



*Report of Independent Auditors and
Financial Statements*

Central California S.P.C.A.

June 30, 2022



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Report of Independent Auditors

The Board of Directors
Central California S.P.C.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Central California S.P.C.A. (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Central California S.P.C.A as of June 30, 2022, and the results of its net assets and 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 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 Central California S.P.C.A. 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 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 Central California S.P.C.A's ability to continue as a going concern within one year after the date that the financial statements are 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 Central California S.P.C.A.'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 Central California S.P.C.A.'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.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Fresno, California

January 12, 2023

Financial Statements

Central California S.P.C.A.
Statement of Financial Position
June 30, 2022

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 7,713,632
Investments	5,179,824
Accounts receivable	46,526
Inventory	92,664
Prepaid expenses and other assets	<u>82,317</u>

Total current assets 13,114,963

PROPERTY AND EQUIPMENT, net

3,823,978

Total assets

\$ 16,938,941

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 130,763
Accrued expenses and other liabilities	<u>225,165</u>

Total current liabilities 355,928

NET ASSETS

Without donor restriction	16,406,609
With donor restriction	<u>176,404</u>

Total net assets 16,583,013

Total liabilities and net assets

\$ 16,938,941

Central California S.P.C.A.
Statement of Activities and Changes in Net Assets
Year Ended June 30, 2022

	Without Donor Restriction	With Donor Restriction	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Program services:			
Animal shelter	\$ 458,988	\$ -	\$ 458,988
Special	199,826	-	199,826
Surgery annex	797,358	-	797,358
Government contracts - animal shelter	5,571,190	-	5,571,190
Donations	390,463	45,561	436,024
Net investment loss	(443,904)	-	(443,904)
Fundraising	32,958	-	32,958
Other	33,888	-	33,888
Total revenues, gains, and other support	7,040,767	45,561	7,086,328
NET ASSETS RELEASED FROM RESTRICTION			
Restrictions satisfied by payment of related expenses	64,653	(64,653)	-
Total revenues, gains, and other support after net assets released from restriction	7,105,420	(19,092)	7,086,328
EXPENSES			
Program services:			
Animal shelter	2,858,273	-	2,858,273
Special	335,843	-	335,843
Surgery annex	588,832	-	588,832
General and administrative	1,446,361	-	1,446,361
Fundraising	139,072	-	139,072
Total expenses	5,368,381	-	5,368,381
CHANGE IN NET ASSETS	1,737,039	(19,092)	1,717,947
NET ASSETS, beginning of year	14,669,570	195,496	14,865,066
NET ASSETS, end of year	\$ 16,406,609	\$ 176,404	\$ 16,583,013

Central California S.P.C.A.
Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services			Total Program Services	Supporting Services		Total
	Animal Shelter	Special	Surgery Annex		General and Administrative	Fundraising	
Accounting	\$ -	\$ -	\$ -	\$ -	\$ 83,476	\$ -	\$ 83,476
Advertising	-	-	-	-	94,532	-	94,532
Animal supplies	268,375	52,153	6,784	327,312	500	5,437	333,249
Conferences, conventions, and meetings	3	278	45	326	6,501	46	6,873
Depreciation	111,667	10,673	9,889	132,229	46,947	5,532	184,708
Information technology	-	-	-	-	49,649	-	49,649
Insurance	51,977	3,415	10,349	65,741	125,899	1,199	192,839
Interest	-	-	-	-	167	-	167
Legal	-	-	-	-	9,476	-	9,476
Medical supplies	80,116	9,666	113,479	203,261	-	-	203,261
Miscellaneous expense	-	-	-	-	251	10,352	10,603
Occupancy	-	3,047	-	3,047	274,901	-	277,948
Office expenses	34,009	6,076	-	40,085	147,266	2,780	190,131
Other employee benefits	89,730	24,210	28,631	142,571	84,051	16,885	243,507
Other professional services	1,159,864	40,226	1,977	1,202,067	47,799	1,870	1,251,736
Payroll taxes	68,777	12,959	30,035	111,771	33,293	6,519	151,583
Pension plan	33,753	8,168	11,596	53,517	20,065	4,068	77,650
Salaries	855,262	162,808	375,278	1,393,348	421,588	84,384	1,899,320
Travel	99,260	665	132	100,057	-	-	100,057
Uniforms	5,480	1,499	637	7,616	-	-	7,616
	<u>\$ 2,858,273</u>	<u>\$ 335,843</u>	<u>\$ 588,832</u>	<u>\$ 3,782,948</u>	<u>\$ 1,446,361</u>	<u>\$ 139,072</u>	<u>\$ 5,368,381</u>

Central California S.P.C.A.
Statement of Cash Flows
Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 1,717,947
Adjustments to reconcile change in net assets to net cash from operating activities from operating activities:	
Depreciation	184,708
Gain on disposal of assets	8,307
Bad debt expense	457
Net loss on investments	582,298
Bond amortization	4,768
Change in operating assets and liabilities:	
Accounts receivable	(20,489)
Inventory	(17,062)
Prepaid expenses	(10,903)
Accounts payable	(3,946)
Accrued expenses and other liabilities	(99,414)
Net cash from operating activities	<u>2,346,671</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(485,648)
Proceeds from sale of property and equipment	8,564
Purchase of marketable securities	(484,887)
Proceeds from sale of marketable securities	<u>340,582</u>
Net cash from investing activities	<u>(621,389)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,725,282
CASH AND CASH EQUIVALENTS, beginning of year	<u>5,988,350</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 7,713,632</u></u>

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of business – The Central California Society for the Prevention of Cruelty to Animals (S.P.C.A.) (the Organization), a California Corporation, was organized in August 1946 and operates in Fresno County to protect the welfare of all animals. The Organization’s primary sources of revenue are a contract with the City of Fresno, animal sales, and spay/neuter fees. Animal protection services include providing shelter for lost pets and strays, rescuing animals living under cruel and inhumane conditions, and placing healthy animals up for adoption. The gift shop serves the general public, and net proceeds from this facility are used to support the operations of the animal shelter. The education department provides educational presentations to all age groups, both on site and at agency/school/club/organization locations by appointment. The Organization will provide tours and education resource information, as well as provide and staff information booths by appointment. The stray animals’ building was built to accommodate a further requirement (SB1785) to hold stray animals for longer periods of time.

Basis of accounting – The Organization uses the accrual basis method of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently implemented pronouncement – On July 1, 2021, the Organization adopted Accounting Standards Update (“ASU”) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard is intended to improve U.S. GAAP by increasing the transparency of contributed nonfinancial assets for not-for-profit (“NFP”) entities through enhancements to presentation and disclosure. The amendments in this update address certain stakeholders’ concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by NFP’s, as well as the amount of those contributions used in an NFP’s programs and other activities. The standard is effective for annual periods beginning after June 15, 2021, and as such, the Organization adopted the new standard effective July 1, 2021, under a retrospective basis. The adoption of this standard did not have a significant impact on the Organization’s financial position, activities and change in assets, or cash flows. No changes were recorded to previously reported transactions as a result of the adoption.

Revenue recognition – Contributions and unconditional grants are recognized as support and revenues when they are received or unconditionally pledged. These contributions are shown as restricted support and revenues if they are subject to time or donor restrictions. 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 when a stipulated time restriction ends, purpose restriction is accomplished, or both; however, contributions and grants with donor restrictions are reported as support and revenues without donor restrictions if the restriction is met in the same year that the gift is received.

Conditional contributions are not recorded as support and revenues until the conditions are met. Payments classified as exchange transactions (reciprocal transfers between two entities in which goods and services of equal value is exchanged) are not recorded as other support and revenue until allowable expenditures are incurred.

Central California S.P.C.A. Notes to Financial Statements

Revenues earned from contracts with the City of Fresno and local agencies are considered to be exchange transactions because revenue is not earned until services have been performed and eligibility requirements have been met. Revenue from exchange contracts are reported gross of any related expenses in the accompanying financial statements.

In-kind contributions – Contributions of noncash assets utilized by the Organization in providing services are recorded at their fair values in the period received. Contributions of noncash assets received for fundraising events (such as catering, entertainment, etc.) are not recorded in the accompanying financial statements. In addition, contributions of noncash assets to be sold at fundraising events by the Organization are recorded at the time of sale. Contributions of donated services that create or enhance nonfinancial 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 value in the period received.

A number of unpaid volunteers have made significant contributions of their time to the Organization. However, the value of these services is not reflected in the accompanying financial statements because generally accepted accounting principles do not allow for the recognition of nonspecialized services.

Classification of net assets – Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Without donor restriction – Net assets not subject to use or time restrictions. A portion of these net assets may be designated by the Board of Directors for specific purposes.

With donor restriction – Defined as that portion of net assets that consist of a restriction on the specific use or the occurrence of a certain future event. Net assets with donor restriction represent amounts collected by the Organization to be utilized for specific purposes, such as their wellness and medical assistance program, for use toward specific types of animals, and for use toward facility upgrades and maintenance. Net assets with donor restriction at June 30, 2022, totaled \$176,404. Net assets released from restriction during the year ended June 30, 2022, totaled \$64,653.

Cash and cash equivalents – For purposes of reporting the statement of cash flows, the Organization considers cash accounts, money market funds, and certificates of deposit with original maturities of three months or less to be cash equivalents.

Investments in marketable securities – Investments in marketable securities consist primarily of publicly traded mutual funds, common stock, and bonds and are recorded at fair value. These investments are covered by the Securities Investor Protection Corporation up to \$500,000 (including \$250,000 of cash). Investment income and unrealized gains and losses are reported on the statement of activities.

Concentration of credit risk – Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2022, the Organization had approximately \$7,085,000 of uninsured cash balances. Management has not experienced any losses on those deposits and believes it is not exposed to any significant credit risk.

During the year ended June 30, 2022, the City of Fresno contract accounted for approximately 79% of the Organization's total revenue.

Inventory – Inventory for the animal shelter and pet supplies is stated at the lower of cost or net realizable value, determined on an average cost basis. Inventory consists of animal food, veterinary supplies, animal control supplies, and miscellaneous supplies.

Property and equipment – It is the Organization’s policy to capitalize property and equipment acquisitions over \$2,000. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Expenditures for major renewals and betterments that extend the useful lives of the related assets are capitalized. Expenditures for repairs and maintenance, including planned major maintenance activities, are charged to operations when incurred.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings and improvements	7 to 39 years
Equipment	5 to 15 years
Automobiles and trucks	5 years

Long-lived assets – Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset, and long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment losses were recognized during the year ended June 30, 2022.

Advertising – Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period during which future benefits are expected to be received. For the year ended June 30, 2022, advertising costs were \$94,532; no costs were capitalized.

Allocation of expenses – Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated on the basis of estimates of time and effort are compensation and benefits, depreciation, and insurance. All other expenses are allocated on the basis of usage.

Income taxes – The Organization is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the State of California Corporate Code. The Organization is subject to taxation on any unrelated business income.

Uncertain tax positions – The Organization recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. The Organization does not believe its statement of financial position includes any uncertain tax positions.

Accounting pronouncements not yet adopted – On February 25, 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, *Leases (Topic 842)*, and subsequently issued related ASUs, which requires lessees to recognize a liability associated with obligations to make payments under the terms of the arrangement in addition to a right-of-use asset representing the lessee’s right to use, or control the use of the given asset assumed under the lease. The standard will be effective for nonpublic business entities for fiscal years beginning after December 31, 2021. Early adoption is permitted. The Organization is currently evaluating this new standard and the impact it will have on its financial statements.

Central California S.P.C.A.

Notes to Financial Statements

NOTE 2 – INVESTMENTS IN MARKETABLE SECURITIES

Investments in marketable securities consisted of the following at June 30, 2022:

Equities and options	\$ 2,714,799
Mutual funds	1,055,109
Corporate bonds	1,223,132
Government and municipal bonds	<u>186,784</u>
Total	<u>\$ 5,179,824</u>

During the year ended June 30, 2022, interest and dividend income was \$132,825 and net realized and unrealized loss on investments was \$576,729.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 3 inputs were available to the Organization. The three levels of the fair value of hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Central California S.P.C.A.
Notes to Financial Statements**

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation techniques used for assets measured at fair value. There have been no changes in the techniques used at June 30, 2022.

Equities and options – Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds – Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Organization are deemed to be actively traded. Mutual funds held by the Organization are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission.

Corporate, government, and municipal bonds – Valued using pricing models maximizing the use of observable inputs for similar securities, which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, those corporate bonds are valued under a discounted cash-flow approach that maximized observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets measured at fair value on a recurring basis as of June 30, 2022:

	Fair Value Measurements			Total
	Level 1	Level 2	Level 3	
Equities and options	\$ 2,714,799	\$ -	\$ -	\$ 2,714,799
Mutual funds	1,055,109	-	-	1,055,109
Corporate bonds	-	1,223,132	-	1,223,132
Government and municipal bonds	-	186,784	-	186,784
	\$ 3,769,908	\$ 1,409,916	\$ -	\$ 5,179,824

Central California S.P.C.A.

Notes to Financial Statements

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following at June 30, 2022:

Land	\$	27,420
Building and improvements		7,533,563
Equipment		393,420
Automobiles and trucks		<u>702,568</u>
		8,656,971
Less: accumulated depreciation		<u>(4,832,993)</u>
Total	\$	<u>3,823,978</u>

The Organization incurred depreciation expense of \$184,708 for the year ended June 30, 2022.

NOTE 5 – OBLIGATIONS UNDER OPERATING LEASES

The Organization has two noncancelable operating leases for office equipment that expire June 2027 and June 2025. Equipment lease expense was \$14,847 for the year ended June 30, 2022.

Future annual minimum lease payments on the leases are as follows:

<u>Year Ending June 30,</u>		
2023	\$	25,917
2024		25,917
2025		25,917
2026		23,500
2027		<u>23,500</u>
	\$	<u>124,751</u>

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30, 2022:

Pet adoption project	\$	112,110
Wellness/medical assistance		52,119
Cat purvillion		4,880
Paws & Claws		7,175
Animal care		120
		176,404
	\$	176,404

NOTE 7 – RETIREMENT PLAN

The Organization has adopted a defined contribution 401(k) plan covering eligible employees. Active employees who are at least 21 years of age and have completed two years of service are eligible to participate. Under the plan, the Organization matches 100% of the employee’s first 5% of salary deferral. The total matching contribution expense for the year ended June 30, 2022, was \$77,650.

NOTE 8 – LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization’s financial assets as of June 30, 2022, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

Financial assets available to meet cash needs for general expenditures within one year are as follows at June 30, 2022:

Financial assets:		
Cash and cash equivalents	\$	7,713,632
Investments		5,179,824
Accounts receivable		46,526
		12,939,982
Financial assets, at June 30, 2022		
Less those unavailable for general expenditure within one year:		
Donor-restricted net assets with restrictions not expected to be met within one year		(116,990)
		(116,990)
Financial assets available to meet cash needs for general expenditures within one year	\$	12,822,992

The Organization has a policy to maintain financial assets to meet 90 to 180 days of operating expenses. As part of the Organization’s liquidity plan, excess cash is invested in short-term investments including money market accounts, equities, and bonds. The Organization has certain donor-restricted net assets that are available for general expenditures within one year because the restriction on the net assets are expected to be met by conducting the normal activities of the programs in the coming year.

Central California S.P.C.A.

Notes to Financial Statements

NOTE 9 – CONTINGENCIES AND UNCERTAINTIES

State and local grants – The Organization’s grants and contracts are subject to inspection and audit by the appropriate governmental agency. The purpose is to determine whether the program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from those governmental audits, cannot be reasonably estimated and, accordingly, the Organization has no provision for the possible disallowance of program costs recorded in the financial statements.

City of Fresno Contract – Effective July 1, 2022, the animal control contract with the City of Fresno was completed and management elected not to renew the contract. Management has implemented several strategic operational decisions to shift focus back to the Organizations primary purpose of prevention of cruelty to animals while maintaining fiscal responsibilities.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before the financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization’s financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after the statement of financial position date and before the financial statements are available to be issued.

The Organization has evaluated subsequent events through January 12, 2023, which is the date the financial statements were available to be issued.

In July 2022, the Organization invested in an additional \$2,000,000 in marketable securities.

