



Alliance for Regenerative Medicine

Financial Statements Years Ended December 31, 2021 and 2020

Alliance for Regenerative Medicine

Financial Statements
Years Ended December 31, 2021 and 2020

Alliance for Regenerative Medicine

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Independent Auditor's Report

Board of Directors
Alliance for Regenerative Medicine
Washington, D.C.

Opinion

We have audited the financial statements of Alliance for Regenerative Medicine (the Alliance or 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, 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 Organization 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 Organization'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 Organization'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.

BDO USA, LLP

Cleveland, Ohio
October 18, 2022

Financial Statements

Alliance for Regenerative Medicine

Statements of Financial Position

<i>December 31,</i>	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,494,630	\$ 5,409,916
Investments	6,673,200	-
Membership receivables, less allowance for doubtful accounts of \$55,000 at December 31, 2021 and 2020	2,074,250	471,000
Other assets	493,086	717,745
Total Current Assets	10,735,166	6,598,661
Computer Equipment, net	-	556
Total Assets	\$ 10,735,166	\$ 6,599,217
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liability	\$ 549,544	\$ 106,390
Accrued compensation	47,655	26,895
Deferred membership and registration revenue	4,044,150	2,684,245
Deferred lease liability	236,826	-
Total Liabilities	4,878,175	2,817,530
Net Assets without Donor Restrictions	5,856,991	3,781,687
Total Liabilities and Net Assets	\$ 10,735,166	\$ 6,599,217

See accompanying notes to financial statements.

Alliance for Regenerative Medicine

Statements of Activities

<i>Years Ended December 31,</i>	2021	2020
Revenues and Support		
Membership dues	\$ 6,531,881	\$ 4,744,545
Event income	4,230,827	1,218,272
Other income	110,541	38,759
Total Revenues and Support	10,873,249	6,001,576
Expenses		
Program Services:		
Communications, capital formation, and operations	2,999,990	1,453,781
Policy, advocacy, and government relations	2,483,746	1,371,130
Science and technology	1,181,840	663,500
Total Program Services	6,665,576	3,488,411
Supporting Services:		
Management and general	2,132,369	1,365,190
Total Expenses	8,797,945	4,853,601
Change in Net Assets	2,075,304	1,147,975
Net Assets without Donor Restrictions, beginning of year	3,781,687	2,633,712
Net Assets without Donor Restrictions, end of year	\$ 5,856,991	\$ 3,781,687

See accompanying notes to financial statements.

Alliance for Regenerative Medicine

Statement of Functional Expenses

<i>Year Ended December 31, 2021</i>	Programs				Management and General	Total Expenses
	Communications, Capital Formation, and Operations	Policy, Advocacy, and Government Relations	Science and Technology	Total Programs		
Bad Debt Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank & PayPal Service Charges	-	-	-	-	37,887	37,887
Contributions to the ARM Foundation	100,000	-	-	100,000	-	100,000
Consultant Fees	31,500	6,750	146,838	185,088	-	185,088
Controller Fees	15,700	15,700	15,700	47,100	109,890	156,990
Event Expenses	1,410,809	312,416	412,567	2,135,792	-	2,135,792
European Union Section Expenses	81,957	327,830	54,638	464,425	81,957	546,382
Insurance	2,807	2,807	2,807	8,421	19,647	28,068
Miscellaneous	-	-	-	-	218,475	218,475
Professional Fees	31,949	24,514	7,987	64,450	71,986	136,436
Project Expense	431,809	708,119	113,534	1,253,462	278,472	1,531,934
Rent/Utilities	-	-	-	-	275,082	275,082
Salaries & Benefits	871,246	936,705	405,435	2,213,386	768,380	2,981,766
Staffing Agreement- Adjuvant	-	-	-	-	-	-
Staffing Agreement- H&K	20,856	145,993	20,856	187,705	20,856	208,561
Telephone	-	-	-	-	30,811	30,811
Travel Reimbursement	1,185	2,912	1,456	5,553	1,456	7,009
Website, Database, and Other IT Expense	172	-	22	194	216,914	217,108
Depreciation	-	-	-	-	556	556
	\$ 2,999,990	\$ 2,483,746	\$ 1,181,840	\$ 6,665,576	\$ 2,132,369	\$ 8,797,945

See accompanying notes to financial statements.

Alliance for Regenerative Medicine

Statement of Functional Expenses

<i>Year Ended December 31, 2020</i>	Programs				Total Programs	Management and General	Total Expenses
	Communications, Capital Formation, and Operations	Policy, Advocacy, and Government Relations	Science and Technology				
Bad Debt Expense	\$ 7,425	\$ 7,425	\$ 7,425	\$ 22,275	\$ 7,425	\$ 29,700	
Bank & PayPal Service Charges	-	-	-	-	16,702	16,702	
Contributions to the ARM Foundation	125,000	-	-	125,000	-	125,000	
Consultant Fees	13,020	2,790	89,790	105,600	-	105,600	
Controller Fees	8,040	8,040	8,040	24,120	56,280	80,400	
Depreciation	-	-	-	-	511	511	
Event Expenses	305,804	67,920	86,939	460,663	-	460,663	
European Union Section Expenses	119,964	228,881	38,147	386,992	68,293	455,285	
Insurance	1,140	1,140	1,140	3,420	7,978	11,398	
Miscellaneous	-	-	-	-	39,050	39,050	
Professional Fees	24,532	23,683	6,133	54,348	58,475	112,823	
Project Expense	228,933	242,210	77,137	548,280	340,452	888,732	
Rent & Utilities	-	-	-	-	115,162	115,162	
Salaries & Benefits	579,500	558,023	314,447	1,451,970	504,626	1,956,596	
Staffing Agreement- Adjuvant	551	-	441	992	110	1,102	
Staffing Agreement- H&K	32,659	228,614	32,659	293,932	32,659	326,591	
Telephone	-	-	-	-	33,659	33,659	
Travel Reimbursement	7,213	2,404	1,202	10,819	1,202	12,021	
Website, Database, and Other IT Expense	-	-	-	-	82,606	82,606	
	\$ 1,453,781	\$ 1,371,130	\$ 663,500	\$ 3,488,411	\$ 1,365,190	\$ 4,853,601	

See accompanying notes to financial statements.

Alliance for Regenerative Medicine

Statements of Cash Flows

Years Ended December 31,	2021	2020
Operating Activities		
Change in net assets	\$ 2,075,304	\$ 1,147,975
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	556	511
Bad debt expense	-	29,700
(Increase) decrease in:		
Membership receivables	(1,603,250)	(9,517)
Other assets	224,659	(232,783)
Increase (decrease) in:		
Accounts payable and accrued liability	443,154	(81,330)
Accounts payable, related party	-	(3,689)
Accrued compensation	20,760	1,514
Deferred membership and registration revenue	1,359,905	886,100
Deferred lease liability	236,826	(25,062)
Net Cash from Operating Activities	2,757,914	1,713,419
Investing Activities		
Purchase of investments	(6,673,200)	-
Net Cash for Investing Activities	(6,673,200)	-
Net (Decrease) Increase in Cash and Cash Equivalents	(3,915,286)	1,713,419
Cash and Cash Equivalents, at beginning of year	5,409,916	3,696,497
Cash and Cash Equivalents, at end of year	\$ 1,494,630	\$ 5,409,916

See accompanying notes to financial statements.

Alliance for Regenerative Medicine

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Operations

The Alliance for Regenerative Medicine (the Alliance or the Organization) was incorporated in 2009 in Washington, D.C. The purpose of the Alliance is to promote legislative, regulatory, reimbursement, investment, technical and other initiatives to accelerate the development of safe and effective regenerative medicine technologies. The Alliance also works to increase public understanding of the field and its potential to transform human healthcare by providing business development and investor outreach services to support the growth of its member companies and research organizations.

The Alliance's revenue is comprised primarily of membership dues and registration and sponsorship fees for events. For the years ended December 31, 2021 and 2020, membership dues constituted 60% and 79%, respectively, of total revenue; and registration and sponsorship fees for events constituted 39% and 20%, respectively, of total revenue.

The Alliance's membership is diverse, representing leading regenerative medicine companies and investors, university-based and non-profit research institutions, patient advocacy groups, pharmaceutical companies engaged in regenerative medicine research, and other Alliances supporting regenerative medicine. Members work together to serve as the voice of the global regenerative medicine community and introduce and support policies that pave the way for development of new regenerative medicine therapies, medical devices and diagnostics.

The Alliance's programs include:

- Policy, Advocacy, and Government Relations: to provide meetings and workshops that will assist members with government relations and regulatory decision making.
- Communications, Capital Formation, and Operations: to develop publications, social media strategies, and other materials that will educate the public about regenerative medicine.
- Science and Technology: to develop consensus product development, regulatory standards and provide more efficient access to industry best-practices regarding manufacturing and scale-up.

Recent Accounting Pronouncements Not Yet Adopted

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842), effective for fiscal years beginning after December 15, 2021, and interim periods within those years. The pronouncement amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheet and making targeted changes to lessor accounting. Management is currently evaluating this standard for its impact on the financial statements.

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Credit Losses

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses* (Topic 326). ASU 2016-13 changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. Entities will be required to estimate credit losses over the entire contractual term of an instrument. ASU 2016-13 also includes financial assets recorded at amortized cost basis such as loan receivables, trade and certain other receivables, as well as certain off-balance sheet credit exposures such as loan commitments and financial guarantees. ASU 2016-13 does not apply to financial assets measured at fair value, and loans and receivables between entities under common control.

ASU 2016-13 will be effective for the Alliance beginning January 1, 2023 and early adoption is permitted. The Organization is evaluating the accounting, transition and disclosure requirements of ASU 2016-13 and cannot currently estimate the financial statement impact of adoption. The Organization does not intend to adopt the new standard early.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America (GAAP).

Cash and Cash Equivalents

The Alliance considers all highly liquid investments to be cash equivalents. Cash and cash equivalents consist primarily of cash in checking accounts, savings accounts, and money market fund investments outside of those held and reported as investments in the accompany statements of financial position. See also Note 2.

Investments

Investments in marketable securities and all investments in debt securities are recorded at their estimated fair values in the statements of financial position. Realized and unrealized gains and losses, interest, dividends and investment fees arising during the period are included in other income in the accompany statements of activities. See also Note 2.

Membership Receivables

Membership receivables consist of membership dues receivable, event sponsorship and fees receivable, and event registration fees receivable. The Alliance recognizes an allowance for losses on accounts receivable in an amount equal to the estimated probable losses net of recoveries. The allowance is based on an analysis of specific membership accounts, taking into consideration the age of past due accounts and an assessment of the member's ability to pay. Adjustments to the allowance are recorded through charges to bad debt expense in the accompanying statement of activities.

Revenue Recognition

Revenue recognized from exchange transactions occurs when control of the promised goods or services is transferred to the members or customers in an amount that reflects the consideration the Alliance expects to be entitled to in exchange for those goods or services. For each arrangement with a member or customer, the Alliance identifies the contract and the associated performance

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Notes to Financial Statements

obligation(s) within the contract, determines the transaction price of that contract, allocates the transaction price to each performance obligation, and recognizes revenue as each performance obligation is satisfied. For all contracts with members or customers, the Alliance determines the transaction price in the arrangement and allocates the transaction price to each performance obligation identified in the contract. Judgment is applied in determining the appropriate unit of account, and the Alliance separates any performance obligations if they are capable of being distinct and are distinct within the context of the contract. The Alliance determines the allocation of the transaction price for the performance obligations on a relative standalone selling price basis for the goods or services included in the contract. The transaction price is adjusted for estimates of variable consideration. The satisfaction of performance obligations in a contract is based upon when the member or customer obtains control over the asset. Depending on the nature of the performance obligation, control may transfer either at a particular point in time, or over time which determines the recognition pattern of revenue.

The Alliance recognizes revenue from nonrefundable membership dues ratably over the membership term, which is a one-year period. Deferred revenue from membership dues represents the remaining portion of the membership term following the balance sheet date to be recognized ratably into revenues.

The Alliance generates event income from registration fees and sponsorships for their different events. The Alliance recognizes registration fees and sponsorship revenue in the period in which the event occurs, which is when the Alliance's performance obligation is met. Registration fees and sponsorships are due in advance of the event. Refunds of registration fees are allowed if received in accordance with the cancellation policy. Registration fees and sponsorships collected in advance of an event are initially recognized as deferred revenue and are only recognized as revenue in the statements of activities when the event has occurred.

Income Taxes

The Alliance is exempt from Federal income tax under Section 501(c)(4) of the Internal Revenue Code. Income taxes on unrelated business income, if any, are provided at the applicable rates on income for financial reporting purposes.

The Alliance has adopted the accounting guidance for uncertainty in income taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities. As of December 31, 2021 and 2020, the Alliance had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Alliance's income tax filings are subject to audit by various taxing authorities. In evaluating its activities, the Alliance believes its position on tax-exempt status is current based on current facts and circumstances. The Alliance has assessed that there are no activities unrelated to its purpose and, therefore, no tax is to be recognized.

It is the policy of the Alliance to include in expenses, penalties and interest assessed by income taxing authorities. There are no penalties or interest from taxing authorities included in expenses for the years ended December 31, 2021 and 2020.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts reported in the financial statements and the accompanying notes. Accordingly, actual results could differ from those estimates.

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Notes to Financial Statements

Concentrations

Cash accounts are insured by the Federal Deposit Insurance Corporation (FDIC) and cash balances may exceed the insured amount from time to time. Money market fund investments are not insured by the FDIC and are subject to investment risks including the possible loss of principal amounts invested.

Financial instruments that potentially subject the Alliance to concentrations of credit risk consist primarily of cash and membership receivables. As of December 31, 2021, there were no concentrations of credit risk in membership receivables. As of December 31, 2020, three members accounted for 30% of its total membership receivables.

For the year ended December 31, 2021, the Alliance held two events, the Cell & Gene Meeting on the Mesa and the Meeting on the Med, that accounted for approximately 99% of its total event income. For the year ended December 31, 2020, the Alliance held one event, the Cell & Gene Meeting on the Mesa, that accounted for approximately 98% of its total event income. The Alliance had no other significant concentrations of credit risk as of December 31, 2021 and 2020.

Functional Allocation of Expenses

The statements of functional expenses are categorized by function and natural classification. Expenses directly attributable to a specific functional area of the Alliance are reported as expenses of those functional areas. A portion of General and Administrative costs that benefit multiple functional areas have been allocated across Programs and Supporting Services based on a portion of effort of employees to each function.

2. Investments

GAAP establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are those that market participants would use in measuring investments at fair value based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in measuring investments at fair value based on the best information available in the circumstances. Investments are measured and disclosed in one of the three levels based on the reliability of inputs:

- Level 1 - Valuations based on quoted market prices in active markets for identical investments as of the reporting date.
- Level 2 - Valuations based on other than quoted market prices in active markets, dealer or broker markets. Fair values are primarily obtained from third party pricing services for similar investments as of the reporting date.
- Level 3 - Valuations derived from other methodologies, including pricing models, discounted cash flow models and similar techniques, and not based on market, dealer, or broker-traded transactions. The determination of fair value requires significant management judgment or estimation.

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Notes to Financial Statements

Level 3 valuations incorporate certain assumptions and projections that are not observable in the market in determining the fair value for investments and assets held by others as of the reporting date. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement.

The following is a description of the valuation techniques used for investments measured at fair value, and there have been no changes in the valuation methodology used by the Organization at December 31, 2021. There were no investments held at December 31, 2020:

Money Market Funds

Cash equivalents and investments held in money market funds are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency.

Mutual Funds

Mutual funds are valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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.

Financial assets consisted of the following at December 31, 2021:

	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 4,277,965	\$ -	\$ -	\$ 4,277,965
Mutual Funds				
Bond funds	1,815,699	-	-	1,815,699
Equity funds	579,536	-	-	579,536
Total investments	\$ 6,673,200	\$ -	\$ -	\$ 6,673,200

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Notes to Financial Statements

3. Related Party Transactions

Adjuvant Partners, LLC, a company of which the Co-Founder and Senior Advisor of the Alliance was a managing partner, contracted with the Alliance for services related to the Alliance's operations, administration, and program management. The contract with Adjuvant ended in January 2020. For the years ended December 31, 2021 and 2020, costs incurred for services rendered by Adjuvant Partners, LLC were as follows:

<i>Years Ended December 31,</i>		2021		2020
Project Expense	\$	-	\$	31,360
Communications, Publications and Messaging		-		7,840
Conference & Event Planning		-		2,925
Total Expenses	\$	-	\$	42,125

Holland & Knight, LLP, a law firm of which the Co-founder and Senior Policy Counsel of the Alliance is a partner, contracts with the Alliance for services related to the Alliance's policy, lobbying, regulatory and reimbursement counseling. For the years ended December 31, 2021 and 2020, costs incurred for services rendered by Holland & Knight, LLP were as follows:

<i>December 31,</i>		2021		2020
Staffing Agreement	\$	250,069	\$	300,592
Public Relations & Communications		117,404		26,598
Legal Assistance		50,987		53,803
Alliance PAC		16,500		19,500
General Administrative Expenses		9,001		-
Postage & Shipping		8		-
Travel Reimbursement		-		356
Event Expenses		-		254
Total Expenses	\$	443,969	\$	401,103

Membership dues and sponsorships from related parties in the amount of \$254,000 and \$158,300 are included in accounts receivable as of December 31, 2021 and 2020, respectively.

During 2019, an independent Foundation (ARM Foundation) was established, with the goal to educate, engage, and empower patients, caregivers, industry leaders, and other stakeholders to help advance the science and benefits of gene therapy, gene editing, cell therapy, tissue-engineering and organ regeneration. The Executive Director of the ARM Foundation is also a Co-Founder and Senior Advisor of the Alliance. For the year ended December 31, 2021 and 2020, the Alliance incurred \$100,000 and \$125,000, respectively, for contributions to the ARM Foundation.

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Notes to Financial Statements

4. Subsequent Events

The Alliance has evaluated subsequent events through October 18, 2022, which is the date the financial statements are available to be issued and has determined that there were no subsequent events that have occurred through the date that have not already been recognized or disclosed in these financial statements.

5. Commitments

Hotel Contracts

During 2021 and 2020, the Alliance entered into several separate agreements with hotels to reserve rooms and conference space and to provide meals and audio/visual equipment for special events which occurred or will occur. The terms of the agreements call for certain deposits and anticipated minimum amounts to be earned by the hotels, subject to certain cancellation and attrition rights provided to the Alliance. In the event such minimums are not achieved due to cancellations and/or attrition and contingent upon the timing of cancellation and/or the degree of attrition, up to 100% of the liquidated damages, as defined in the agreements, are to be paid by the Alliance. Total potential liquidated damages amounted to approximately \$986,634 and \$590,020 as of December 31, 2021 and 2020, respectively, under the terms of these agreements.

Operating Lease

In February 2018, the Alliance entered into a lease for office space which was to expire May 31, 2023, with an option to renew for one additional term of five years. In accordance with the lease agreement, minimum rents were payable in equal monthly installments beginning March 1, 2019, with annual escalations of three percent per year thereafter through the end of the lease term. Additionally, the landlord agreed to abate the first four installments of monthly rent, totaling to \$27,183. The Alliance exited this lease agreement in August 2020.

In November 2020, the Alliance entered into a lease for office space which expires December 31, 2026, with an option to renew for one additional term of five years. In accordance with the lease agreement, minimum rents are payable in equal monthly installments beginning January 1, 2021 with annual escalations of 2.5% per year thereafter through the end of the lease term. A deferred lease liability in the amount of \$236,826 was recorded as of December 31, 2021, which relates to the difference between rent expense recorded on a straight-line basis and minimum rents.

Future minimum lease commitments are as follows:

Year Ending December 31,

2022	\$	218,609
2023		218,609
2024		218,609
2025		218,609
2026		236,826
Thereafter		-

\$ 1,111,262

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Rent expense for the years ended December 31, 2021 and 2020 was \$263,971 and \$112,854, respectively.

5. Retirement Benefits

During January 2019, the Alliance established a Safe Harbor 401(k) Plan (the Plan). Substantially all Alliance employees who have attained the age of 21 and who have at least one year of service, are eligible to participate in the Plan. The Alliance's contribution to the Plan was \$50,947 and \$37,390 for the years ended December 31, 2021 and 2020, respectively.

6. Liquidity and Availability of Resources

The Alliance's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

<i>December 31,</i>	2021	2020
Cash and Cash Equivalents	\$ 1,494,630	\$ 5,409,916
Investments	6,673,200	-
Membership Receivables	2,074,250	471,000
Total financial assets available for general expenditure within one year	\$ 10,242,080	\$ 5,880,916

As a part of the Alliance's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.