

THE PACK SHACK
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020



THE PACK SHACK
DECEMBER 31, 2021 AND 2020

Contents

	<u>Page</u>
Independent Auditors' Report	1-2
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses.....	5
Statements of Cash Flows.....	6
Notes to Financial Statements.....	7-15



Independent Auditors' Report

To the Board of Directors
The Pack Shack
Cave Springs, Arkansas

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Pack Shack as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 The Pack Shack 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 The Pack Shack'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 the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

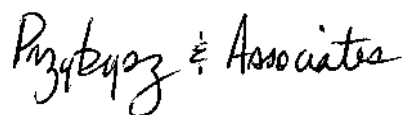
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Pack Shack'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 Pack Shack'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.

Report on Prior Year Financial Statements

We have previously audited The Pack Shack's 2020 financial statements and we expressed an unmodified audit opinion on those financial statements in our report dated November 1, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
September 12, 2022

FINANCIAL STATEMENTS

THE PACK SHACK

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31,	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	\$ 85,866	\$ 99,250
Accounts receivable	38,960	3,249
Inventories	35,101	5,202
Deposits	2,658	2,658
Total Current Assets	162,585	110,359
Property and Equipment		
Equipment and computers	18,015	15,253
Software	25,000	25,000
Accumulated depreciation	(40,889)	(39,323)
Net Property and Equipment	2,126	930
Total Assets	\$ 164,711	\$ 111,289
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 108,565	\$ 43,261
Deferred revenue	8,000	45,500
Paycheck Protection Program Loan	-	164,400
Current portion of Economic Injury Disaster Loan	12,048	4,228
Total Current Liabilities	128,613	257,389
Long-Term Liabilities		
Economic Injury Disaster Loan	218,310	230,772
Total Long-Term Liabilities	218,310	230,772
Total Liabilities	346,923	488,161
Net Assets		
Without Donor Restrictions (deficit)	(185,212)	(376,872)
With Donor Restrictions	3,000	-
Total Net Assets (Deficit)	(182,212)	(376,872)
Total Liabilities and Net Assets	\$ 164,711	\$ 111,289

See accompanying notes to financial statements.

THE PACK SHACK

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021, WITH COMPARATIVE TOTALS FOR 2020

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Revenues and Other Support				
Feed the Funnel	\$ 593,062	-	593,062	\$ 335,271
Donations	106,357	6,000	112,357	79,610
Grants	75,000	-	75,000	115,218
Be Neighborly donations	27,014	-	27,014	25,163
Merchandise income	-	-	-	45
Sale of other assets	-	-	-	29,528
Gain on disposal of equipment	-	-	-	28,907
Loan forgiven	273,025	-	273,025	-
Other income	89,271	-	89,271	20,517
Net assets released from restriction	3,000	(3,000)	-	-
Total Revenues and Other Support	1,166,729	3,000	1,169,729	634,259
Expenses				
Program services	860,240	-	860,240	863,203
Management and general	90,617	-	90,617	181,647
Fundraising	24,212	-	24,212	115,176
Total Expenses	975,069	-	975,069	1,160,026
Change in Net Assets	191,660	3,000	194,660	(525,767)
Net Assets, beginning of period (deficit)	(376,872)	-	(376,872)	148,895
Net Assets, end of period (deficit)	\$ (185,212)	3,000	(182,212)	\$ (376,872)

See accompanying notes to financial statements.

THE PACK SHACK

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021, WITH COMPARATIVE TOTALS FOR 2020

	Program Service	Management & General	Fund Raising	2021 Total	2020 Total
Payroll and benefits	\$ 151,383	\$ 18,013	\$ 18,013	\$ 187,409	\$ 587,612
Taxes and insurance	11,544	6,837	1,360	19,741	46,220
Contract labor	464,775	-	-	464,775	200
Professional fees	-	9,941	-	9,941	36,810
Repairs and maintenance	750	-	-	750	12,954
Depreciation	-	1,566	-	1,566	12,861
Marketing	-	-	2,794	2,794	13,382
Be Neighborly food	26,699	-	-	26,699	38,344
Supplies	26,303	-	-	26,303	31,571
Equipment	1,240	-	-	1,240	491
Insurance	3,317	3,697	-	7,014	-
Ingredients	120,576	-	-	120,576	155,498
Miscellaneous expenses	2,466	20,608	-	23,074	16,474
Office expenses	-	2,251	-	2,251	4,227
Software	-	2,490	-	2,490	6,787
Bank charges	-	4,915	-	4,915	752
Interest expense	-	4,808	-	4,808	4,671
Dues	-	1,039	-	1,039	589
Rent	36,750	-	-	36,750	105,681
Shipping	9,533	-	-	9,533	21,500
Telephone	-	620	-	620	4,581
Travel	2,826	1,687	2,045	6,558	17,617
Utilities	-	12,145	-	12,145	11,512
Transportation	2,078	-	-	2,078	29,692
Total Expenses	\$ 860,240	\$ 90,617	\$ 24,212	\$ 975,069	\$ 1,160,026

See accompanying notes to financial statements.

THE PACK SHACK

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31,	2021	2020
Cash Flows From Operating Activities		
Change in net assets	\$ 194,660	\$ (525,767)
Items not effecting cash		
Depreciation	1,566	12,861
Gain/(loss) on disposed assets	-	(28,907)
Loan forgiven	(273,025)	-
(Increase)/decrease in:		
Accounts receivable	(35,711)	20,932
Inventories	(29,899)	79,485
Prepaid expenses	-	500
Deposits	-	4,950
Increase/(decrease) in:		
Accounts payable	65,304	12,288
Deferred revenue	(37,500)	6,524
Net Cash Used By Operating Activities	(114,605)	(417,134)
Cash Flows From Investing Activities		
Purchase of property and equipment	(2,762)	(1,395)
Proceeds from sale of property and equipment	-	62,050
Net Cash Provided (Used) By Investing Activities	(2,762)	60,655
Cash Flows From Financing Activities		
Proceeds from EIDL loan	-	235,000
Proceeds from Paycheck Protection Program loan	108,625	164,400
Principal paid on long-term debt	(4,642)	(35,080)
Principal paid on capital lease obligations	-	(5,728)
Net Cash Provided By Financing Activities	103,983	358,592
Net Increase (Decrease) In Cash, Cash Equivalents	(13,384)	2,113
Cash, Cash Equivalents - beginning of year	99,250	97,137
Cash, Cash Equivalents - end of year	\$ 85,866	\$ 99,250
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	\$ 4,808	\$ 4,671

See accompanying notes to financial statements.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

Nature of Operations

The Pack Shack (the Organization) is a not-for-profit organization headquartered in Cave Springs, Arkansas. The mission of the Organization is to increase awareness about hunger issues affecting communities, provide food to nonprofits, and encourage people to get involved with local nonprofits serving their neighbors.

The Organization hosts Feed the Funnel Parties where large groups of individuals come together to pack meals. The Organization provides the ingredients, supplies and equipment for each event. Groups are charged a standard rate per meal for each meal that is packed plus a small flat administrative fee. Historically, the majority of Feed the Funnel parties have been hosted offsite.

In 2020, the Organization expanded its onsite Feed the Funnel parties to accommodate an increasing number of smaller groups. These small group Feed the Funnel parties are funded by donations from companies, individuals and organizations.

Be Neighborly is a program where the Organization packs boxes filled with an assortment of shelf stable food provisions. The provision boxes contain food purchased by the Organization rather than the food packed at its parties. This program is funded by grants and donations from other companies.

The meals and provision boxes packed are subsequently donated free of charge to local organizations, such as food banks and food pantries, to distribute to people and/or other organizations in their area.

1. Summary of Significant Accounting Policies

a. Comparative and Summarized Financial Information

The financial statements include certain prior year summarized comparative totals. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized totals were derived. In addition, certain 2020 amounts have been reclassified in order to conform with the 2021 financial statement presentation, Net assets and changes in net assets are unchanged due to these reclassifications.

b. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. Generally Accepted Accounting Principles (GAAP) whereby revenues are recognized as earned and expenses are recognized as obligations are incurred.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

c. Financial Statement Presentation

Net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net assets with donor restrictions - these net assets result from contributions or grant awards of cash or other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires either with the passage of time or by action of the Organization.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed stipulations. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purposes has been fulfilled and/or the passage of time has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

d. Fair Value of Financial Instruments

The Organization's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The Organization's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying statement of financial position. The carrying amount of these financial instruments approximate fair value because of the short maturity of these instruments.

e. Cash Flows

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

f. Accounts Receivable

Accounts receivable consist of amounts owed for program fees and donations and are stated at the amount the Organization expects to collect. Amounts are generally due within 30 days of invoice date. Interest is not charged on past due accounts. If the balance is still unpaid after reasonable collection efforts, the account is written off. Management believes that all accounts are collectible, therefore, no allowance for doubtful accounts is necessary at December 31, 2021 and 2020.

g. Inventory

Inventories consist of ingredients, supplies and merchandise. Inventories are stated at lower of cost or net realizable value. Costs are determined on a first-in, first out basis.

h. Prepaid Expenses

Payments made to vendors for services that will benefit future periods are recorded as prepaid expenses using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expense in the year which services are consumed.

i. Fixed Assets and Depreciation

Fixed assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance, repairs and renewals or relatively minor items are charged to expense as incurred. The estimated useful lives of the assets are as follows:

	<u>Years</u>
Equipment and computers	1-5 years
Software	5 years

It is the Organization's policy to capitalize all asset purchases with a cost equal to or greater than \$500. Expenditures of less than \$500 are expensed at the time of purchase.

The Organization's depreciation expense for the years ended December 31, 2021 and 2020 was \$1,566 and \$12,861, respectively.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

j. Deferred revenue

Payments received from other organizations for future Feed the Funnel parties are deferred and recognized as revenue in the period when the party occurs.

k. Revenue Recognition

Program revenue is recognized when services are provided; generally this occurs when the parties are held. Revenue is measured as the amount of consideration the Organization is expect to receive in exchange for providing services.

Conditional contributions and grants are those that contain a barrier that must be overcome before the Organization is entitled to the assets transferred and a right of return of assets transferred or a right of release of the donors obligation to transfer assets exists. Conditional contribution and grant revenue is recognized when all barriers have been overcome. All other contributions and grants are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

l. Expense Allocation

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Directly identifiable expenses are charged to programs and supporting activities. Expenses related to more than one function are allocated to programs and supporting services. Expenses were allocated based on time and usage estimates.

m. Advertising

The Organization expenses advertising costs as they are incurred.

n. Shipping and Handling Cost

Shipping and handling costs paid for the purchase of ingredients was \$9,533 and \$21,500 for the years ended December 31, 2021 and 2020, respectively.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

o. Estimates

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

2. Federal Income Tax

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar section of Arkansas statutes. Accordingly, no provision or liability for federal or state income taxes has been included in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Additionally, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A).

Generally accepted accounting principles require tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the more-likely-than-not threshold, the largest amount of tax benefit that is greater than 50% likely to be recognized upon ultimate settlement with the taxing authority is recorded. The Organization's primary tax positions relate to its status as a not-for-profit entity exempt from income taxes and classification of activities related to its exempt purpose.

The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service. It believes that its filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations, or cash flows.

3. Bank Deposits

The Organization maintains its operating bank accounts in one local financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures accounts at each institution up to \$250,000. The Organization's cash balances may, at times, exceed these insured limits. As of December 31, 2021 and 2020, all of the Organization's deposits were insured. The Organization does not believe that there is any significant risk associated with the concentrations of credit nor has the Organization experienced any losses in such accounts.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

4. Inventories

Inventory held by the Organization consists of the following:

As of December 31,	2021	2020
Ingredients	\$ 23,675	\$ 2,619
Supplies	11,426	1,639
Merchandise	-	944
Total	\$ 35,101	\$ 5,202

5. Property and Equipment

Activity of property, plant and equipment consists of the following:

As Of	January 1, 2021	Additions	Retirements	December 31, 2021
Equipment and computers	\$ 15,253	\$ 2,762	\$ -	\$ 18,015
Software	25,000	-	-	25,000
Total	\$ 40,253	\$ 2,762	\$ -	\$ 43,015

As Of	January 1, 2020	Additions	Retirements	December 31, 2020
Equipment and computers	\$ 42,328	\$ 1,395	\$ 28,470	\$ 15,253
Software	25,000	-	-	25,000
Vehicles	101,946	-	101,946	-
Total	\$ 169,274	\$ 1,395	\$ 130,416	\$ 40,253

The Organization sold a majority of its assets during 2020 (see Note 13 for additional information). The Organization received proceeds of \$62,050 from the sales and after paying any debt associated with the assets, recognized a gain on the sales totaling \$28,907.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

6. Paycheck Protection Program Loan / Economic Injury Disaster Loan and Advance

On April 16, 2020, the Center received a loan of \$164,400 from the Paycheck Protection Program (PPP) and a \$235,000 and \$9,000 Economic Injury Disaster Loan (EIDL) loan and advance, respectively, under provisions of the CARES Act, which was enacted March 27, 2020.

The PPP loan and accrued interest is forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. On January 15, 2021, the Organization was granted 100% loan forgiveness by the Small Business Administration.

EIDL funds can be used for working capital and normal operating expenses. The EIDL advance does not require repayment. The \$235,000 EIDL loan will be repaid in monthly installments of \$1,004 including interest at 2.75% commencing April 22, 2021. The loan is secured by substantially all of the Organization's assets and matures in thirty years.

The EIDL loan is scheduled to mature as follows:

December 31,	Principal	Interest	Total
2022	\$ 5,774	\$ 6,274	\$ 12,048
2023	5,935	6,113	12,048
2024	6,100	5,948	12,048
2025	6,270	5,778	12,048
2026	6,445	5,603	12,048
Thereafter	199,834	67,647	267,481
Total	\$ 230,358	\$ 97,363	\$ 327,721

On January 26, 2021, the Center received a loan of \$108,625 from the second Paycheck Protection Program (PPP). The PPP loan and accrued interest is forgivable the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. On November 8, 2021, the Organization was granted 100% loan forgiveness.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

7. Changes in Long-Term Liabilities

Activity of the long-term liabilities consists of the following:

As Of	January 1, 2021	Additions	Retirements	December 31, 2021
PPP Loan	\$ 164,400	\$ -	\$ 164,400	\$ -
PPP Loan #2	-	108,625	108,625	-
Economic Injury Disaster Loan	235,000	-	4,642	230,358
Total	\$ 399,400	\$ 108,625	\$ 277,667	\$ 230,358

As Of	January 1, 2020	Additions	Retirements	December 31, 2020
PPP Loan	-	164,400	-	164,400
Economic Injury Disaster Loan	-	235,000	-	235,000
Capital lease obligation	\$ 5,728	\$ -	\$ 5,728	\$ -
Notes payable	35,080	-	35,080	-
Total	\$ 40,808	\$ 399,400	\$ 40,808	\$ 399,400

8. Operating Leases

The Organization leased office and warehouse space plus a truck under separate operating leases. All of the leases were terminated in 2020, with the exception of the Cave Springs location which was re-negotiated. See Note 11 for more information.

The Cave Springs facility lease called for monthly rent of \$6,060 per month with rent increases of 1% annually. The lease was re-negotiated in December at a rate of \$3,063 per month with rent increases of 1% annually. The lease is non-cancellable and terminates on November 30, 2023. Total rent expense for Cave Springs was \$36,750 and \$69,723 for the years ended December 31, 2021 and 2020, respectively.

Minimum future payments under this lease are as follows:

For the Years Ended December 31,	
2022	\$ 37,148
2023	34,365
Total	\$ 71,513

The Organization had an operating lease for a truck used for transportation of ingredients and supplies for its Feed the Funnel parties. This lease was early terminated in April 2020 without penalty. Total rent expense under this lease was \$12,145 and \$11,894 for the years ended December 31, 2021 and 2020, respectively.

THE PACK SHACK

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

9. Retirement Plan

The Organization has adopted a Simple IRA plan which covers all employees reasonably expected to earn more than \$5,000 in a year. Employees can make a pre-tax salary contribution to the plan with an up to 3% Organization matching provision. Employer contributions to the plan were \$5,480 and \$30,528 for the years ended December 31, 2021 and 2020, respectively.

10. Liquidity and Funds Available

The Organization manages liquidity and reserves by operating within a prudent range of financial responsibility, and maintaining adequate liquidity to fund near-term operations by designating reserves sufficient to fund three months of operations to ensure that all long-term obligations will be met. The following reflects the Organization's financial assets, reduced by amounts not available for general use with one year because of contractual or donor-imposed restrictions or internal designations.

As of December 31,	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 85,866	\$ 99,250
Accounts receivable	38,960	3,249
Total financial assets	124,826	102,499
Contractual or donor imposed restrictions	(3,000)	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 121,826	\$ 102,499

11. Subsequent Events

The Organization has evaluated events and transactions for subsequent events that would impact the statements for the year ended December 31, 2021 through September 12, 2022, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.