



Inclusive Development International

INCLUSIVE DEVELOPMENT INTERNATIONAL

Asheville, North Carolina

Financial Statements

Years Ended December 31, 2021 and 2020

INCLUSIVE DEVELOPMENT INTERNATIONAL

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INCLUSIVE DEVELOPMENT INTERNATIONAL

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Inclusive Development International

Opinion

We have audited the accompanying financial statements of Inclusive Development International (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 Inclusive Development International as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Inclusive Development International 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, 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 Inclusive Development International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of 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 auditors' 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 a 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 Inclusive Development International'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Inclusive Development International'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.

CARTER, P.C.

INCLUSIVE DEVELOPMENT INTERNATIONAL

Statements of Financial Position
December 31, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and equivalents:		
Unrestricted	\$ 1,186,219	\$ 1,116,408
Restricted		2,263,276
Promises to give	699,002	478,222
Other current assets	14,462	6,640
Total assets	\$ 1,899,683	\$ 3,864,546
Liabilities and net assets		
Current liabilities:		
Current maturities of note payable	\$	\$ 2,753
Accounts payable	57,099	12,205
Accrued liabilities	63,774	24,408
Agency liability		2,262,545
Total current liabilities	120,873	2,301,911
Note payable, net of current maturities		1,757
Total liabilities	120,873	2,303,668
Net assets:		
Without donor restrictions	727,219	308,997
With donor restrictions	1,051,591	1,251,881
Total net assets	1,778,810	1,560,878
Total liabilities and net assets	\$ 1,899,683	\$ 3,864,546

The accompanying notes are an integral part of these financial statements

INCLUSIVE DEVELOPMENT INTERNATIONAL

Statement of Activities
Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and other revenues			
Foundations and grants	\$ 1,134,800	\$ 466,316	\$ 1,601,116
Less: designations to others		(23,750)	(23,750)
Individual donations	45,007		45,007
Program service fees	52,459		52,459
Other income	7,411		7,411
Net assets released from restrictions	<u>642,856</u>	<u>(642,856)</u>	
Total public support and other revenues	<u>1,882,533</u>	<u>(200,290)</u>	<u>1,682,243</u>
 Expenses			
Program services	1,212,871		1,212,871
Supporting services	<u>251,440</u>		<u>251,440</u>
Total expenses	<u>1,464,311</u>		<u>1,464,311</u>
 Increase (decrease) in net assets	418,222	(200,290)	217,932
 Net assets at beginning of year	<u>308,997</u>	<u>1,251,881</u>	<u>1,560,878</u>
 Net assets at end of year	<u>\$ 727,219</u>	<u>\$ 1,051,591</u>	<u>\$ 1,778,810</u>

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INCLUSIVE DEVELOPMENT INTERNATIONAL

Statement of Activities
Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and other revenues			
Foundations and grants	\$ 787,997	\$ 501,182	\$ 1,289,179
Less: designations to others		(23,750)	(23,750)
Individual donations	22,034		22,034
Program service fees	112,297		112,297
Other Income	17,096		17,096
Net assets released from restrictions	<u>371,086</u>	<u>(371,086)</u>	
Total public support and other revenues	<u>1,310,510</u>	<u>106,346</u>	<u>1,416,856</u>
 Expenses			
Program services	1,014,805		1,014,805
Supporting services	<u>202,083</u>		<u>202,083</u>
Total expenses	<u>1,216,888</u>		<u>1,216,888</u>
 Increase in net assets	93,622	106,346	199,968
 Net assets at beginning of year	<u>215,375</u>	<u>1,145,535</u>	<u>1,360,910</u>
 Net assets at end of year	<u>\$ 308,997</u>	<u>\$ 1,251,881</u>	<u>\$ 1,560,878</u>

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INCLUSIVE DEVELOPMENT INTERNATIONAL

Statement of Functional Expenses Year Ended December 31, 2021

	Supporting Services				Total
	Program Services	Management & General	Fundraising	Total Supporting Services	
Salaries and wages	\$ 643,312	\$ 32,542	\$ 52,807	\$ 85,349	\$ 728,661
Payroll taxes	41,018	2,154	3,431	5,585	46,603
Benefits	47,927	1,927	3,164	5,091	53,018
Workers compensation	1,421				1,421
Payroll service fees	1,904	88	144	232	2,136
Professional development	1,579	195		195	1,774
Retirement benefits	25,027	1,619	2,015	3,634	28,661
Total salaries and related expenses	762,188	38,525	61,561	100,086	862,274
Travel	13,959				13,959
Meetings, conferences, and training	2,533				2,533
Program contractors	343,662				343,662
Translation and interpretation	18,594				18,594
Database licensing	28,211				28,211
Printing and publication	3,981		4,356	4,356	8,337
Litigation	3,207				3,207
Partner grants	14,825				14,825
Accounting	7,500	29,307		29,307	36,807
Video advocacy	3,915				3,915
Legal and other professional fees	3,300	3,627		3,627	6,927
Rent	3,220	34,847		34,847	38,067
Telecommunications	581	3,912		3,912	4,493
IT services	300	11,336		11,336	11,636
Office supplies	474	2,698		2,698	3,172
Printing and copying		315		315	315
Postage and shipping	474	175		175	649
Computer hardware	1,425	3,954		3,954	5,379
Furniture and equipment		150		150	150
Staff travel		5,025		5,025	5,025
Meals		2,253		2,253	2,253
Meetings		10,596		10,596	10,596
Advertising		2,245		2,245	2,245
Insurance		2,778		2,778	2,778
Fundraising & communications	522		24,858	24,858	25,380
Official Fees		210		210	210
Interest and bank charges		2,239		2,239	2,239
Board expenses		2,463		2,463	2,463
Miscellaneous expenses		4,010		4,010	4,010
Total expenses	\$ 1,212,871	\$ 160,665	\$ 90,775	\$ 251,440	\$ 1,464,311

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INCLUSIVE DEVELOPMENT INTERNATIONAL

Statement of Functional Expenses Year Ended December 31, 2020

	Supporting Services				Total
	Program Services	Management & General	Fundraising	Total Supporting Services	
Salaries and wages	\$ 475,536	\$ 27,363	\$ 45,443	\$ 72,806	\$ 548,342
Payroll taxes	31,182	1,940	3,019	4,959	36,141
Benefits	46,973	4,459	3,547	8,006	54,979
Workers compensation	1,252				1,252
Payroll service fees	415	1,331		1,331	1,746
Professional development	7,050				7,050
Retirement benefits	16,593	1,094	1,276	2,370	18,963
Total salaries and related expenses	579,001	36,187	53,285	89,472	668,473
Travel	20,883				20,883
Meetings, conferences, and training	17,725				17,725
Program contractors	286,189				286,189
Translation and interpretation	17,166				17,166
Database licensing	28,589				28,589
Printing and publication	6,514				6,514
Litigation	10,000				10,000
Partner grants	23,630				23,630
Accounting	10,673	26,616		26,616	37,289
Video advocacy	1,930				1,930
Legal and other professional fees		2,020		2,020	2,020
Rent	2,184	28,217		28,217	30,401
Telecommunications	1,116	6,881		6,881	7,997
IT services	322	7,210		7,210	7,532
Office supplies		1,575		1,575	1,575
Printing and copying		1,598		1,598	1,598
Postage and shipping	498	688		688	1,186
Computer hardware	836	2,115		2,115	2,951
Dues and memberships		1,293		1,293	1,293
Staff travel	200	1,231	210	1,441	1,641
Meals		523		523	523
Meetings		304		304	304
Advertising		576		576	576
Marketing	7,349	1,837		1,837	9,186
Insurance		1,506		1,506	1,506
Fundraising & communications			13,610	13,610	13,610
Official Fees		266		266	266
Interest and bank charges		1,300		1,300	1,300
Miscellaneous expenses		13,035		13,035	13,035
Total expenses	\$ 1,014,805	\$ 134,978	\$ 67,105	\$ 202,083	\$ 1,216,888

The accompanying notes are an integral part of these financial statements

INCLUSIVE DEVELOPMENT INTERNATIONAL

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

	2021	2020
Cash flows from operating activities		
Increase in net assets	\$ 217,932	\$ 199,968
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:		
Present value adjustment		(4,505)
Forgiveness of Paycheck Protection Program loan	(104,147)	(79,768)
Changes in working capital - sources (uses):		
Accounts receivable		15,375
Promises to give	(220,780)	178,974
Other current assets	(7,822)	22,250
Accounts payable	44,894	(11,414)
Accrued liabilities	39,366	17,160
Agency liability	<u>(2,262,545)</u>	<u>2,262,545</u>
Net cash provided (used) by operating activities	<u>(2,293,102)</u>	<u>2,600,585</u>
 Cash flows from financing activities		
Proceeds from long-term debt	104,147	84,278
Payments on long-term debt	<u>(4,510)</u>	<u> </u>
Net cash provided by financing activities	<u>99,637</u>	<u>84,278</u>
 Net increase (decrease) in cash and equivalents	(2,193,465)	2,684,863
 Cash and equivalents and restricted cash at beginning of year	<u>3,379,684</u>	<u>694,821</u>
 Cash and equivalents and restricted cash at end of year	<u>\$ 1,186,219</u>	<u>\$ 3,379,684</u>

The accompanying notes are an integral part of these financial statements

INCLUSIVE DEVELOPMENT INTERNATIONAL

Notes to Financial Statements
December 31, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies

Organization

Inclusive Development International (the Organization) is a nonprofit organization whose purpose is to advance social, economic, and environmental justice by supporting communities around the world to defend their human rights and the environment in the face of harmful investment activities, and by improving the social and environmental policies and practices of international development agencies, financial institutions, and businesses. The Organization's support comes primarily from individual contributions and foundation grants.

Income Tax Status

The Organization is incorporated as a nonprofit corporation under the laws of the State of North Carolina. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities, and is not a private foundation. The Organization is also exempt from State income tax under NC G.S. 105-130.11(a).

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

- *Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary purpose of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.
- *Net assets with donor restrictions:* Net assets subject to donor-imposed time or purpose restrictions. These restrictions limit the spending options when using these resources because the Organization has a fiduciary responsibility to follow the donors' instructions. Net assets with donor restrictions generally result from donor-restricted contributions or grants received for a specific purpose. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization, or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Support is recorded as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (that is, the donor-stipulated purpose has been fulfilled and/or time period has elapsed) are reported as net assets released from restrictions.

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services. Non-operating activities are limited to other activities considered to be a more unusual or nonrecurring nature.

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The carrying value of substantially all reported assets and liabilities, other than promises to give and note payable, approximate fair value due to the relatively short-term nature of the financial instruments.

Amounts recognized for promises to give approximates fair value due to the present value adjustments applied to outstanding balances.

Outstanding amounts for note payable approximate fair value due to market interest rates charged at the time of borrowing.

Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Restricted cash consist of settlement funds held for beneficiaries; these funds will be distributed once a distribution plan is finalized and pandemic restrictions are eased.

Note 1 - Summary of Significant Accounting Policies (continued)

Accounts Receivable

Accounts receivable represent amounts due for program fees at year-end. Accounts receivable are recorded at net realizable value. Management considers all accounts receivable to be fully collectible, and accordingly has not recorded an allowance for doubtful accounts.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are expected to be received. Amortization of the discount is included in foundations and grants. Management considers all promises to give to be fully collectible, and accordingly has not recorded an allowance for doubtful accounts.

Other Current Assets

Other current assets consist primarily of prepaid expenses.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization received contributed tech systems guidance, web design, board assessment, and human resources services in the amount of \$0 and \$16,284, during the years ended December 31, 2021 and 2020, respectively.

Revenue Recognition

Revenue is recognized when earned.

Contributions are recognized when cash, securities, other assets, or an unconditional promise to give is received. Conditional contributions - that is, those with a measurable performance or other barrier and a right of return of the asset or release of the obligation - are not recognized until the conditions on which they depend have been met.

Note 1 - Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

The Organization recognizes revenue from program service fees in accordance with the terms of the contracts. Program service fees are generated from contracts for performing consulting services. Performance obligations are generally to complete specific tasks on various projects. Customers typically pay a majority of the total expected fee at the time the contract is agreed upon. These amounts are for individual contracts that are completed in a short period of time and rarely extend past year-end. Remaining amounts are paid as the Organization completes further work on the project. Amounts received remaining unspent at year-end are recorded as deferred revenue.

Designations to Others

Certain contributions made to the Organization are designated by the donor to be paid out to other organizations. These contributions are recognized as both grants and designations to others on the accompanying statements of activities. The balance of unpaid designations to other organizations remains a liability until the funds are collected and paid out.

Advertising

The Organization uses advertising to support its programs. Advertising costs are not expected to extend beyond the current period and are expensed as incurred. Advertising expense for the years ended December 31, 2021 and 2020, was \$2,245 and \$576, respectively.

Functional Allocation of Expenses

The cost of providing program and supporting services activities of the Organization have been summarized on a functional basis in the statements of activities and functional expenses. Certain categories of expenses are attributable to programs and support. Travel, meetings, conferences, and training, program contractors, translation and interpretation, database licensing, printing and publication, partner grants, and video advertising are directly related to program services. All other expenses are based on estimates of time and effort. The Organization receives grants that have a fundraising requirement which result in allocating joint expenses between fundraising and program costs. These expenses include IT services, staff travel, and meetings.

Reclassification

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*. Under the new standard, lessees will recognize a right-of-use asset and lease liability for virtually all leases (other than leases that meet the definition of a short-term lease). The lease liability will be equal to the present value of lease payments. For statement of activity purposes, leases continue to be classified as either operating or finance. Operating leases will result in straight-line expense, while finance leases will result in accelerated expense recognition, comparable to current capital leases. Classification will be based on criteria similar to those applied to current lease accounting. Additional disclosures will be required to provide details of revenue and expense recognized and expected to be recognized from existing agreements. The new standard will be effective beginning January 1, 2022. The Organization is currently evaluating the effect this ASU will have on its financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 puts in place additional requirements regarding the presentation and disclosure of contributed nonfinancial assets for nonprofit entities for the purpose of enhancing transparency of such contributions received. The new standard will be effective beginning January 1, 2022.

Note 2 - Net Assets

Net assets are described as follows:

<u>At December 31</u>	<u>2021</u>	<u>2020</u>
Net assets without donor restrictions:		
Undesignated	<u>\$ 727,219</u>	<u>\$ 308,997</u>
Subject to expenditure for a time period or specified purpose:		
Planet Wheeler	150,538	190,350
Wellspring		194,270
Open Society	14,345	130,000
Radiata Foundation		19,294
Mott Foundation	189,591	26,300
Rockefeller Brothers Fund	147,699	39,479
11 th Hour/Schmidt Foundation	501,527	439,130
Global Human Rights		24,139
True Cost Initiative	40,000	
Sigrid Rausing	<u>7,891</u>	<u>188,919</u>
Net assets with donor restrictions	<u>1,051,591</u>	<u>1,251,881</u>
<u>Total net assets with donor restrictions</u>	<u>\$ 1,778,810</u>	<u>\$ 1,560,878</u>

Note 3 - Liquidity and Availability of Financial Assets

The following reflects the liquidity and availability of the Organization's financial assets:

<u>At December 31</u>	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash and equivalents	\$ 1,186,219	\$ 1,116,408
Promises to give	<u>699,002</u>	<u>478,222</u>
Total financial assets	1,885,221	1,594,630
Amounts not available for general expenditure:		
Net assets with donor restrictions	<u>(1,051,591)</u>	<u>(1,251,881)</u>
Net financial assets available to meet cash needs for general expenditures within one year	<u>\$ 833,630</u>	<u>\$ 342,749</u>

The Organization receives significant contributions restricted by donors, and considers those program contributions, which are ongoing, major, and central to its operations, to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following two guiding principles: operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. The Organization targets year-end reserve balances of net assets without donor restrictions to meet 30 days of expected expenditures.

Note 4 - Contract Assets

Accounts receivable and promises to give represents the Organization's contract assets with an unconditional right to receive consideration from customers.

The following provides information about contract assets:

<u>At December 31</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ _____	\$ _____	\$ 15,375
Promises to give:			
Due in less than one year	699,002	478,222	495,170
Due in one to five years	<u> </u>	<u> </u>	<u>162,026</u>
Total unconditional promises to give	699,002	478,222	657,196
Less, discount to net present value at 2.86%	<u> </u>	<u> </u>	<u>(4,505)</u>
Promises to give, net	<u>699,002</u>	<u>478,222</u>	<u>652,691</u>
<u>Total contract assets</u>	<u>\$ 699,002</u>	<u>\$ 478,222</u>	<u>\$ 668,066</u>

Note 5 - Accrued Liabilities

Accrued liabilities are described as follows:

<u>At December 31</u>	<u>2021</u>	<u>2020</u>
Accrued payroll and benefits	\$ 23,402	\$ 22,254
Accrued vacation	38,658	
Accrued payroll taxes	1,714	1,598
Other		556
	<hr/>	<hr/>
<u>Accrued liabilities</u>	<u>\$ 63,774</u>	<u>\$ 24,408</u>

Note 6 - Commitments and Contingencies

Operating Leases

The Organization leases office space under operating lease agreements expiring through 2024. Rent expense for the years ended December 31, 2021 and 2020 was \$38,067 and \$30,401, respectively.

Future minimum lease payments under all non-cancellable operating leases are as follows:

<u>Years Ending December 31</u>	<u>Lease Payments</u>
2022	\$ 39,382
2023	40,563
2024	20,581
2025	
2026	
	<hr/>
<u>Future minimum payments</u>	<u>\$ 100,526</u>

Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization carries commercial and professional liability insurance coverage for risks of loss. Claims have not exceeded coverage in any period since inception.

Settlement Funds

In February 2020, the Organization reached a settlement agreement on behalf of communities it represented in Cambodia, which included a payment of \$2,262,545. Half of the payment was received in March 2020 and the balance in September 2020. The Organization held the funds in a restricted cash savings account and recorded an agency liability until a distribution plan was finalized. During the year ended December 31, 2021, all funds were disbursed in accordance with the agreement.

Note 7 - Income Taxes

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 it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions material to the financial statements.

Open Tax Years

The Organization's Return of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2020, 2019, and 2018 are open and subject to examination by the IRS, generally for three years after being filed.

Note 8 - Concentrations of Credit Risk

Uninsured Cash Balances

The Organization maintains its cash and equivalents at financial institutions that are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021, the uninsured balance was \$916,218.

Concentration of Revenues and Receivables

During the years ended December 31, 2021 and 2020, the Organization received support totaling approximately \$1,200,000 and \$985,000, which represents 55% and 69%, respectively, from sources which represent a concentration. At December 31, 2021 and 2020, these sources represent 98% and 86%, respectively of outstanding promises to give totaling approximately \$683,000 and \$410,000.

Note 9 - Coronavirus Pandemic Impact

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. COVID-19 has caused unprecedented business and economic disruption through mandated closings of certain businesses and industries.

COVID-19 had a significant impact on the Organization's operations during the years ended December 31, 2021 and 2020. Due to government mandated travel restrictions and closings, employees were not allowed to travel which is a significant part of reaching the communities the Organization represents throughout Asia and Africa. Individual contractors were hired for work done outside the U.S. As a result of the pandemic, the Organization increased the focus on fundraising efforts to increase grants and contributions and applied for government grants to minimize the impacts of these lost revenues. The most significant revenues are as follows:

Note 9 - Coronavirus Pandemic Impact (continued)

- During the year ended December 31, 2020, the Organization received approximately \$84,000 in funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act Paycheck Protection Program (PPP) through the U.S. Small Business Administration (SBA). PPP funds, except \$4,500, were used for allowable expenses, predominately salaries and related costs, and the SBA approved loan forgiveness for the majority of the loan balance. PPP forgiveness is included in grants in the accompanying statement of activities. The balance of the loan was repaid during the year ended December 31, 2021.
- During the year ended December 31, 2021, the Organization received a second PPP loan in the amount of \$104,147. These funds were used for allowable expenses and full forgiveness was recorded.

The extent of the impact of COVID-19 will depend on certain developments, including the duration and spread of the outbreak. At this point, it is unclear the extent COVID-19 will have on the Organization's financial condition or results of operations.

Note 10 - Subsequent Events

Management has evaluated subsequent events through April 20, 2022, which is the date the financial statements were available to be issued.