SUITUP INCORPORATED
(A Nonprofit Organization)

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2021 AND 2020

SUITUP INCORPORATED
(A Nonprofit Organization)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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Citrin Cooperman & Company, LLP
Certified Public Accountants

50 Rockefeller Plaza
New York, NY 10020
T 212.697.1000 **F** 212.697.1004
citrincooperman.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
SuitUp Incorporated

We have reviewed the accompanying financial statements of SuitUp Incorporated (a Nonprofit Organization) (the "Organization"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of SuitUp Incorporated and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
May 25, 2022

SUITUP INCORPORATED
(A Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash and cash equivalents	$ 409,564	$ 191,984
Prepaid expenses	14,328	16,830
Property and equipment, net	10,108	-
TOTAL ASSETS	$ 434,000	$ 208,814
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$ 3,098	$ 10,135
Commitments and contingencies (Notes 5, 7 and 9)		
Net assets without donor restrictions	430,902	198,679
TOTAL LIABILITIES AND NET ASSETS	$ 434,000	$ 208,814

See independent accountant's review report and accompanying notes to financial statements.

SUITUP INCORPORATED
(A Nonprofit Organization)
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Net assets without donor restrictions:		
Revenues and support:		
Competition fees	$ 621,365	$ 189,638
Contributions	117,020	75,793
Grants	119,030	88,270
Sponsorship fees	12,600	-
Total revenues and support before special events revenue	870,015	353,701
Special events revenue:		
Gross special events revenue	109,405	16,170
Cost of direct benefits to donors	(60,549)	(2,528)
Net special events revenue	48,856	13,642
Total revenues and support	918,871	367,343
Expenses:		
Program services:		
Student competitions	469,889	225,210
Supporting services:		
General and administrative	179,022	48,751
Fundraising	37,737	34,135
Total supporting expenses	216,759	82,886
Total expenses	686,648	308,096
Change in net assets without donor restrictions	232,223	59,247
Net assets without donor restrictions - beginning	198,679	139,432
NET ASSETS WITHOUT DONOR RESTRICTIONS - ENDING	$ 430,902	$ 198,679

See independent accountant’s review report and accompanying notes to financial statements.

SUITUP INCORPORATED
(A Nonprofit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program services	Supporting services			
	Student competitions	General and administrative	Fundraising	Cost of direct benefits to donors	Total expenses
Expenses:					
Salaries, wages and benefits	$ 306,931	$ 157,712	$ 26,762	$ -	$ 491,405
Materials and supplies	14,309	-	-	24,556	38,865
Travel	8,216	-	-	90	8,306
Meals and entertainment	1,547	-	-	6,000	7,547
Event space	-	-	-	29,903	29,903
Rent	5,097	2,619	444	-	8,160
Computers and equipment	2,983	1,533	260	-	4,776
Software	7,209	3,704	629	-	11,542
Contractors	95,597	-	-	-	95,597
Professional fees	18,591	9,553	1,621	-	29,765
Insurance	1,494	767	130	-	2,391
Advertisement and marketing	-	-	7,358	-	7,358
Postage and printing	1,816	-	-	-	1,816
Office expenses	4,486	2,305	392	-	7,183
Depreciation expense	1,613	829	141	-	2,583
Total expenses by function	469,889	179,022	37,737	60,549	747,197
Expenses included with revenues on the statement of activities:					
Cost of direct benefits to donors	-	-	-	(60,549)	(60,549)
TOTAL EXPENSES	$ 469,889	$ 179,022	$ 37,737	$ -	$ 686,648

See independent accountant’s review report and accompanying notes to financial statements.

SUITUP INCORPORATED
(A Nonprofit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program services	Supporting services			
	Student competitions	General and administrative	Fundraising	Cost of direct benefits to donors	Total expenses
Expenses:					
Salaries, wages and benefits	$ 164,081	$ 41,465	$ 20,733	$ -	$ 226,279
Materials and supplies	11,326	-	-	-	11,326
Travel	1,216	-	-	-	1,216
Meals and entertainment	825	-	-	2,528	3,353
Rent	5,634	1,424	711	-	7,769
Computers and equipment	3,567	901	451	-	4,919
Software	15,022	3,796	1,898	-	20,716
Contractors	16,516	-	-	-	16,516
Professional fees	626	158	79	-	863
Insurance	1,925	487	243	-	2,655
Advertisement and marketing	-	-	9,760	-	9,760
Postage and printing	2,415	-	-	-	2,415
Office expenses	2,057	520	260	-	2,837
Total expenses by function	225,210	48,751	34,135	2,528	310,624
Expenses included with revenues on the statement of activities:					
Cost of direct benefits to donors	-	-	-	(2,528)	(2,528)
TOTAL EXPENSES	$ 225,210	$ 48,751	$ 34,135	$ -	$ 308,096

SUITUP INCORPORATED
(A Nonprofit Organization)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets without donor restrictions	$ 232,223	$ 59,247
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities:		
Depreciation	2,583	-
Changes in assets and liabilities:		
Prepaid expenses	2,502	(16,830)
Accounts payable	(7,037)	9,011
Net cash provided by operating activities	230,271	51,428
Cash used in investing activities:		
Additions to property, plant and equipment	(12,691)	-
Net increase in cash and cash equivalents	217,580	51,428
Cash and cash equivalents - beginning	191,984	140,556
CASH AND CASH EQUIVALENTS - ENDING	$ 409,564	$ 191,984

See independent accountant's review report and accompanying notes to financial statements.

NOTE 1. ORGANIZATION

SuitUp Incorporated ("SuitUp" or the "Organization") is a not-for-profit organization incorporated to increase career readiness for all students through innovative business plan competitions. SuitUp's vision is to align the incentives of schools and corporations to ensure that all students have the access and awareness to pursue the college and career of their choosing.

The Organization fulfills its mission by focusing its efforts in the below service area:

Student competitions
Hosting real-company problem-solving competitions which require students to utilize their critical thinking and business skills in order to develop a strategic, marketable and professional solution.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

SuitUp presents its financial statements on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to not-for-profit organizations.

Net assets and revenue, expenses, gains and losses are classified 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 available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. As of December 31, 2021 and 2020, the Organization had no net assets subject to donor restrictions.

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 disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and cash equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Organization had no cash equivalents at December 31, 2021 and 2020.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line basis of accounting over estimated useful lives of five years for office furniture and equipment. Expenditures for maintenance and repairs are expensed currently, while renewals and improvements that materially extend the lives of property and equipment are capitalized. The cost of assets sold, retired, or otherwise disposed of, and the related allowances for depreciation, are eliminated from the accounts and any resulting gain or loss is recognized. Depreciation expense totaled $2,583 and $- for the years ended December 31, 2021 and 2020, respectively.

The Organization evaluates long-lived assets held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recognized if the sum of the expected undiscounted future cash flows from the use and disposition of the asset is less than its carrying amount. Generally, the amount of impairment loss is measured as the difference between the carrying amount of the asset and the estimated fair value of the asset. The Organization did not record any impairment losses during the years ended December 31, 2021 and 2020.

Revenue recognition

Competition fees

The Organization partners with companies in order to conduct its student competitions. These corporate partners provide support to the Organization in the form of competition fees and participate in the student competitions by presenting a real-world problem and by acting as judges during the competition. In accordance with the criteria established in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, *Not-For-Profit Entities*, the Organization accounts for the competition fees as contributions in lieu of revenue earned from exchange transactions. As such, competition fees are reported as an increase in net assets without donor restrictions unless the competition fees are restricted for a subsequent year or specific purpose. Expenses and losses are reported as decreases in net assets without donor restrictions. Expirations of temporary restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets.

Contributions

Contributions, including unconditional promises to give, are recognized at fair value as revenues in the period received. Conditional promises to give are not recognized until they become unconditional; that is, at the time when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate that is commensurate with the risks involved, if any.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Special events revenue and sponsorship fees

The Organization adopted ASC Topic 606, *Revenue from Contracts with Customers* ("Topic 606") on January 1, 2019. With the adoption of Topic 606, revenue is measured based on the consideration specified in a contract with a customer. Under Topic 606, the Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or services to a customer. The majority of the Organization's services represent specific services that are distinct and each event or recognition process is treated as a single performance obligation that is satisfied as the services are rendered.

Special events revenue consists of ticket sales and silent auction proceeds. Ticket sales are recognized as revenue at the time the event takes place. Silent auction proceeds are recognized as revenue at the time the item is transferred to the auction winner. Sponsorship fees are recognized as revenue at the time the event for which the sponsorship fees relate takes place. Payments for ticket sales or sponsorship fees received in advance are deferred to the applicable period in which the related event takes place. The Organization believes that this method provides a faithful depiction of the transfer of goods and services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

The Organization determines transaction price for ticket sales and sponsorship fees based on contractually agreed-upon rates per event or sponsorship. The transaction price for the silent auction proceeds is based on the fair value of the item transferred to the auction winner. Silent auction proceeds in excess of the fair value of the item transferred are treated as contributions.

Disaggregation of revenues

The composition of the Organization's fee-based revenues for the years ended December 31, 2021 and 2020, is as follows:

	2021	2020
Revenues:		
Special events revenue:		
Ticket sales	$ 88,083	$ 16,170
Silent auction proceeds	21,322	-
Total special events revenue	109,405	16,170
Sponsorship fees	12,600	-
Total	$ 122,005	$ 16,170
Timing of revenue recognition:		
At a point in time	$ 122,005	$ 16,170

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated services and in-kind contributions

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

Contribution of goods are recorded at fair value at the date of donation. During the years ended December 31, 2021 and 2020, contributions of goods totaled $11,895 and $-, respectively.

Functional allocation of expenses

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

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries, wages and benefits	Time and effort
Rent	Time and effort
Computers and equipment	Time and effort
Software	Time and effort
Professional fees	Time and effort
Insurance	Time and effort
Office expenses	Time and effort
Depreciation	Time and effort

Advertising and marketing expenses

Advertising costs are expensed as incurred and aggregated $7,358 and $9,760 for the years ended December 31, 2021 and 2020, respectively.

Income taxes

SuitUp is recognized as a tax-exempt organization as defined in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is generally exempt from federal income taxes on related income pursuant to Section 501(a) of the Code, except for taxes on unrelated business income. The Organization did not have any unrelated business income activities during the years ended December 31, 2021 and 2020.

As a not-for-profit entity, the Organization is subject to unrelated business income tax, if applicable. In accordance with FASB ASC 740, *Income Taxes*, the Organization applies the "more likely than not" threshold to the recognition and derecognition of tax positions for its financial statements. Management has reviewed all open tax years and jurisdictions and concluded that no adjustments are necessary due to uncertain tax positions. The Organization's policy is to include accrued interest and penalties from uncertain tax positions in operating expenses. There were no accrued interest or penalties for the years ended December 31, 2021 and 2020.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued but not yet effective accounting pronouncements

Leases

In February 2016, FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases* ("ASU 2016-02"). This update requires all leases with a term greater than 12 months to be recognized on the statements of financial position through a right-of-use asset and a lease liability and the disclosure of key information pertaining to leasing arrangements. This guidance was amended in June 2020 by ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities* ("ASU 2020-05"), deferring the effective date of ASU 2016-02 to years beginning after December 15, 2021, with early adoption permitted. SuitUp has adopted ASU 2020-05 and is therefore deferring adoption of ASU 2016-02. The Organization is evaluating the effect that ASU 2016-02 will have on its financial statements and related disclosures.

Contributed nonfinancial assets

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* ("ASU 2020-07"), which is intended to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. This ASU is effective for annual periods beginning after June 15, 2021, with early adoption permitted. The Organization is evaluating the effect that ASU 2020-07 will have on its financial statements and related disclosures.

Subsequent events

The Organization has evaluated subsequent events through May 25, 2022, the date the financial statements were available to be issued. There were no material subsequent events requiring recognition or disclosure in the financial statements.

NOTE 3. LIQUIDITY AND AVAILABILITY

The following represents SuitUp's financial assets available to meet general expenditures for the next 12 months as of December 31, 2021 and 2020:

	2021	2020
Financial assets at year end:		
Cash and cash equivalents	$ 409,564	$ 191,984

There are no restrictions on the Organization's cash; the financial assets are available for the general operating obligations of the Organization. As part of SuitUp's operational budget and financial plan, cash is held to cover general expenditures incurred in connection with the operations and mission of the Organization.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2021 and 2020:

	2021	2020
Computers	$ 12,691	$ -
Less: accumulated depreciation	2,583	-
Property and equipment, net	$ 10,108	$ -

NOTE 5. GOVERNMENT GRANT PROCEEDS

On August 12, 2020, the Organization received loan proceeds of $23,382 under the Paycheck Protection Program (the "PPP") (the "First PPP Loan"), and on January 29, 2021, the Company received loan proceeds of $32,030 under the PPP (the "Second PPP Loan") (collectively, the "PPP Loans"). The PPP, which was established as part of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times certain average monthly payroll expenses of the qualifying business. The loan and accrued interest, or a portion thereof, may be forgiven after eight to 24 weeks so long as the borrower uses the loan proceeds for eligible purposes including payroll, benefits, rent, mortgage interest and utilities, and maintains its payroll levels, as defined by the PPP. At least 60% of the amount forgiven must be attributable to payroll costs, as defined by the PPP.

The First PPP Loan was set to mature five years from the date of first disbursement of proceeds to the Organization (the "PPP Loan Date"). The Second PPP Loan was set to mature five years from the date of the first disbursement of proceeds to the Organization. The PPP Loans accrued interest at a fixed rate of 1%. Payments on the non-forgiven portion of the PPP Loans were deferred until the date on which the amount of forgiveness was determined.

U.S. GAAP does not contain authoritative accounting standards for forgivable loans provided by governmental entities. Absent authoritative accounting standards, interpretative guidance issued and commonly applied by financial statement preparers allows for the selection of accounting policies amongst acceptable alternatives. Based on the facts and circumstances, the Organization has determined it most appropriate to account for the PPP loan proceeds under the conditional contribution model within ASC 958-605. Under the conditional contribution model, the Organization recognizes the proceeds received as a refundable advance, and subsequently recognizes grant revenue as the conditions are met. Conditions are deemed to be met as the allowable expenses are incurred. The Organization deemed the conditional contribution model to be the most appropriate accounting policy for this arrangement based on the nature of the PPP loan program. As of December 31, 2021 and 2020, $32,030 and $23,382, respectively, are included in "Grants" in the accompanying statements of activities.

In December 2020, the Organization received approval from the Small Business Administration ("SBA") for $23,382 of forgiveness of the First PPP Loan, including $86 of interest forgiveness. In June 2021, the Company received approval from the SBA for $32,030 of forgiveness of the Second PPP Loan, including $119 of interest forgiveness.

NOTE 5. GOVERNMENT GRANT PROCEEDS (CONTINUED)

If it is determined that the Organization was not eligible to receive the PPP loans or that the Organization has not adequately complied with the rules, regulations and procedures applicable to the SBA's Loan Program, the Organization could be subject to penalties and could be required to repay the amounts previously forgiven.

NOTE 6. RETIREMENT PLAN

Commencing during the year ended December 31, 2020, the Organization established a 401(k) plan and trust ("401(k)") for its employees. Substantially all of the Organization's employees may elect to defer a portion of their annual compensation in the 401(k). The Organization makes matching percentage contributions. The amount charged to expense for this plan was $11,228 and $3,447 for the years ended December 31, 2021 and 2020, respectively.

NOTE 7. LEASE AGREEMENT

The Organization subleases office space under an operating lease agreement on a month-to-month basis. The latest amendment to the lease agreement provides for monthly charges of $300 per staff member in need of desk space and $54 per staff person for operational overhead, resulting in $354 per person utilizing the rental space each month. For the years ended December 31, 2021 and 2020, rental expense was $8,160 and $7,769, respectively.

NOTE 8. CONCENTRATIONS AND CREDIT RISK

Revenues and support

Three grantors contributed a total of $55,000 or 46% of total grant revenue received during the year ended December 31, 2021. Five sponsors provided the funds which comprised the sponsorship fees revenue for the year ended December 31, 2021. Two donors contributed $8,265 or 39% of the silent auction proceeds included in gross special events revenue for the year ended December 31, 2021.

For the year ended December 31, 2020, three grantors contributed a total of $49,083 or 56% of total grant revenue received. One corporate partner contributed $39,000 or 21% of total competition fees for the year ended December 31, 2020.

Credit risk

SuitUp manages deposit concentration risk by placing its cash in a bank deposit account with a financial institution believed by the Organization to be creditworthy. At times, amounts on deposit may exceed insured limits. SuitUp has not experienced any losses in these accounts. At each December 31, 2021 and 2020, the cash balance did not exceed the Federal Deposit Insurance Corporation insured limit.

NOTE 9. RISKS AND UNCERTAINTIES

During March 2020, the World Health Organization declared the outbreak of a strain of coronavirus ("COVID-19") to constitute a "Public Health Emergency of International Concern." Disruptions to business operations have occurred and could continue to develop as a result of quarantines of employees, corporate partners, contributors, grantors, and vendors in areas affected by the outbreak. In light of COVID-19, the board of directors and management postponed their annual fundraising gala in 2020, which was held as planned in 2021. The Organization has also converted its programming to operate in an entirely remote environment, which has resulted in an increase in corporate partners and donors eager to participate in a virtual community service. However, decreases in funding subsequent to year end could occur. Given the uncertainty of the situation, the duration of the business disruption and related financial impact cannot be reasonably estimated at this time.