

CHOSEN VISION, INC.
(A Michigan Non-Profit Organization)

GRAND LEDGE, MICHIGAN

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

CONTENTS

	<u>Page Number</u>
INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS:	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	4
STATEMENTS OF CASH FLOWS	5
STATEMENTS OF FUNCTIONAL EXPENSE	6
NOTES TO FINANCIAL STATEMENTS	7 – 15



LALLY GROUP, PC

Certified Public Accountants

"Trusted Service for a Confident Tomorrow"

Jackson Office

110 1st Street
JACKSON, MICHIGAN 49201
(517) 787-0064

Website: www.lallycpa.com
E-Mail: info@lallycpa.com

Lansing Office

7335 Westshire Dr. Suite 103
LANSING, MICHIGAN 48917
(517) 627-4008 - (517) 321-4333

INDEPENDENT AUDITORS' REPORT

Board of Directors
Chosen Vision, Inc.
Grand Ledge, MI 48837

We have audited the accompanying financial statements of Chosen Vision, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of Chosen Vision, Inc. as of December 31, 2020 and 2019, and the changes in its net assets, cash flows, and functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Respectfully,

Lally Group, PC

Jackson, Michigan

July 8, 2021

CHOSEN VISION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

ASSETS

	<u>2020</u>	<u>2019</u>
CURRENT ASSETS:		
Cash	\$ 670,272	\$ 509,372
Accounts Receivable	40,225	59,869
Certificates of Deposit	103,296	357,426
Investments	525,294	105,362
Prepaid Residence Allowance	116	1,223
Prepaid Expense	<u>13,557</u>	<u>13,776</u>
TOTAL CURRENT ASSETS	<u>1,352,760</u>	<u>1,047,028</u>
PROPERTY AND EQUIPMENT:		
Land	142,998	142,998
Chosen Vision Homes and Improvements	1,976,717	1,976,717
Equipment	17,659	17,659
Vehicles	91,616	91,616
Furniture	56,361	56,361
Less: Accumulated Depreciation	<u>(654,271)</u>	<u>(571,977)</u>
NET PROPERTY AND EQUIPMENT	<u>1,631,080</u>	<u>1,713,374</u>
TOTAL ASSETS	<u>\$ 2,983,840</u>	<u>\$ 2,760,402</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts Payable	\$ 18,698	\$ 11,353
Accrued Payroll and Related Expenses	35,386	30,254
Deferred Revenue	<u>16,654</u>	<u>0</u>
TOTAL CURRENT LIABILITIES	<u>70,738</u>	<u>41,607</u>
NET ASSETS:		
Net assets without donor restrictions	<u>2,913,102</u>	<u>2,718,795</u>
TOTAL NET ASSETS	<u>2,913,102</u>	<u>2,718,795</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,983,840</u>	<u>\$ 2,760,402</u>

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

CHOSEN VISION, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUES:		
Donations	\$ 264,243	\$ 375,325
Resident Income	824,299	709,002
Golf Marathon	87,000	96,393
Annual Banquet	<u>61,372</u>	<u>60,660</u>
TOTAL REVENUES	<u>1,236,914</u>	<u>1,241,380</u>
EXPENSES:		
Program Services	1,082,687	934,999
Management and General	89,567	73,150
Fund Raising	<u>24,880</u>	<u>29,524</u>
TOTAL EXPENSES	<u>1,197,134</u>	<u>1,037,673</u>
CHANGE IN NET ASSETS FROM OPERATIONS	39,780	203,707
OTHER INCOME (EXPENSES):		
Miscellaneous	762	500
Investment Income	15,949	11,359
Unrealized gain (loss) on investments	13,161	3,674
Paycheck protection program proceeds	<u>124,655</u>	<u>0</u>
TOTAL OTHER INCOME (EXPENSES)	<u>154,527</u>	<u>15,533</u>
CHANGE IN NET ASSETS	194,307	219,240
NET ASSETS - BEGINNING	<u>2,718,795</u>	<u>2,499,555</u>
NET ASSETS - ENDING	<u><u>\$ 2,913,102</u></u>	<u><u>\$ 2,718,795</u></u>

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

CHOSEN VISION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES:		
Change in net position	\$ 194,307	\$ 219,240
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation and amortization expense	82,294	81,922
Paycheck protection program proceeds	(124,655)	0
Unrealized (gain) loss on investments	(13,161)	(3,674)
(Increase) Decrease in assets:		
Accounts receivable	19,644	(41,467)
Prepaid residence allowance	1,107	69
Prepaid expense	219	(6,931)
Increase (Decrease) in liabilities:		
Accounts payable	7,345	(2,123)
Accrued payroll and related expenses	5,132	6,612
Deferred revenue	16,654	0
	188,886	253,648
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
INVESTING ACTIVITIES:		
Purchase of property and equipment	0	(36,929)
Redemption (Purchase) of certificates of deposit	254,130	(105,960)
Purchase of investments	(406,771)	(101,688)
	(152,641)	(244,577)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES		
FINANCING ACTIVITIES		
Paycheck protection program proceeds	124,655	0
	124,655	0
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES		
INCREASED (DECREASE) IN CASH AND CASH EQUIVALENTS	160,900	9,071
CASH AND CASH EQUIVALENTS - BEGINNING BALANCE	509,372	500,301
CASH AND CASH EQUIVALENTS - ENDING BALANCE	\$ 670,272	\$ 509,372
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ 0	\$ 0
Income taxes paid	\$ 0	\$ 0

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

CHOSEN VISION, INC.
 STATEMENTS OF FUNCTIONAL EXPENSES
 FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020				2019			
	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL EXPENSES	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL EXPENSES
Advertising	\$ 0	\$ 0	\$ 19,633	\$ 19,633	\$ 0	\$ 0	\$ 9,339	\$ 9,339
Agency Van	5,685	0	0	5,685	12,248	0	0	12,248
Bank and Investment Fees	0	2,250	0	2,250	0	2,448	0	2,448
Depreciation and Amortization	78,179	4,115	0	82,294	77,826	4,096	0	81,922
Food and Groceries	95,387	0	0	95,387	83,411	0	0	83,411
Fundraising Banquet and Auction	0	0	3,713	3,713	0	0	19,146	19,146
Insurance	19,622	23,636	0	43,258	21,700	15,739	0	37,439
Interest Expense	0	0	0	0	0	0	0	0
License Fees	713	0	0	713	70	0	0	70
Memberships	1,223	0	0	1,223	734	0	0	734
Office Supplies	338	1,689	225	2,252	250	1,251	167	1,668
Payroll Taxes	59,287	3,120	0	62,407	53,251	2,803	0	56,054
Postage and Printing	4,583	655	1,309	6,547	3,052	436	872	4,360
Professional Services	0	9,870	0	9,870	0	10,414	0	10,414
Program Supplies	1,443	0	0	1,443	953	0	0	953
Repairs and Maintenance	51,986	0	0	51,986	51,556	0	0	51,556
Resident Personal Allowances	15,911	0	0	15,911	15,863	0	0	15,863
Salaries and Wages	699,264	36,803	0	736,067	564,167	29,693	0	593,860
Special Outings and Trips	4,626	0	0	4,626	10,682	0	0	10,682
Staff Development and Recognition	3,516	5,275	0	8,791	2,905	4,358	0	7,263
Property Taxes	764	40	0	804	761	40	0	801
Utilities	40,160	2,114	0	42,274	35,570	1,872	0	37,442
	<u>\$ 1,082,687</u>	<u>\$ 89,567</u>	<u>\$ 24,880</u>	<u>\$ 1,197,134</u>	<u>\$ 934,999</u>	<u>\$ 73,150</u>	<u>\$ 29,524</u>	<u>\$ 1,037,673</u>

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

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF ACTIVITIES:

Chosen Vision, Inc. (the Organization) is a not-for-profit organization incorporated in 1991. Its stated purpose is to provide housing, care, and related services for persons with disabilities. The founders of the Organization were interested in establishing a group home for developmentally disabled adults that would meet their social and emotional needs and be distinctively Christian. The original Chosen Vision Home was opened in 2002, and is a barrier-free, multi-bed home located northeast of Grand Ledge for young women. The organization opened two additional facilities in DeWitt, a second facility for young women in 2013 and a facility for young men in 2015. An additional facility, Joshua's Place, located in DeWitt opened in 2018.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The financial statements are presented on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED:

Accounts Receivable

Accounts receivable are stated at the amounts the Organization expects to collect from outstanding balances. The Organization does not charge interest or require collateral for its receivables. Management's determination of whether or not an amount is past due depends on the payment terms of the agency owing the Organization. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. The allowance amount was \$0 for the years ended December 31, 2020 and 2019.

Revenue Recognition

The Organization has adopted Accounting Standard Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606), as amended as of January 1, 2019. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore, no changes to the previously issued audited financial statements were required. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The Organization recognizes revenue from fundraising activities at the time of payment. The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received.

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or decreases in expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED:

Restricted and Unrestricted Revenue

Contributions are reported as increases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e. the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions on the Statement of Activities.

Donated Services

Numerous volunteers have donated significant amounts of time to the Organization in connection with the Annual Dinner, Silent Auction, facility maintenance and other programs. No amounts have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer effort under SFAS No. 116 have not been satisfied.

Investments

US GAAP addresses the accounting and reporting for investments in equity securities that have readily determinable fair values and for all investments in debt securities. Those investments are to be classified in three categories and accounted for as follows:

Debt securities that the enterprise has the positive intent and ability to hold to maturity are classified as investment securities and reported at amortized cost.

Debt and equity securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and reported at fair value, with unrealized gains and losses included in earnings.

Fair Value Measurements

US GAAP establishes a fair value measurement framework, including a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy under US GAAP are distinguished by inputs to the valuation methodology summarized as follows:

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED:

Fair Value Measurements (Continued)

Level 1 (highest priority) – Quoted market prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instrument in inactive markets; and model-driven valuations in which all significant inputs or significant value drivers are observable in active markets.

Level 3 (lowest priority) – Management’s best estimate of what market participants would use in pricing the instrument at the measurement date and model-driven valuations which are unobservable and significant to the fair value measurement.

The assessed level is based on the lowest level of any input that is significant to the fair value measurement. There were no changes in the methodologies used as of December 31, 2020 and 2019.

The following is a description of the valuation methodologies used for amounts measured at fair value:

Level 1 inputs – Descriptions of the valuation methodologies used for assets measured at fair value are as follows: common stocks, corporate bonds, and U.S. government securities valued at the closing price reported on the active market on which the individual securities are traded.

Property and Equipment

Property and equipment are carried at cost. Depreciation of equipment is provided using the straight-line method for financial reporting purposes over the estimated useful lives of the respective assets using the straight-line method. Donated equipment is recorded at fair market value at the date of the donation. Purchased equipment is recorded at cost.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED:

Income Tax Status

Chosen Vision, Inc. is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). It is not classified as a private foundation by the Internal Revenue Service. There are no known federal or state tax contingencies.

The statute of limitations is generally three years for federal returns.

Estimates

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

Functional Expenses

The costs of the Organization's programs and supporting services have been reported on a functional basis. Certain costs have been allocated among the various programs and supporting services based on estimates made by management.

Advertising

Advertising costs are expensed as incurred.

Reclassifications

Certain balance in the prior year financial statements may have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. These reclassifications do not impact net income.

Subsequent Events

Management has evaluated subsequent events and transactions for potential recognition or disclosure through July 8, 2021, the date the financial statements were available to be issued. No significant events were identified that would require adjustment or disclosure in the financial statements.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - INVESTMENTS:

Marketable Securities -

Marketable securities accounted for using the fair value method, record income (losses) based on the change in fair value of the investment. The unrealized gain (loss) on securities for the years ended December 31, 2020 and 2019, consisted of the following:

	<u>2020</u>	<u>2019</u>
Charles Schwab	\$ 13,161	\$ 3,674

Amortized and approximate market value of marketable securities are:

	<u>2020</u>	<u>2019</u>
Amortized cost	\$ 508,459	\$101,688
Unrealized gains (loss)	<u>16,835</u>	<u>3,674</u>
Market value	<u>\$ 525,294</u>	<u>\$105,362</u>

Net realized gains (losses) on sales of securities were:

	<u>2020</u>	<u>2019</u>
Charles Schwab	\$ 2,973	\$ 1,688

Fair Value of Investments -

The fair value of the Company's investments is classified as follows, according to the Company's policy described in Note 2:

<u>Assets at Fair Value as of December 31, 2020</u>				
Assets	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks/bonds	\$525,294	\$0	\$ 0	\$ 525,294

<u>Assets at Fair Value as of December 31, 2019</u>				
Assets	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks/bonds	\$ 105,362	\$0	\$ 0	\$ 105,362

Change in Level 1 Value -

The following table represents the change in the Level 1 fair value hierarchy as disclosed in the above tables.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – INVESTMENTS - CONTINUED:

Change in Level 1 Value (Continued)

	<u>2020</u>	<u>2019</u>
Beginning Level 1 value	\$ 105,362	\$ 0
Purchase of investments	400,000	100,000
Realized investment income reinvested	6,771	1,688
Change in market value/investment	13,161	3,674
Ending Level 1 value	<u>\$ 525,294</u>	<u>\$ 105,362</u>

These methods may produce a fair value measurement that may not be indicative of net realizable value of future fair values. Management believes its valuation methods are appropriate, but the use of different methodologies or assumptions could result in a different fair value measurement at the measurement date.

NOTE 4 - PROPERTY AND EQUIPMENT:

Major classes of property and equipment as of December 31 as follows:

	<u>USEFUL LIFE</u>	<u>2020</u>	<u>2019</u>
Chosen Vision Home and Improvements	30 years	\$ 513,673	\$ 513,673
Land-Waverly Road Parcel	N/A	22,963	22,963
Land-Joshua's Place	N/A	60,035	60,035
Joshua's Place Buildings	30 years	564,784	564,784
Land-Dewitt	N/A	60,000	60,000
Dewitt Buildings	30 years	898,260	898,260
Equipment	5 years	17,659	17,659
Vehicles	4 years	91,616	91,616
Furniture	8 years	56,361	56,361
		<u>2,285,351</u>	<u>2,285,351</u>
Less accumulated depreciation		<u>(654,271)</u>	<u>(571,977)</u>
Net property and equipment		<u>\$ 1,631,080</u>	<u>\$ 1,713,374</u>

Depreciation expense for the years ended December 31, 2020 and 2019, was \$82,294 and \$81,922, respectively.

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – COMMITMENTS AND CONTINGENCIES:

The Organization receives a substantial amount of its support from independent funding sources. A significant reduction in the level of this support, if this were to occur, could have an effect on the Organization's ability to continue its programs.

NOTE 6 – CASH AND CASH EQUIVALENTS:

The Organization maintains cash balances at various financial institutions. Accounts at each institution are insured by the FDIC up to \$250,000. At various times during the year, the Organization's cash balances may have exceeded the federally insured limit. At December 31, 2020 and 2019, uninsured cash balances totaled \$418,543 and \$272,796, respectively.

NOTE 7 – LIQUIDITY AND AVAILABILITY:

Chosen Vision, Inc. is primarily funded by contributions from donors and income from residents that do not contain restrictions. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. The Organization also invests its cash in excess of its daily needs in short-term investments. The Board occasionally designates amounts to its liquidity reserve and its endowment fund (used primarily for long-term investing) that could be utilized in the event of an unanticipated liquidity need.

The table below reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date. However, amounts already appropriated from either the donor-restricted endowment for general expenditure within one year of the statement of financial position date have not been subtracted as unavailable.

Financial assets, at year end	\$1,352,760
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	0
Board designations:	
Endowment fund primarily for long-term investing	<u>250,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,102,760</u>

CHOSEN VISION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – REVENUE FROM CONTRACTS WITH CUSTOMERS:

According to ASC 606, contracts with similar circumstances should be treated consistently. The Organization has identified contracts with similar circumstances in order to use the portfolio approach. The portfolio chosen by this Organization is resident income. Contract revenue from this portfolio was \$824,299 and \$709,002 for 2020 and 2019, respectively.

The timing of revenue recognition from resident income results in accounts receivable. Resident income included in receivables on the Statement of Financial Position was \$3,875 and \$18,719 for 2020 and 2019, respectively.

The Organization has evaluated the costs associated with the contracts and has, as a practical expedient, elected not to amortize these costs over the life of the contract as it does not have a material effect on the financial statements.

NOTE 9 – PAYCHECK PROTECTION PROGRAM:

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was enacted and a key piece of the CARES Act is the Paycheck Protection Program (PPP). The program was created by the CARES Act to provide small businesses with cash flow assistance through federally guaranteed loans administered through the SBA. Generally, businesses were eligible for up to 2.5 times their average monthly payroll costs for calendar year 2019. Other significant terms of the loans received through the PPP include a fixed interest rate of 1%, maturity date of two years from the date of the agreement, first payment due six months from the date of the agreement (later delayed), and the ability to have a substantial portion of the principal and accrued interest forgiven.

During 2020, the Organization entered into a loan agreement with the SBA through the PPP in the amount of \$124,655. The Organization met the requirements to have the loan forgiven, which occurred during the year. The income from the forgiveness of the PPP loan is recognized as revenue on the Statement of Activities and Changes in Net Assets for the year ended December 31, 2020.

NOTE 10 – COVID-19 PANDEMIC:

The extent of the impact of COVID-19 on our future operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our taxpayers, employees and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our future financial condition and results of operations remain uncertain.