

HEALING CALIFORNIA
FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH SUMMARIZED 2022 TOTALS)

FARBER HASS HURLEY LLP
CERTIFIED PUBLIC ACCOUNTANTS

**HEALING CALIFORNIA
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Healing California

Opinion

We have audited the accompanying financial statements of Healing California (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 Healing California as of December 31, 2023, 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 Healing California 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 Healing California'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 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 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 Healing California'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 Healing California's ability to continue as a going concern for a reasonable period of time.

Other Matters – Reports on Summarized Comparative Information

We have previously audited the Healing California's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 15, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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.



Farber Hass Hurley LLP

Chatsworth, California
May 6, 2024

HEALING CALIFORNIA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

ASSETS	2023	2022
Current assets:		
Cash and cash equivalents	\$ 171,753	\$ 156,532
Investments at fair value	205,602	-
Pledges receivable	11,160	76,350
Inventory	48,956	61,540
Prepaid expenses	2,704	5,200
Total current assets	440,175	299,622
Non-current assets:		
Property and equipment, net	245,657	241,827
Other assets	2,600	2,600
Right-of-use lease assets, net	5,271	79,020
Total non-current assets	253,528	323,447
Total assets	\$ 693,703	\$ 623,069
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 28,036	\$ 38,760
Accrued expenses	26,682	47,202
Note payable	40,041	-
Lease liability	5,376	66,649
Total current liabilities	100,135	152,611
Non-current assets:		
Lease liability	-	5,376
Total non-current liabilities	-	5,376
Net assets:		
Net assets without donor restrictions	593,568	465,082
Total net assets	593,568	465,082
Total liabilities and net assets	\$ 693,703	\$ 623,069

**HEALING CALIFORNIA
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDING DECEMBER 31, 2023 AND 2022**

	Net Assets Without Donor Restrictions	
	<u>2023</u>	<u>2022</u>
REVENUE AND SUPPORT:		
Donations - cash	\$ 116,112	\$ 252,344
Board donations - investments	1,209,544	-
In-kind donations - services	178,771	67,668
In-kind donations - goods	5,980	32,983
Board contributions - Cash	16,622	15,000
Corporations and foundations	229,927	262,622
Insurance proceeds	-	165,143
Interest income	5,854	47
Net appreciation in investments	50,841	779
Total revenue and support	<u>1,813,651</u>	<u>796,586</u>
EXPENSES:		
Program services	1,017,055	877,149
General and administrative	452,767	278,057
Fundraising	215,343	99,129
Total expenses	<u>1,685,165</u>	<u>1,254,335</u>
Change in net assets	128,486	(457,749)
Net assets – beginning of year	<u>465,082</u>	<u>922,831</u>
Net assets – end of year	<u>\$ 593,568</u>	<u>\$ 465,082</u>

HEALING CALIFORNIA
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENED DECEMBER 31, 2023
(SUMMARIZED TOTALS FOR THE YEAR ENDED 2022)

	Program Services	General and Administrative	Fund Raising	Total 2023	Total 2022
Salaries	\$ 393,602	\$ 86,403	\$ 72,357	\$ 552,362	\$ 470,906
Benefits	2,850	626	524	4,000	5,056
Payroll taxes	32,588	7,154	5,990	45,732	38,450
Total employee costs	429,040	94,183	78,871	602,094	514,412
Conferences, conventions, and meetings	1,542	561	6	2,109	2,757
Depreciation expense	65,695	11,593	-	77,288	43,235
Donated medical goods	178,771	-	-	178,771	32,983
Donated medical services	4,980	-	-	4,980	67,668
Equipment maintenance	10,991	1,568	-	12,559	32,325
Equipment rental	74,552	8,381	-	82,933	29,987
Interest expense	-	1,600	-	1,600	-
Facility expenses	774	9,270	-	10,044	21,595
Information technology	10,694	9,846	1,982	22,522	15,524
Insurance	-	42,741	-	42,741	45,435
Marketing	2,359	96	-	2,455	3,896
Medical supplies	80,734	151	-	80,885	44,942
Miscellaneous expense	-	39	-	39	3,326
Office expenses	16,359	26,521	-	42,880	41,913
Operating lease expense	7,504	60,711	-	68,215	109,066
Other direct program expenses	22,757	1,136	185	24,078	26,762
Payroll processing fees	-	168	-	168	1,658
Permits and fees	334	221	299	854	515
Professional services	8,868	152,909	134,000	295,777	118,098
Tax and shipping	26	5,806	-	5,832	1,889
Travel	94,483	25,231	-	119,714	83,672
Volunteer costs	6,592	35	-	6,627	12,677
Total other expenses	588,015	358,584	136,472	1,083,071	739,923
Total expenses	<u>\$1,017,055</u>	<u>\$ 452,767</u>	<u>\$215,343</u>	<u>\$1,685,165</u>	<u>\$1,254,335</u>

HEALING CALIFORNIA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 128,486	\$ (457,747)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	77,288	43,235
Amortization of right-of-use lease assets	73,749	
Net appreciation on investments	(50,841)	-
Donated investments	(1,209,544)	-
Change in assets and liabilities:		
Pledges receivable	65,190	256,650
Inventory	12,582	9,978
Prepays and other assets	2,495	1,576
Lease liability	(66,648)	(6,996)
Accounts payable and accrued expenses	(34,916)	73,090
Cash used in operating activities	(1,002,159)	(80,214)
Cash flows from investing activities:		
Purchases of property and equipment	(81,118)	(9,688)
Cash used in investing activities	(81,118)	(9,688)
Cash flows from financing activities:		
Proceeds from short term loan	40,041	-
Proceeds from sales of contributed investments	1,058,457	-
Cash provided in financing activities	1,098,498	-
Net increase (decrease) in cash and cash equivalents	15,221	(89,902)
Cash and cash equivalents – beginning of year	156,532	246,434
Cash and cash equivalents – end of year	\$ 171,753	\$ 156,532
Supplemental disclosure:		
Cash paid for interest expenses	\$ 2,322	\$ -
Obtaining right-of-use lease asset in exchange for a lease liability	\$ -	\$ 171,000

**HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Healing California (the "Organization") is a nonprofit organization, incorporated in September 2017 to provide free dental, vision and other health care services at Veteran Stand Down and other events throughout California. Veteran Stand Down events are independent local community events that provide a common venue for a variety of nonprofit services to help homeless veterans. These events are relatively small (10-30 volunteers, 50-300 patients) and frequent. The Organization provides these services using portable dental, vision and health care stations that are fully equipped, supplied and staffed. The volunteer dental, vision and medical professionals, with logistical help from general volunteers, perform basic services like teeth cleaning, fillings and extractions, full eye exams, fabrication of eye glasses, and blood pressure and glucose screening.

Basis of accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

Financial statement presentation

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

Net assets without donor restriction – net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific purposes from time to time.

Net assets with donor restriction – net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds 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.

Inventory

Inventory is comprised of program-related supplies and is stated at the lower of cost or net realizable value determined by the first-in first-out method.

Revenue and revenue recognition

Sources of revenue

The primary sources of revenue are grants and donations. Grants and donations come from wide variety of sources, including county and city funds, private foundations, individual donations, and other non-profit organizations.

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue and revenue recognition (continued)

Contributions and donations

The Organization recognizes contributions and donations when cash, securities or other assets are received; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Revenue recognition

The Organization adopted Accounting Standard Update (“ASU”) No. 2014-09 - *Revenue from Contracts with Customers* (Topic 606) in the prior year. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue. The presentation and disclosures of revenue have been enhanced in accordance with the standard with no material effects resulting from the implantation of the new standard.

Functional expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and statement of functional expenses. The functional allocation of expenses shared between programs, management and general, and fundraising is based on a reasonable and consistent basis using factors such as direct payroll allocation, square footage, full time equivalents within each department, and total direct expenses.

Reclassifications

Certain prior period amounts have been reclassified to be presented consistently with the current year presentation.

Property and equipment

Property and equipment are stated at cost, or if donated, at the approximate fair market value at the date of donation. It is the Organization’s policy to capitalize expenditures for these items in excess of \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is five to ten years for equipment and five to seven years for furniture and fixtures. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash in bank accounts and investments with an initial maturity of three months or less.

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Organization has received favorable determination letters from the Internal Revenue Service and the Franchise Tax Board that the Organization is exempt from Federal and State income tax under Internal Revenue Code Section 501(c)(3) and applicable state statutes. The accounting principles generally accepted in the United States of America provides accounting and disclosure guidance about positions taken by an organization in its information returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its Federal and State organization information returns are more likely than not to be sustained upon examination. The Organization is subject to examinations by U.S. Federal and State tax authorities from 2020 to the present, generally for three years after they are filed.

Donated services and in-kind contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America. Contributed goods are recorded at fair value at the date of donation. The Organization records donated professional services at the respective fair values of the services received. The Organization records donated investments at respective fair values of the date of donation, the investments are sold and converted in to cash as needed.

Estimates and assumptions

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Fair value of financial instruments

The carrying amount of cash and cash equivalents approximates fair value because of the liquidity of these instruments. The carrying values of receivables and accrued expenses approximate fair values because of the short maturity of these instruments.

Leases

The Organization records a right-of-use asset and an offsetting lease liability on the statement of financial position equal to the present value of lease payments for leases with an original term of twelve months or longer. The Organization does not record an asset or liability for leases with an original term of twelve months or less. The Organization's lease assets are reflected within other current assets, and the current and noncurrent portions of lease liabilities are reflected within other liabilities, and other noncurrent liabilities, respectively, on the statement of financial position. For leases with escalations over the life of the lease, the Organization recognizes expense on a straight-line basis. The Organization utilizes the implicit rate in the lease, when applicable. See Note 5 for further discussion on lease assets and liabilities.

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Adopted Accounting Pronouncements

In June 2016, the FASB issued guidance which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in the standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in the standard were trade accounts receivable and notes receivable. The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures.

NOTE 2. CASH AND CASH EQUIVALENTS

The following table provides a reconciliation of cash and cash equivalents reported within the statement of financial position at December 31, 2023.

	Cash and cash equivalents	Restricted cash	Total
Cash in checking	\$ 169,606	\$ -	\$ 169,606
Money market	2,147	-	2,147
	\$ 171,753	\$ -	\$ 171,753

The cash balances are held at three banks. Deposits held with these financial institutions may exceed the amount of insurance provided on such deposits. The balances are insured by the Federal Deposit Insurance Corporation ("FDIC"). During the year ended December 31, 2023, there were, at times, funds that were uninsured. Management does not believe that the Organization is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships. Cash equivalents represent funds deposited in money market account. As of December 31, 2023, the interest rate for the money market account was 5.31%. The Organization has not experienced any losses on its deposits of cash and cash equivalents.

NOTE 3. INVENTORY

Inventory consists of the following supplies at December 31, 2023:

Vision inventory	\$ 40,662
Dental inventory	8,294
Total Inventory	\$ 48,956

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. DONATED PROFESSIONAL SERVICES AND GOODS

For the year ended December 31, 2023, donated services of \$178,771 consist of professional medical services from dentists, oral surgeons, registered nurses, optometrists, and legal services. In addition, the Organization received donated goods such as, vision and dental inventory supplies of \$5,980. The Organization records donated professional services and goods at the respective fair values of the services and goods received.

NOTE 5. LEASE COMMITMENTS

Operating Leases

The Organization leases its office space and a mobile medical vehicle under operating leases that have noncancelable lease terms each for three years. The office space lease expires in February 2024 and the mobile medical vehicle lease expired in August 2023.

Leases, January 1, 2022, and After

Right-of-use lease assets represent the Organization's right to use an underlying asset for the lease term, while lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Right-of-use lease assets and lease liabilities are recognized at the commencement date of a lease based on the net present value of lease payments over the lease term.

In determining the discount rate used to measure the right-of-use lease assets and lease liabilities, the Organization uses the rate implicit in the lease, or if not readily available, the Organization uses a risk-free rate based on U.S. Treasury notes or bond rates for a similar term.

Right-of-use lease assets are assessed for impairment in accordance with the Organization's long-lived asset policy. The Organization reassesses lease classification and remeasures right-of-use lease assets and lease liabilities when a lease is modified, and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

The Organization made significant assumptions and judgments in applying the requirements of Topic 842. In particular, the Organization:

- Evaluated whether a contract contains a lease, by considering factors such as whether the Organization obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights;
- Determined whether contracts contain embedded leases;
- Evaluated leases with similar commencement dates, lengths of term, renewal options or other contract terms, which therefore meet the definition of a portfolio of leases, whether to apply the portfolio approach to such leases;
- Determined the discount rate used to measure the lease liability

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5. LEASE COMMITMENTS (Continued)

The following table summarizes the operating lease right-of-use assets and operating lease liabilities as of December 31, 2023:

Operating lease right-of-use assets	\$	5,271
Operating lease liabilities:		
Current		5,376
Long-term		-
Total operating lease Liabilities	\$	<u>5,376</u>

Total operating lease expenses for the year ended December 31, 2023, was \$68,215.

The Organization’s Scheduled future minimum lease payments for the years ending after December 31, 2023 is \$5,376.

NOTE 6. PROPERTY AND EQUIPMENT

The Organization’s property and equipment was comprised of the following at December 31, 2023:

Equipment	\$	527,432
Furniture and fixtures		32,567
Vehicle		45,277
Less: Accumulated depreciation		<u>(359,619)</u>
Total Property and Equipment	\$	<u><u>245,657</u></u>

NOTE 7. LIQUIDITY AND CAPITAL RESOURCES

The Organization’s source of liquidity includes cash and cash equivalents and contributions from donors. As of December 31, 2023, the Organization’s working capital is \$232,881. Financial assets available for general expenditure within one year of the balance sheet date, consist of the following:

Cash and cash equivalent	\$	169,606
Investments		207,749
Pledge Receivable		<u>11,160</u>
Total	\$	<u><u>388,515</u></u>

In addition, the Organization operates with a balanced budget and anticipates collecting revenue to cover general expenditures not covered by donor restricted resources. Refer to the statement of cash flows, which identifies the sources and uses of the Organization’s cash and positive cash generated by operations for fiscal year 2023.

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8. SHORT TERM LOAN

In October 2023 the Organization entered into a short term note payable to purchase their previously leased medical van. The monthly payments are \$5,236 for nine months starting in November 2023. As of December 31, 2023, the balance on the loan is \$40,041.

NOTE 9. FAIR VALUE OF FINANCIAL INSTRUMENTS

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under the FASB Accounting Standards Codification (ASC) 820 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.

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.

Common stock and mutual funds at year end are valued at the closing price reported in the active market in which the individual securities are traded.

HEALING CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following tables set forth by level, within the fair value hierarchy, the Organization’s assets at fair value as of December 31, 2023:

Assets at Fair Value as of October 31, 2023				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$164,035	\$ -	\$ -	164,035
Stocks	41,567	-	-	41,567
Total Investments at fair value	\$205,602	\$ -	\$ -	\$205,602

NOTE 10. CONCENTRATION OF CREDIT RISK

Financial instruments that subject the Organization to potential concentration of credit risk consist principally of cash. At times during the year, the Organization maintains cash balances at financial institutions which may exceed the Federal Deposit Insurance Corporation (FDIC) limits. Management does not believe that the Organization is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships. The Organization has not experienced any losses on its cash or cash equivalents.

During the year ended December 31, 2023, the Organization received investment donation of approximately \$1,200,000 from one board member.

NOTE 11. SUBSEQUENT EVENTS

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 6, 2024, the date that the financial statements were available to be issued, and have concluded there were no events required to be disclosed except as noted below.

Effective February 1, 2024, the Organization amended their rental lease on a month-to-month basis at a monthly rate of \$3,200 per month.