

YOUTH ENCOURAGEMENT SERVICES, INC.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2021

YOUTH ENCOURAGEMENT SERVICES, INC.

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**BELLENFANT**

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Professional Accounting & Consulting Services

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Youth Encouragement Services, Inc.
Nashville, Tennessee

We have audited the accompanying financial statements of Youth Encouragement Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Basis for Qualified Opinion

As more fully described in Note 1 to the financial statements, certain land and buildings are stated at estimated appraisal value as of December 31, 1994 in the accompanying statement of financial position. Also, depreciation expense has not been recorded for all years in which the buildings have been in service. In our opinion, such assets should be stated at acquisition cost, net of depreciation on buildings, to conform with accounting principles generally accepted in the United States of America. The effects on the financial statements of the preceding practices are not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of valuing land and buildings at appraisal value, as discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Youth Encouragement Services, Inc. as of December 31, 2021, 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.

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 Youth Encouragement Services, Inc.'s ability to continue as a going concern within 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 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, including omissions, 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 generally accepted auditing standards, 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 Youth Encouragement Services, Inc.'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 Youth Encouragement Services, Inc.'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.

Bellenfant, PLLC

Nashville, Tennessee
August 31, 2022

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 744,614
Investments	130,454
Accounts Receivable	<u>53,926</u>
Total Current Assets	<u>928,994</u>

PROPERTY AND EQUIPMENT

Land	106,236
Land Improvements	8,671
Buildings	3,205,504
Furniture, Fixtures, and Equipment	30,916
Vehicles	<u>197,716</u>
Less: Accumulated Depreciation	<u>(603,860)</u>
Property and Equipment, net	<u>2,945,183</u>
Total Assets	<u><u>\$ 3,874,177</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 33,354
Note Payable, current portion	<u>12,480</u>
Total Current Liabilities	<u>45,834</u>

LONG-TERM LIABILITIES

Note Payable, noncurrent portion	<u>61,360</u>
Total Long-Term Liabilities	<u>61,360</u>
Total Liabilities	<u>107,194</u>

NET ASSETS

Net Assets Without Donor Restrictions	3,656,983
Net Assets With Donor Restrictions	<u>110,000</u>
Total Net Assets	<u>3,766,983</u>
Total Liabilities and Net Assets	<u><u>\$ 3,874,177</u></u>

The independent auditor's report and accompanying notes are integral parts of these statements.

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Public Support:			
In-Kind Donations	\$ 134,090	\$ -	\$ 134,090
Contributions	682,485	-	682,485
Grants	124,961	68,500	193,461
Christmas Store	48,272	-	48,272
Registration Fees	20,871	-	20,871
	<hr/>	<hr/>	<hr/>
Total Public Support	1,010,679	68,500	1,079,179
	<hr/>	<hr/>	<hr/>
Other Revenue:			
Gain on Disposal of Property	1,101,390	-	1,101,390
PPP Loan Forgiveness	65,608	-	65,608
Other Income	36,625	-	36,625
Interest	748	-	748
Investment Gain (Loss)	8,235	-	8,235
	<hr/>	<hr/>	<hr/>
Net assets released from restrictions	68,500	(68,500)	-
	<hr/>	<hr/>	<hr/>
Total Revenue	\$ 2,291,785	\$ -	\$ 2,291,785
	<hr/>	<hr/>	<hr/>
EXPENSES			
Program Services	\$ 925,070	\$ -	\$ 925,070
Management and General	223,317	-	223,317
Fundraising	46,611	-	46,611
	<hr/>	<hr/>	<hr/>
Total Expenses	1,194,998	-	1,194,998
	<hr/>	<hr/>	<hr/>
Change in Net Assets	1,096,787	-	1,096,787
	<hr/>	<hr/>	<hr/>
Net Assets, beginning of the year	2,560,196	110,000	2,670,196
	<hr/>	<hr/>	<hr/>
Net Assets, end of the year	<u>\$ 3,656,983</u>	<u>\$ 110,000</u>	<u>\$ 3,766,983</u>

The independent auditor's report and accompanying notes are integral parts of these statements.

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021

	Inner City Centers	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and Wages	\$ 274,175	\$ 274,175	\$ 94,079	\$ 29,698	\$ 123,777	\$ 397,952
Employee Benefits	20,908	20,908	6,679	2,671	9,350	30,258
Payroll Taxes	18,645	18,645	6,963	2,272	9,235	27,880
Housing Allowance	25,000	25,000	-	-	-	25,000
Program Materials	87,765	87,765	786	-	786	88,551
 Fundraising Activities	-	-	2,309	11,456	13,765	13,765
Vehicles	6,084	6,084	952	-	952	7,036
Repairs and Maintenance	52,895	52,895	6,008	-	6,008	58,903
Utilities	55,595	55,595	8,904	-	8,904	64,499
Insurance	28,332	28,332	27,741	-	27,741	56,073
 Professional Services	101,171	101,171	22,115	-	22,115	123,286
Depreciation	107,510	107,510	-	-	-	107,510
In-Kind	134,090	134,090	-	-	-	134,090
Office Expenses	7,372	7,372	2,523	118	2,641	10,013
Office Supplies	3,528	3,528	18,747	-	18,747	22,275
 Banking Fees	-	-	4,777	-	4,777	4,777
Travel, Meals, and Entertainment	-	-	184	-	184	184
Interest	-	-	17,968	-	17,968	17,968
Equipment and Comptuers	2,000	2,000	2,582	396	2,978	4,978
 Total Expenses	<u>\$ 925,070</u>	<u>\$ 925,070</u>	<u>\$ 223,317</u>	<u>\$ 46,611</u>	<u>\$ 269,928</u>	<u>\$ 1,194,998</u>

The independent auditor's report and accompanying notes are integral parts of these statements.

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 1,096,787
Investment (Gain) Loss	(8,235)
(Gain) on Disposal of Property	(1,101,390)
Adjustments to reconcile change in net assets to net cash provided (used) by operations:	
Depreciation	107,510
(Increase) Decrease in: Accounts Receivable	228,153
Increase (Decrease) in: Accounts Payable and Accrued Expenses	<u>18,159</u>
Net Cash Provided (Used) by Operating Activities	<u>340,984</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Sale (Purchase) of Property and Equipment	<u>1,101,756</u>
Net Cash Provided (Used) by Investing Activities	<u>1,101,756</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Payments on Line of Credit	(85,321)
PPP Loan Forgiveness	(65,608)
Payments on Note Payable	<u>(635,659)</u>
Net Cash Provided (Used) by Financing Activities	<u>(786,588)</u>
Net Increase (Decrease) in Cash	656,152
Cash and Cash Equivalents, beginning of the year	<u>88,462</u>
Cash and Cash Equivalents, end of the year	<u><u>\$ 744,614</u></u>

The independent auditor's report and accompanying notes are integral parts of these statements.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

Youth Encouragement Services (the "Organization") was incorporated as a nonprofit entity for the purpose of providing programs for the benefit of children who reside in the inner city. The Organization is funded primarily through contributions from corporations, individuals, and churches.

Program Services:

Inner City

Each day, youth development and enrichment programming is provided for students who reside in high-need, urban communities. Centers are designed to provide a safe place for children to grow spiritually, academically, physically, and socially. Comprehensive programs including tutoring assistance, literacy and financial literacy initiatives, mentoring, organized recreational sports, and cultural experiences help support school aged youth in K-12th grade.

Camp

A summer camp is hosted in Robertson County, Tennessee for children who reside in high-risk communities.

Financial Statement Presentation

The financial statements of the Organization are presented on the accrual basis of accounting. Revenue is generally recognized when earned. Expenses are generally recognized when incurred.

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Presentation of Financial Statements of Not-for-Profit Organizations. Under the FASB Accounting Standards Codification, the Organization is required to report 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 are net assets that are not subject to donor-imposed stipulations. The Organization had \$3,656,983 of net assets without donor restrictions as of December 31, 2021.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Net assets with donor restrictions - These are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. This classification also includes net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally, donors of these assets permit the Organization to use all or part of the income earned for general or specific purposes. The Organization had \$110,000 of net assets with donor restrictions as of December 31, 2021.

Revenue Recognition

The Organization accounts for contributions in accordance with the requirements of the FASB Accounting Standards Codification Revenue Recognition Topic. In accordance with the FASB Accounting Standards Codification, contributions received are recorded depending on the existence or nature of any donor restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash funds, cash bank accounts and highly liquid debt instruments with an original maturity when purchased of twelve months or less to be cash and cash equivalents. The cash accounts are held primarily by financial institutions and at times may exceed amounts that are federally insured.

Investments

The Organization accounts for investments in accordance with FASB Accounting Standards Codification topic relating to Accounting for Certain Investments Held by Not-for-Profit Organizations. Under FASB Accounting Standards Codification, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair market values in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

Investment income and unrealized gains and losses are reported as changes in unrestricted net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are reported.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Land and buildings amounting to \$106,236 and \$166,812, respectively, are recorded at estimated appraised value as of December 31, 1994. Property and equipment acquired subsequent to December 31, 1994 are recorded at acquisition cost. Depreciation of property and equipment has been provided since June 30, 1990, over the estimated useful lives of the respective assets primarily on a straight-line basis.

Donated Materials, Services, and Assets

The following donations are reflected as contributions in the accompanying statements at their estimated values at the date of receipt for the year ended December 31, 2021:

Christmas Store	\$ 60,200
Executive Offices	<u>73,890</u>
Total In-Kind	<u>\$ 134,090</u>

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

A number of unpaid volunteers have made significant contributions of their time to assist in fund-raising and special projects. The Organization estimates receipt of approximately 1,712 volunteer hours for the year ended December 31, 2021. However, these services do not meet the requirements above and have not been recorded in the accompanying financial statements.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as 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 restricted support. 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 donors. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization has qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation.

The Organization has evaluated its tax positions in accordance with the Codification Standard relating to Accounting for Uncertainty in Income Taxes. The Organization believes that it has taken no uncertain tax positions.

The Organization files a U.S. Federal Form 990-Return of Organization Exempt from Income Tax. The Organization's returns for the years prior to calendar year 2018 are no longer open for examination.

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 estimates.

Restricted Endowment Funds

The Uniform Prudent Management Institutional Funds Act ("UPMIFA") was enacted in Tennessee effective July 1, 2007. The FASB Accounting Standards Codification provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the UPMIFA. It also requires disclosure of a description of the governing board's interpretation of the law that underlies the organization's net asset classification of donor-restricted endowment funds, a description of the organization's policies for the appropriation of endowment assets for expenditures (its endowment spending policies), a description of the organization's endowment investment policies, and additional disclosures not previously required.

2. FAIR VALUE OF INVESTMENTS

The Organization's investments are reported at fair value in the accompanying statements of financial position.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

2. FAIR VALUE OF INVESTMENTS (Continued)

Fair Value Measurements at December 31, 2021				
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Sweep Balances	\$ 15,185	\$ 15,185	\$ -	\$ -
Mutual Funds	115,269	115,269	-	-
	<u>\$ 130,454</u>	<u>\$ 130,454</u>	<u>\$ -</u>	<u>\$ -</u>

The Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses the appropriate valuation techniques based on the available inputs to measure the fair value of its investments. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 2 Fair Value Measurements - The fair value of the investments are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly, or indirectly.

Level 3 Fair Value Measurements - The fair value of the investments are based on at least one significant unobservable input.

3. PPP LOAN FORGIVENESS

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and it was signed into law on March 27, 2020. The CARES Act implemented the Payroll Protection Program (PPP), which provides loans to small businesses and charitable organization to keep their employees on payroll. The Organization obtained a PPP loan for \$65,608 on April 28, 2020, and the loan has been forgiven in full as of July 14, 2021.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are held in perpetuity with the income from assets expendable to support certain programs. A summary of the net assets with donor restrictions as of December 31, 2021 is as follows:

General Endowment Fund	\$ 105,000
Ardell Whitehead Endowment Fund	5,000
	<u>\$ 110,000</u>

The interest earned on net assets with donor restrictions is available to the Organization on an unrestricted basis.

5. ENDOWMENT

The Organization's endowment consists of donor restricted gifts held primarily in investment accounts. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

Changes in Endowment Net Assets for the fiscal year ended December 31, 2021:

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 12,219	\$ 110,000	\$ 122,219
Investment return, net appreciation	8,235	-	8,235
Endowment net assets, end of year	<u>\$ 20,454</u>	<u>\$ 110,000</u>	<u>\$ 130,454</u>

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

5. ENDOWMENT (Continued)

Interpretation of Relevant Law

The Organization has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature did not exist as of December 31, 2021.

Endowment Investment Policy and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period.

Endowment Investment Policy and Risk Parameters (Continued)

Under the Organization's policy, as approved by the Board of Directors, endowment assets are invested primarily in equity securities.

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

5. ENDOWMENT (Continued)

Strategies Employed for Achieving Investment Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating dividend and interest income from the endowment fund as necessary to fund Organization programs provided the investment balance is greater than the original gift value. Specific agreements with donors for income taken relative to their specific endowment gifts are exempted.

6. NOTE PAYABLE

The Organization obtained two vans on November 11, 2021 in exchange for a note payable totaling \$74,880. The note does not accrue interest, and monthly installment payments of \$1,040 are required for six years. The balance as of December 31, 2021 is \$73,840.

Future required minimum payments are as follows:

2022	\$	12,480
2023		12,480
2024		12,480
2025		12,480
Thereafter		<u>23,920</u>
Total	\$	<u><u>73,840</u></u>

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

7. UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, the Organization has temporarily not been able to continue a portion of its activities. The extent to which these events will affect the amounts reported in future financial statements remains uncertain.

8. AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

Financial assets, at year-end	\$ 875,068
Less: assets unavailable for general expenditures within one year, due to donor-imposed restrictions	(110,000)
Less: unrestricted investments held within equity securities	<u>(20,454)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 744,614</u></u>

There is an adequate amount of financial assets available as of December 31, 2021. The Organization effectively manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

9. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 31, 2022, which is the date the financial statements were available to be issued.