses resulting from the inability of customers to make payments. The Organization considers the following factors when determining the collectability of specific receivables: past experience with the customers, the aging of the receivable, source of the customers' funding and other currently available evidence. If the financial condition of certain customers was to deteriorate, adversely affecting their ability to make payments, additional allowance for expected credit losses may be required. The Organization provides for estimated uncollectible amounts through a charge to expense and a credit to a valuation allowance. Balances that were still outstanding after management had used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. The balance of accounts receivable at January 1, 2022 was \$247,153.

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Notes to Financial Statements

4. Accounts Receivable (continued)

The change in allowance for expected credit losses for the years ended December 31, 2023 and 2022 consisted of the following:

	2023	2022
Beginning allowance for credit losses	\$ -	\$ -
Provision for expected credit losses	4,514	20,839
Write-offs	(4,514)	(20,839)
Ending allowance for credit losses	<u>\$ -</u>	<u>\$ -</u>

5. Grants Receivable

Grants receivable in the amount of \$25,000 and \$564,593 at December 31, 2023 and 2022, respectively, are expected to be collected within one year, and are reported at their net realizable value. Grants receivable that are expected to be collected in greater than one year are reported at the net present value of estimated future cash flows.

At December 31, 2023 and 2022, the Organization had a conditional grant of \$89,976 which will not be recognized as an asset in the statement of financial position or revenue in the statement of activities and changes in net assets until such time as the Organization meets the condition of the grant.

6. Equipment

Equipment consisted of the following at December 31, 2023 and 2022:

	2023	2022
Computer equipment	\$ 14,583	\$ 11,983
Video conferencing equipment	-	799,455
Mobile fab labs	-	442,526
	14,583	1,253,964
Less - accumulated depreciation	(9,985)	(1,179,721)
	<u>\$ 4,598</u>	<u>\$ 74,243</u>

During the year ended December 31, 2023, the Organization sold the mobile fab labs resulting in a gain of \$164,274, and wrote off the fully depreciated video conferencing equipment.

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Notes to Financial Statements

7. Deferred Revenue

During the years ended December 31, 2023 and 2022, the Organization recognized revenue of \$83,961 and \$255,056, respectively, that was recorded as deferred revenue at the beginning of each respective year.

8. Contributions of Nonfinancial Assets

During the year ended December 31, 2023, the Organization received a contribution of certain equipment used in a fab lab with a fair value of \$4,000. The equipment was subsequently sold during the year and was valued based on the market rate for similar equipment. The contribution was provided to the Organization without any donor restrictions. There were no contributions of nonfinancial assets during the year ended December 31, 2022.

9. Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes at December 31, 2023 and 2022:

	2023	2022
Fab4All program	\$ 323,817	\$ 593,273
Procurement of fab labs	252,285	379,626
STEM teaching and learning	184,015	246,988
Brilliant Careers project	88,075	88,075
Inclusive innovation and capacity building	46,250	92,500
Fab-in-a-Box	32,919	-
SCOPES project	-	139,919
Fab House	-	5,222
Fab City global initiative	-	4,258
	<u>\$ 927,361</u>	<u>\$ 1,549,861</u>

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Notes to Financial Statements

9. Net Assets with Donor Restrictions (continued)

Net assets released from restrictions for the years ended December 31, 2023 and 2022 consisted of the following:

	2023	2022
Procurement of fab labs	\$ 658,189	\$ 20,819
Fab4All program	450,456	465,207
SCOPES project	163,919	5,081
STEM teaching and learning	112,973	-
Annual FAB conference	95,000	77,842
Fab-in-a-Box	47,081	-
Inclusive innovation and capacity building	46,250	23,750
Fab House	6,842	15,000
Award competitions	5,000	-
Fab City global initiative	4,258	1,594,688
Holistic Think Tank project	-	97,650
Academy scholarships and instruction	-	18,750
Outreach program for children	-	15,000
Brilliant Careers project	-	5,905
Fab conference awards	-	3,000
COVID-19 response	-	72
	<u>\$ 1,589,968</u>	<u>\$ 2,342,764</u>

10. Line of Credit

The Organization has a line of credit agreement with a bank. The line of credit renews automatically each year as long as the Organization is not in default with certain provisions contained in the agreement. Borrowings under the line of credit are due on demand, and are collateralized by equipment owned by the Organization. Under the line of credit agreement, the maximum borrowing limit is \$200,000. Borrowings on the line of credit bear interest at 2% over the prime rate (10.5% at December 31, 2023 and 9.5% at December 31, 2022). Borrowings outstanding on the line of credit at both December 31, 2023 and 2022 were \$135,000.

11. Lease

The Organization leases office space under a tenant-at-will arrangement. Total rent expense under this lease amounted to \$26,483 and \$11,174 for the years ended December 31, 2023 and 2022, respectively, and is included in occupancy on the statements of functional expenses.

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Notes to Financial Statements

12. Concentrations

Approximately 49% and 23% of the total revenue, support and gains recognized during the years ended December 31, 2023 and 2022, respectively, was received from one source. Approximately 29% and 83% of accounts receivable at December 31, 2023 and 2022, was due from two and four sources, respectively. Approximately 100% and 89% of the Organization's grants receivable at December 31, 2023 and 2022, respectively, was due from one source.

The Organization has a concentration of credit risk in that it maintains deposits with financial institutions in excess of amounts insured by the Federal Deposit Insurance Corporation. The maximum deposit insurance amount is \$250,000, which is applied per depositor, per insured depository institution for each account ownership category.