
APPALACHIAN VOICES

Financial Statements and Independent Auditor's Report
For the Years Ended December 31, 2021 and 2020

C. Randolph CPA, PLLC
Certified Public Accountant

APPALACHIAN VOICES

Table of Contents For the Years Ended December 31, 2021 and 2020

	<u>Page(s)</u>
Independent Auditor's Report	1-2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5-6
Statements of Cash Flows	7
Notes to Financial Statements	8-13

C. Randolph CPA, PLLC

Certified Public Accountant

560 Beaver Creek School Rd.
West Jefferson, North Carolina 28694

Phone: (336) 846-3211

Fax: (336) 846-1142

Independent Auditor's Report

To the Board of Directors of
Appalachian Voices

Opinion

We have audited the accompanying financial statements of Appalachian Voices (a nonprofit 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 financial statements referred to above present fairly, in all material respects, the financial position of Appalachian Voices as of December 31, 2021 and 2020, 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.

Basis for Opinion

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. 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 Appalachian Voices and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 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.

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 Appalachian Voices' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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 generally accepted auditing standards 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Appalachian Voices' 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Appalachian Voices' 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.

C. Randolph CPA, PLLC

West Jefferson, North Carolina
September 19, 2022

APPALACHIAN VOICES

Statements of Financial Position December 31, 2021 and 2020

<u>Assets</u>	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash and cash equivalents	\$ 3,770,469	\$ 2,414,299
Accounts and sales tax receivable	1,015	596
Deposits	14,817	14,817
Prepaid expenses	-	1,956
Employee advances	-	4
Contributions receivable	<u>457,982</u>	<u>415,069</u>
Total current assets	<u>4,244,283</u>	<u>2,846,741</u>
Property and Equipment:		
Equipment	57,923	43,459
Furniture and fixtures	762	762
Less accumulated depreciation	<u>(26,704)</u>	<u>(27,712)</u>
Net property and equipment	<u>31,981</u>	<u>16,509</u>
Other assets:		
Intangible asset	<u>1,500</u>	<u>1,500</u>
Total assets	<u>\$ 4,277,764</u>	<u>\$ 2,864,750</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 15,147	\$ 21,633
Accrued expenses	20,613	27,259
PPP Loan	<u>392,690</u>	<u>-</u>
Total current liabilities	<u>428,450</u>	<u>48,892</u>
Net assets:		
Unrestricted:		
Without donor restrictions	2,502,312	1,968,156
Invested in property and equipment	31,981	16,509
Funder designated funds	270,000	270,000
Board designated funds used for reserve	100,000	100,000
Restricted:		
With donor restrictions	<u>945,021</u>	<u>461,193</u>
Total net assets	<u>3,849,314</u>	<u>2,815,858</u>
Total liabilities and net assets	<u>\$ 4,277,764</u>	<u>\$ 2,864,750</u>

See accompanying notes to financial statements.

APPALACHIAN VOICES

**Statements of Activities
For the Years Ended December 31, 2021 and 2020**

	2021		<u>Total</u>
	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	
Support and Revenue:			
Contributions	\$ 1,545,913	\$ 2,137,968	\$ 3,683,881
Membership dues	55,520	-	55,520
Paycheck Protection Program funds	4,994	-	4,994
Investment income	7,316	-	7,316
Voice advertisements	-	-	-
Fiscal sponsorships - net	39,039	-	39,039
Pass-throughs - net	44,617	-	44,617
Miscellaneous	-	-	-
Net assets released from restrictions:			
Satisfaction of program restrictions	1,654,140	(1,654,140)	-
Total support and revenue	3,351,539	483,828	3,835,367
Expenses:			
Program expenses	2,319,119	-	2,319,119
Management and general expenses	253,730	-	253,730
Fundraising expenses	229,062	-	229,062
Total expenses	2,801,911	-	2,801,911
Changes in net assets	549,628	483,828	1,033,456
Net assets, beginning of year	2,354,665	461,193	2,815,858
Net assets, end of year	\$ 2,904,293	\$ 945,021	\$ 3,849,314

See accompanying notes to financial statements.

2020		
Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
\$ 1,677,530	\$ 723,889	\$ 2,401,419
61,191	-	61,191
413,010	-	413,010
16,653	-	16,653
1,333	-	1,333
10,487	-	10,487
(41,622)	-	(41,622)
(98)	-	(98)
862,647	(862,647)	-
3,001,131	(138,758)	2,862,373
2,149,537	-	2,149,537
234,393	-	234,393
220,219	-	220,219
2,604,149	-	2,604,149
396,982	(138,758)	258,224
1,957,683	599,951	2,557,634
\$ 2,354,665	\$ 461,193	\$ 2,815,858

APPALACHIAN VOICES

Statement of Functional Expenses For the Year Ended December 31, 2021

Functional Expenses:	Shifting Investments to <u>Clean Energy</u>	Building Awareness of <u>Regional Issues</u>	Eliminate Fossil Fuels <u>Externalities</u>	Total Program <u>Expenses</u>	Management & General <u>Expenses</u>	Fundraising <u>Expenses</u>	Total <u>Expenses</u>
Salaries and wages	\$ 899,298	\$ 50,094	\$ 512,169	\$ 1,461,561	\$ 163,007	\$ 121,837	\$ 1,746,405
Payroll taxes and insurance	188,157	13,265	108,356	309,778	29,725	24,409	363,912
Employee benefits	16,843	461	10,474	27,778	3,580	2,012	33,370
Advertising	19,036	163	9,066	28,265	2,521	265	31,051
Bank charges	-	-	-	-	1,072	-	1,072
Conferences and meetings	1,017	164	259	1,440	116	55	1,611
Contract labor	211,518	3,204	4,762	219,484	716	3,832	224,032
Contributions	1,357	52	885	2,294	97	84	2,475
Depreciation	3,832	302	2,248	6,382	563	491	7,436
Dues and subscriptions	3,801	154	2,484	6,439	404	12,121	18,964
Equipment rental	1,115	88	654	1,857	164	143	2,164
Loss on disposal of fixed assets	-	-	-	-	1,335	-	1,335
Insurance	4,018	317	2,357	6,692	590	514	7,796
Leadership development	1,594	8	143	1,745	357	100	2,202
Licenses and permits	2,081	8	239	2,328	15	338	2,681
Meals and entertainment	1,155	123	596	1,874	1,257	1,686	4,817
Office supplies	13,599	1,144	8,240	22,983	2,307	1,865	27,155
Promotion materials	1,642	389	3,445	5,476	98	7,686	13,260
Postage and delivery	1,397	109	2,589	4,095	383	830	5,308
Professional fees	33,109	802	8,653	42,564	28,794	14,337	85,695
Rent	63,033	5,986	38,146	107,165	11,798	10,277	129,240
Repairs and maintenance	4,279	337	2,510	7,126	629	548	8,303
Travel	8,231	99	10,381	18,711	1,529	23,170	43,410
Telephone	5,795	381	3,064	9,240	710	619	10,569
Utilities	5,086	418	2,966	8,470	751	626	9,847
Website expense	<u>9,102</u>	<u>695</u>	<u>5,575</u>	<u>15,372</u>	<u>1,212</u>	<u>1,217</u>	<u>17,801</u>
Total functional expenses	<u>\$ 1,500,095</u>	<u>\$ 78,763</u>	<u>\$ 740,261</u>	<u>\$ 2,319,119</u>	<u>\$ 253,730</u>	<u>\$ 229,062</u>	<u>\$ 2,801,911</u>

See accompanying notes to financial statements.

APPALACHIAN VOICES

Statement of Functional Expenses For the Year Ended December 31, 2020

Functional Expenses:	Eliminate Fossil Fuels Externalities	Building Awareness of Regional Issues	Shifting Investments to Clean Energy	Total Program Expenses	Management & General Expenses	Fundraising Expenses	Total Expenses
Salaries and wages	\$ 462,734	\$ 72,018	\$ 829,306	\$ 1,364,058	\$ 166,948	\$ 155,913	\$ 1,686,918
Payroll taxes and insurance	34,675	5,564	62,887	103,125	12,629	11,819	127,573
Employee benefits	69,081	16,935	123,966	209,982	21,633	18,738	250,353
Advertising	88	-	17,436	17,524	95	-	17,619
Bank charges	-	-	-	-	1,335	-	1,335
Conferences and meetings	99	27	1,462	1,588	29	200	1,817
Contract labor	-	5,310	189,314	194,623	120	582	195,325
Contributions	150	250	350	750	-	-	750
Depreciation	2,320	622	4,108	7,050	380	592	8,022
Dues and subscriptions	1,495	103	3,073	4,670	652	1,021	6,344
Equipment rental	673	180	2,806	3,659	194	172	4,025
Insurance	1,528	409	2,704	4,641	446	390	5,477
Leadership development	-	-	1,910	1,910	476	426	2,812
Licenses and permits	16	-	1,343	1,359	-	200	1,559
Meals and entertainment	276	297	3,326	3,899	373	130	4,402
Office supplies	730	1,998	10,822	13,549	4,422	3,477	21,448
Promotion materials	834	1,093	2,934	4,861	203	11,012	16,076
Postage and delivery	767	5,152	1,173	7,092	187	1,655	8,933
Printing and reproductions	-	9,057	-	9,057	-	-	9,057
Professional fees	5,939	331	3,023	9,293	7,059	558	16,910
Rent	39,560	11,073	70,058	120,691	12,900	8,967	142,557
Repairs and maintenance	1,443	386	2,550	4,379	563	368	5,310
Travel	5,891	1,280	19,402	26,573	730	872	28,174
Telephone	3,117	776	6,004	9,897	843	739	11,478
Utilities	3,077	824	5,537	9,438	896	688	11,022
Website expense	5,589	1,199	9,082	15,870	1,283	1,701	18,854
	-	-	-	-	-	-	-
Total functional expenses	<u>\$ 640,079</u>	<u>\$ 134,883</u>	<u>\$ 1,374,575</u>	<u>\$ 2,149,537</u>	<u>\$ 234,393</u>	<u>\$ 220,219</u>	<u>\$ 2,604,149</u>

See accompanying notes to financial statements.

APPALACHIAN VOICES

Statements of Cash Flows For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities:		
Changes in net assets	\$ 1,033,456	\$ 258,224
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation expense	7,436	8,022
Loss on disposal of assets	1,338	97
(Increase) decrease in accounts receivable	(419)	27,762
(Increase) decrease in contributions receivable	(42,913)	183,785
(Increase) decrease in prepaid expenses	1,956	6,210
(Increase) decrease in employee advances	4	143
(Increase) decrease in deposits	-	-
Increase (decrease) in accounts payable and accrued expenses	<u>379,558</u>	<u>(5,268)</u>
Total	<u>346,960</u>	<u>220,751</u>
Net cash provided (used) by operating activities	<u>1,380,416</u>	<u>478,975</u>
Cash Flows From Investing Activities:		
(Increase) decrease in investments	-	747,802
Proceeds from disposal of assets	-	73
Purchase of equipment	<u>(24,246)</u>	<u>(3,978)</u>
Net cash provided (used) by investing activities	<u>(24,246)</u>	<u>743,897</u>
Increase (decrease) in cash and cash equivalents	1,356,170	1,222,872
Beginning cash and cash equivalents	<u>2,414,299</u>	<u>1,191,427</u>
Ending cash and cash equivalents	<u>\$ 3,770,469</u>	<u>\$ 2,414,299</u>

See accompanying notes to financial statements.

APPALACHIAN VOICES

Notes to Financial Statements For the Years Ended December 31, 2021 and 2020

1. General Information and Summary of Significant Accounting Policies

Organization - Appalachian Voices was organized in 1997 as a North Carolina nonprofit corporation. Its purpose is to solve the environmental problems having the greatest impact on the central and southern Appalachian Mountains. The organization's income is primarily from private and public grants and individual contributions.

Sources of Funding - The Organization receives support from contributions and revenues generated by grants and contributions.

Basis of Accounting - The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

Basis of Presentation - The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions - These net assets result from grants that are received with donor stipulations that limit the use of the asset, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

The Organization reports in compliance with the Financial Accounting Standards Board (FASB) ASC 958-205, *Presentation of Financial Statements for Not-for-Profit Entities*. Under these provisions, net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Contributions/Grants - Contributions and grants received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Staff salaries, employee benefits, and indirect expenses are allocated based on estimated time and effort.

Investments - Investments are recorded at fair market value. Both unrealized gains and losses from the fluctuation of market value and realized gains and losses from the sale of investments are reflected in the statement of activities.

The following provides a summary of the hierarchical levels used to measure fair value:

Level 1: Quoted prices for identical assets or liabilities in active markets that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange, including over-the-counter markets, and that are highly liquid.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity, and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions Receivable - Unconditional promises to give are recognized as revenues or gains in the period received, net of an allowance for uncollectible promises and a discount to the present value of future cash flows, and presented as contributions receivable in the statement of financial position.

Property, Equipment, and Furniture - The Organization capitalizes all expenditures for property, equipment, and furniture in excess of \$200. The cost of property, equipment, and furniture is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method for financial reporting purposes and for income tax purposes.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property, equipment, and furniture is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

The useful lives of property, equipment, and furniture for purposes of computing depreciation are:

Equipment	5 years
Office furniture	7 years

Donated Materials and Services - It is the policy of Appalachian Voices to record the value of donated services, materials and facilities usage provided there is an objective basis with which to value such donations. The value of general volunteer services are not recorded, because there is not objective basis

with which to value the volunteer time, although the operations of Appalachian Voices is supported by a considerable amount of volunteer time.

Fair Value Measurements - The Organization applies the provisions included in FASB ASC Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements. 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. As of December 31, 2021 and 2020, there were no nonfinancial assets or liabilities measured at fair value in the financial statements on a nonrecurring basis.

Financial instruments consist of cash and cash equivalents, contributions receivable, current liabilities and debt obligations. The carrying amounts reported in the statement of financial position for cash and cash equivalents, contributions receivable and current liabilities approximate fair value due to the short-term nature of these financial statements.

Cash and Cash Equivalents - For purposes of financial statement presentation, Appalachian Voices considers all bank accounts, certificates of deposit, interest accrued on certificates of deposit, and petty cash funds to be cash and cash equivalents.

Concentration of Credit Risk - At December 31, 2021 and 2020, the Organization had deposits that exceeded the federal deposit insurance limit by \$1,395,967 and \$750,441, respectively.

Advertising - Advertising costs are expensed when incurred. Advertising expense for the years ended December 31, 2021 and 2020 was \$31,051 and \$17,619, respectively.

Income Taxes - The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they were filed.

2. Net Assets

The Appalachian Voices Board of Directors has designated portions of the net assets to be used for purposes other than general operations as follows:

	<u>2021</u>	<u>2020</u>
Investment in property and equipment	\$ 31,981	\$ 16,509
Funder designated funds	270,000	270,000
Board designated funds used for reserve	<u>100,000</u>	<u>100,000</u>
	<u>\$401,981</u>	<u>\$386,509</u>

3. Contributions Receivable

Unconditional promises to give consists of the following:

	<u>2021</u>	<u>2020</u>
Unrestricted	\$121,680	\$ 19,960
Shifting	250,882	362,609
Internalizing	<u>85,420</u>	<u>32,500</u>
Amount due in less than one year	<u>\$457,982</u>	<u>\$415,069</u>

4. Liquidity and Availability of Financial Assets

The Organization's primary sources of support are grants and contributions. Most of that support is required to be used in accordance with the purpose restrictions imposed by the donors. Donor-restricted support has historically funded approximately 14% of annual program and supporting activities, with the remainder funded by miscellaneous income without donor restrictions. The Organization's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 12 months of program expenditures. As shown on the face of the statement of financial position, and summarized below, most of the Organization's financial assets are not subject to donor-imposed restrictions on use:

	<u>2021</u>	<u>2020</u>
Financial assets available within one year and free of donor restrictions:		
Cash and cash equivalents	\$1,323,908	\$ 541,385
Operating reserve cash and cash equivalents	1,838,856	1,807,430
Contributions and pledges receivable	121,680	19,960
Financial assets subject to donor-imposed restrictions:		
Cash and cash equivalents	608,719	66,085
Contributions and pledges receivable	<u>336,302</u>	<u>395,108</u>
Total financial assets	<u>\$4,229,466</u>	<u>\$2,829,968</u>

5. Retirement Plan

The Organization has a simple IRA plan covering employees that meet certain criteria for eligibility. In addition to employee deferrals, the Organization will make a 3% contribution for employees. Employer contributions associated with the simple IRA plan for the year ended December 31, 2021 and 2020 totaled \$33,371 and \$37,911, respectively.

6. Lease Obligations

The Organization entered into a lease with Michael Vetro on April 15, 2016 for office space located in Boone, North Carolina. The lease requires monthly lease payments of \$4,278 plus one-third of the annual property tax bill for the term. The term of the lease is two years commencing September 15, 2016 and terminating September 14, 2018. The lease was renewed on January 24, 2018 commencing September 15, 2018 and terminating September 14, 2022. The lease was again renewed on January 28, 2022 commencing September 15, 2022 and terminating September 14, 2024.

The Organization entered into a three-year lease with Parker River, LLC on October 11, 2016 for space located in Charlottesville, Virginia. The lease requires monthly lease payments of \$3,446 for the period November 1, 2016 - October 31, 2017, \$3,498 for the period November 1, 2017 - October 31, 2018 and \$3,550 for the period November 1, 2018 - October 31, 2019. The Organization has the option to extend the term of the Lease for one three-year period. For the option to extend, the lease requires monthly lease payments of \$6,777. The lease expires October 31, 2022. The lease was renewed on July 6, 2022 commencing November 1, 2022 and terminating October 31, 2023.

Future Payments Due:

	<u>Boone, NC</u>	<u>Charlottesville, VA</u>
2022	\$ 61,987	\$45,080
2023	64,392	39,062
2024	<u>45,611</u>	<u>-</u>
Total future lease payments	<u>\$171,990</u>	<u>\$84,142</u>

7. Income Taxes

Uncertain Tax Positions

FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, clarifies the accounting for uncertainty in income tax positions. Based on an evaluation of uncertain tax positions, management is required to measure potential tax liabilities that could have a risk of greater than a 50% likelihood of being realized upon settlement. As of December 31, 2021, management has determined that the Organization has no such risk and therefore no liabilities have been recorded for uncertain tax positions.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions material to the financial statements.

8. Subsequent Events

Management has evaluated subsequent events through September 19, 2022, the date on which the financial statements were available to be issued. During the period from the end of the year and through this date, no circumstances occurred that require recognition or disclosure in these financial statements.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (Covid-19) pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact changes in net assets as the stock market has been significantly affected. Other financial impacts could occur though such potential impact is unknown at this time.