



Cancer Support Community North Texas

Financial Statements

As of and For the Years Ended
December 31, 2020 and 2019

Cancer Support Community North Texas

Financial Statements

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Cancer Support Community North Texas

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Independent Auditor's Report

To the Board of Directors
Cancer Support Community North Texas
Dallas, Texas

Opinion

We have audited the financial statements of Cancer Support Community North Texas (the Organization), which comprise the statements of financial position as of December 31, 2020 and 2019, 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, 2020 and 2019, and the changes and 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 audits.

BDO USA, LLP

October 12, 2021

Financial Statements

Cancer Support Community North Texas

Statements of Financial Position

<i>December 31,</i>	2020	2019
Assets		
Cash and cash equivalents	\$ 555,899	\$ 287,016
Investments	2,243,901	2,032,518
Prepaid expenses	6,033	4,951
Pledged rent receivable	105,245	195,455
Land, building and equipment, net	26,427	35,176
Total assets	\$ 2,937,505	\$ 2,555,116
Liabilities and Net Assets		
Accounts payable	\$ 99	\$ 350
Accrued expenses	18,752	12,948
PPP loan	145,100	-
Total liabilities	163,951	13,298
Commitments and contingencies		
Net assets:		
Without donor restrictions	2,668,309	2,336,363
With donor restrictions	105,245	205,455
Total net assets	2,773,554	2,541,818
Total liabilities and net assets	\$ 2,937,505	\$ 2,555,116

The accompanying notes are an integral part of these financial statements.

Cancer Support Community North Texas

Statements of Activities

For the Years Ended December 31,

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support						
Contributions and grants	\$ 1,091,991	\$ 85,815	\$ 1,177,806	\$ 1,298,068	\$ 205,455	\$ 1,503,523
Revenue						
Special events (net of direct benefit to donor of \$16,701 and \$51,986 for 2020 and 2019, respectively)	161,502	-	161,502	274,476	-	274,476
Net investment income, net	223,287	-	223,287	261,320	-	261,320
Net assets released from restrictions-satisfaction of time requirements	186,025	(186,025)	-	15,035	(15,035)	-
Total public support and revenues	1,662,805	(100,210)	1,562,595	1,848,899	190,420	2,039,319
Expenses						
Program services	1,129,980	-	1,129,980	1,244,430	-	1,244,430
Fundraising	132,308	-	132,308	152,998	-	152,998
Management and general	68,571	-	68,571	93,208	-	93,208
Total expenses	1,330,859	-	1,330,859	1,490,636	-	1,490,636
Change in net assets	331,946	(100,210)	231,736	358,263	190,420	548,683
Net assets at beginning of year	2,336,363	205,455	2,541,818	1,978,100	15,035	1,993,135
Net assets at end of year	\$ 2,668,309	\$ 105,245	\$ 2,773,554	\$ 2,336,363	\$ 205,455	\$ 2,541,818

The accompanying notes are an integral part of these financial statements.

Cancer Support Community North Texas

Statements of Functional Expenses

For the Years Ended December 31,

	2020				2019			
	Program Services	Fundraising	Management and General	Total	Program Services	Fundraising	Management and General	Total
Payroll expenses	\$ 515,682	\$ 100,458	\$ 53,577	\$ 669,717	\$ 581,737	\$ 107,163	\$ 76,545	\$ 765,445
Professional fees and consultations	171,242	10,907	1,227	183,376	155,279	7,351	1,906	164,536
Supplies	13,483	335	201	14,019	37,285	357	214	37,856
Telephone	5,108	202	162	5,472	2,844	113	90	3,047
Postage	1,429	366	83	1,878	6,855	2,658	600	10,113
Meals and entertainment	466	16,818	-	17,284	403	53,598	-	54,001
Printing	9,762	836	-	10,598	29,170	3,662	651	33,483
Transportation	1,261	236	79	1,576	4,070	763	254	5,087
Training and education	2,348	358	119	2,825	9,861	271	90	10,222
Insurance	12,986	515	412	13,913	13,390	531	425	14,346
Office equipment and building maintenance and repair	30,251	980	784	32,015	28,348	1,123	898	30,369
Rent	331,514	10,713	10,713	352,940	317,284	9,922	9,922	337,128
Credit card/bank fees	-	2,253	-	2,253	390	7,014	390	7,794
Advertising and promotion	5,616	1,255	-	6,871	28,525	7,778	-	36,303
Membership fees	17,918	2,060	618	20,596	18,073	2,077	623	20,773
Miscellaneous	251	125	4	380	252	11	8	271
Total expenses before depreciation	1,119,317	148,417	67,979	1,335,713	1,233,766	204,392	92,616	1,530,774
Depreciation expense	10,663	592	592	11,847	10,664	592	592	11,848
Less direct donor benefit netted against special events income	-	(16,701)	-	(16,701)	-	(51,986)	-	(51,986)
Total expenses less direct donor benefit expense	\$ 1,129,980	\$ 132,308	\$ 68,571	\$ 1,330,859	\$ 1,244,430	\$ 152,998	\$ 93,208	\$ 1,490,636

The accompanying notes are an integral part of these financial statements.

Cancer Support Community North Texas

Statements of Cash Flows

<i>For the Years Ended December 31,</i>	2020	2019
Cash Flows from Operating Activities:		
Change in net assets	\$ 231,736	\$ 548,683
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	11,847	11,848
Net realized and unrealized gain on investments	(168,282)	(214,611)
Pledged rent receivable	90,210	(180,420)
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Prepaid expenses	(1,082)	(4,951)
Increase (decrease) in:		
Accounts payable	(251)	(10,826)
Accrued expenses	5,804	426
Net cash provided by operating activities	169,982	150,149
Cash Flows from Investing Activities:		
Proceeds from sale or redemption of investments	374,110	710,643
Purchases of investment securities	(417,211)	(688,394)
Purchases of fixed assets	(3,098)	(3,679)
Net cash (used in) provided by investing activities	(46,199)	18,570
Cash Flows from Financing Activities:		
Proceeds from PPP Loan	145,100	-
Net cash provided by financing activities	145,100	-
Net increase in cash	268,883	168,719
Cash and equivalents at beginning of year	287,016	118,297
Cash and equivalents at end of year	\$ 555,899	\$ 287,016

The accompanying notes are an integral part of these financial statements.

Cancer Support Community North Texas

Notes to Financial Statements

1. Description of The Organization

Cancer Support Community North Texas (the “Organization”) is a non-profit, voluntary, citizen-controlled Organization, incorporated to provide services to persons diagnosed with cancer and family members and friends of those diagnosed with cancer. The Organization is supported by contributions from individuals, companies, and private foundations.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Organization considers all demand and money market accounts to be cash equivalents.

Investments

The Organization records all investments with readily determinable market values at fair value in the statements of financial position. Increases and decreases in fair value are recognized as gains and losses in the period in which they occur. The Organization records investment transactions based on the trade date.

Pledged Rent Receivable

Unconditional promises to give free rent to the Organization are recorded as pledged rent receivable and contributions and grants with donor restrictions during the year the unconditional promise to give is made at the value of similar leased spaces by the Organization. As the leased space is used, the Organization decreases the pledge rent receivable, releases the restriction on net assets, and records rent expense. Conditional promises to give rent are recognized when the conditions on which they depend are substantially met.

Land, Building, and Equipment

Land, building, and equipment is carried at cost, and the related depreciation is provided on the straight-line basis over the assets’ estimated useful lives, generally 40 years for buildings and renovations, seven years for office equipment and furniture, and three years for computer software. Major renewals and betterments are capitalized and depreciated. Repair and maintenance costs are expensed as incurred.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, the Organization reports information regarding its financial position and activities and changes therein as follows:

Net Assets Without Donor Restrictions -

Net assets without donor restrictions are assets available for use in general operations and not subject to donor restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Cancer Support Community North Texas

Notes to Financial Statements

Net Assets With Donor Restrictions -

Net assets with donor restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue

Revenues and other support are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Pledges receivable have an implicit time restriction unless a donor explicitly states that the gift is to support current activities or other circumstances make that clear. Contributions received with time and/or purpose restrictions which are fulfilled in the same period are classified as without donor restriction.

In accordance with Accounting Standards Codification (“ASC”) 606, revenue from Contracts with Customers, management determined ASC 606 does not apply to the Organization with regard to Contributions. Contributions were determined by management to be nonexchange transactions and will continue to be accounted for under ASC 2018-08. Special events revenues do apply to ASC 606 as they are exchange transactions with customers and are recognized in a point in time, when the event is held.

Functional Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the consolidated statement of activities. Expenses directly attributable to a specific program area of the Organization are reported as expenses of those program areas. The financial statements report certain categories of expenses that are attributed to more than one program function. Salary and salary related items are allocated based on time reported. Office rent, telephone charges, and property insurance are allocated based on square footage, usage and activity. All other expenses are directly allocated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Impairment of Long-Lived Assets

The Organization periodically reviews the carrying value of its long-lived assets, including land, building, and equipment, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized to the extent fair value of a long-lived asset is less than the carrying amount. Fair value is determined based upon the estimated future cash inflows attributable to the asset less estimated future cash outflows. No such losses were recognized during the years ended December 31, 2020 and 2019.

Cancer Support Community North Texas

Notes to Financial Statements

Fair Value of Financial Instruments

The Organization's significant financial instruments include cash and other assets, which have carrying values that approximate their fair values due to the short maturities of those assets. Financial instruments of the Organization also include investments, which are all stated at their approximate fair value as further described at Note 5.

Federal Income Taxes

The Organization is a qualified non-profit organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") topic *Accounting for Uncertainty in Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The Organization does not believe there are any unrecognized tax benefits that should be recorded. For the years ended December 31, 2020 and 2019, there were no interest or penalties related to taxes recorded or included in the statement of activities. The Organization is still open to examination by taxing authorities from 2017 forward.

Concentrations

Concentration of credit risk consists primarily of cash. As of December 31, 2020, and 2019, the Organization held cash at a quality financial institution that at times is in excess of federally insured limits.

One donor comprises approximately 76% and 60% of contributions and grants revenue for the years ended December 31, 2020 and 2019, respectively.

Pledged rent receivable are all due from one donor as of December 31, 2020 and 2019.

Reclassifications

Certain amounts in the 2019 financial statements have been reclassified for comparative purposes to conform to the presentation in the 2020 financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Leases (Topic 842)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use (ROU) model that requires, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The ASU is effective for the Organization's fiscal years beginning after December 15, 2022 with early adoption permitted. Management is currently evaluating the impact of this ASU on its financial statements.

Cancer Support Community North Texas

Notes to Financial Statements

PRESENTATION AND DISCLOSURES BY NOT-FOR-PROFIT ENTITIES FOR CONTRIBUTED NONFINANCIAL ASSETS (ASU 2020-07)

ASU 2020-07 was issued to increase transparency on how contributed nonfinancial assets (also referred to as gifts-in-kind) received by nonprofits are to be used and how they are valued. ASU 2020-07 states that contributed nonfinancial assets be presented on a separate item in the statement of activities apart from contributions of cash and other financial assets. ASU 2020-07 also outlines specific disclosures that must be made regarding the contributed nonfinancial assets. ASU 2020-07 is effective for fiscal years beginning after June 15, 2021. Management is currently evaluating the impact of ASU 2020-07 on the financial statements.

3. Pledged Rent Receivable

Pledges at December 31, 2020 represent donated rent to be used as follows:

For the year ended December 31,

2021	\$	90,210
2022		15,035
	\$	105,245

4. Investments

The fair value, cost and unrealized gain/loss on investments as of December 31, 2020 and 2019 is summarized as follows:

	2020	2019
Common stock	\$ 34,610	\$ 33,840
Equities	915,365	760,578
Alternative funds	131,126	114,710
Fixed income funds	1,162,800	1,123,390
Total fair value	2,243,901	2,032,518
Less cost	(1,956,611)	(1,868,079)
Unrealized gain	\$ 287,290	\$ 164,439

A reconciliation of unrealized gain during the year ended December 31 is as follows:

	2020	2019
Cumulative unrealized gain (loss) at beginning of the year	\$ 164,439	\$ (30,667)
Unrealized gain on investments	122,851	195,106
Cumulative unrealized gain at end of year	\$ 287,290	\$ 164,439

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Notes to Financial Statements

Investment income for the year ended December 31 is summarized as follows:

	2020	2019
Unrealized gain on investments	\$ 122,851	\$ 195,106
Realized gain on investments	45,431	19,505
	168,282	214,611
Interest and dividend income	77,126	63,818
Less investment fees	(22,121)	(17,109)
Net investment income, net	\$ 223,287	\$ 261,320

5. Fair Value Measurements

FASB guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under this guidance are described as follows:

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 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.

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Assets measured at fair value on a recurring basis include investments. Investments consist of common stock, mutual funds and fixed income securities. The fair values of these investments are based on quoted market price and are classified in level 1 of the fair value hierarchy.

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Notes to Financial Statements

The preceding methods described may produce a fair value calculation 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 following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020.

	Level 1	Level 2	Level 3	Total
Common stock	\$ 34,610	\$ -	\$ -	\$ 34,610
Equities	915,365	-	-	915,365
Alternative funds	131,126	-	-	131,126
Fixed income funds	1,162,800	-	-	1,162,800
Total assets at fair value	\$ 2,243,901	\$ -	\$ -	\$ 2,243,901

The following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2019.

	Level 1	Level 2	Level 3	Total
Common stock	\$ 33,840	\$ -	\$ -	\$ 33,840
Equities	760,578	-	-	760,578
Alternative funds	114,710	-	-	114,710
Fixed income funds	1,123,390	-	-	1,123,390
Total assets at fair value	\$ 2,032,518	\$ -	\$ -	\$ 2,032,518

6. Land, Building and Equipment

Land, building and equipment consist of the following at December 31:

	2020	2019
Office equipment and furniture	\$ 314,828	\$ 311,730
Building and renovations	39,656	39,656
Computer software	18,920	18,920
	373,404	370,306
Less accumulated depreciation	(346,977)	(335,130)
	\$ 26,427	\$ 35,176

Cancer Support Community North Texas

Notes to Financial Statements

7. Related Party Transactions

The Organization receives contributions from its Board of Directors. These amounts are recorded by the Organization as revenue and are available for unrestricted use unless stipulated by the donor as restricted. During 2020 and 2019, the Organization received \$57,300 and \$29,600, respectively, in donations from members of its Board of Directors, which represents 100% participation of Board of Directors.

8. Donated Materials and Services

A number of volunteers have donated significant time and effort to the Organization. The dollar value of donated volunteer services is not reflected in the financial statements since no objective basis is available to measure the value of such services.

Donated materials and professional services that can be used by the Organization are reflected in the financial statements as contributions at their estimated value at the date of receipt. The Organization recognized \$25,587 and \$23,432 of donated materials and professional services in 2020 and 2019, respectively, and these amounts are included in unrestricted contributions in the accompanying statements of activities.

For the years ended December 31, 2020 and 2019, the Organization received donated rent through two operating lease agreements. One lease provides unconditional free rent from 2015 through 2022. Therefore, it is reflected as a pledged rent receivable at December 31, 2020 and 2019. See Note 3 for the related maturity terms of this agreement. The second lease is a sublease agreement which provides free rent valued at \$4,039 per month through September 2022. This agreement may be terminated by either party with 30 days written notice if certain conditions are not met. The Organization accounts for this lease as a conditional promise to give and records related donated rent on a month to month basis. Total expense recognized for these leases was \$138,682 for the years ended December 31, 2020 and 2019.

9. Net Assets With Donor Restrictions

Net assets with donor restrictions are as follows as of December 31:

	2020	2019
Time restriction rent	\$ 105,245	\$ 205,455
	\$ 105,245	\$ 205,455

10. Advertising Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2020 and 2019 were \$6,871 and \$36,303, respectively.

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Notes to Financial Statements

11. Retirement Plan

The Organization created a defined contribution plan (“the Plan”) covering all employees 18 years of age and with at least six consecutive months of service, excluding union employees and non-resident alien employees. The Organization may match participants’ contributions to the Plan up to a determined percentage of the individual participant’s compensation. In addition, the Organization may contribute, at its discretion, an undetermined percentage of all participants’ eligible compensation as defined by the Plan. The Organization contributed approximately \$13,000 and \$15,000 to the plan for the years ended December 31, 2020 and 2019, respectively.

12. Lease Obligations

The Organization has operating leases office space for its administration office and club house with maturity dates ranging from March 2022 to December 2022. Rental expense, excluding in-kind rent, for the years ended December 31, 2020 and 2019 was approximately \$126,000 and \$114,000, respectively. Future lease obligations are as follows:

For the years ended December 31,

2021	\$	116,490
2022		41,315
Total	\$	157,805

13. Liquidity and Availability of Resources

The Organization’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

December 31,	2020		2020	
Cash and cash equivalents	\$	555,899	\$	287,016
Investments		2,243,901		2,032,518
Total financial assets available within one year for general expenditures	\$	2,799,800	\$	2,319,534

As a part of the Organization’s liquidity management, it has informally decided to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization maintains its cash and cash equivalents in financial institutions as cash.

14. Risks and Uncertainties

On January 30, 2020, the WHO announced a global health emergency due to a new strain of coronavirus originating in Wuhan, China (“COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

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The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

The adverse economic effects of the COVID-19 outbreak have not materially decreased demand for the Organization's services but have the potential to do so based on the restrictions in place by governments trying to curb the outbreak and changes in consumer behavior. The Organization has analyzed the current expense structure of the business to ensure any expenses which are not deemed necessary to maintain current operations are eliminated or reduced to minimize the cash burn.

On March 27, 2020, former President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security (CARES) Act." The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

15. Paycheck Protection Program Loan

In April 2020, the Organization was granted a loan from a bank in the amount of \$145,100, pursuant to the Paycheck Protection Program ("PPP") under CARES.

The loan was in the form of a note dated April 19, 2020 which matures April 19, 2022 and bears an interest rate of 1% per annum. The application for these funds required the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. The note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs to continue group healthcare benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. Under the terms of the PPP, the balance of the loan is subject to forgiveness by the Small Business Administration if they were obtained and used for qualifying expenses as described in the CARES Act. Any unforgiven portion of the PPP loans are payable over two to five years, at the election of the Organization, at an interest rate of 1%.

The Organization is accounting for the PPP loans in accordance with ASC 740, Debt, which promulgates that debt is to be derecognized when extinguished. Extinguishment is considered to occur when either the debtor has paid the lender in full or the debtor has been legally released from the obligation. The Organization has filed its PPP Loan Forgiveness Application, and subsequent to December 31, 2020, the Organization received notice that the PPP was fully forgiven.

The Organization continues to examine the impact that the CARES Act may have going forward but is currently unable to determine the full impact the CARES Act will have on financial condition, results of operations, or liquidity.

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Notes to Financial Statements

16. Subsequent Events

The Organization has applied for and has received, funds under the second round of the PPP after December 31, 2020 in the amount of \$135,978. The application for these funds requires the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. This certification further requires the Organization to take into account its current business activity and its ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The Organization has filed both PPP Loan Forgiveness Applications, and subsequent to December 31, 2020, the Organization received notice that both PPP loans were fully forgiven.

The date to which events occurring after December 31, 2020, the date of the most recent statement of financial position, have been evaluated by management for possible adjustment to the financial statements or disclosure is October 12, 2021, which is the date on which the financial statements were available to be issued.