

A Path to Your



Spiritual Identity

Prodigal Ministries, Inc.

Prodigal Ministries, Inc.

Independent Auditors' Report and

Financial Statements

For the Years Ended

December 31, 2020 and 2019

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Independent Auditors' Report

Board of Directors
Prodigal Ministries, Inc.

Opinion

We have audited the accompanying financial statements of Prodigal Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Prodigal Ministries, Inc. as of December 31, 2020 and 2019, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Prodigal Ministries, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Prodigal Ministries, Inc.'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 Prodigal Ministries, Inc.'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 Prodigal Ministries, Inc.'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.

Baldwin CPAs, PLLC

Louisville, Kentucky
December 14, 2021

Prodigal Ministries, Inc.
 Statements of Financial Position
 December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 181,332	\$ 41,257
Accounts receivable	2,950	-
Promises to give	70,000	-
Land, buildings and equipment, net	690,023	721,496
Total Assets	\$ 944,305	\$ 762,753
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 10,912	\$ 6,529
Notes payable	282,431	354,057
Total Liabilities	293,343	360,586
Net Assets		
Without donor restriction	520,962	389,833
With donor restriction	130,000	12,334
Total Net Assets	650,962	402,167
Total Liabilities and Net Assets	\$ 944,305	\$ 762,753

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

Prodigal Ministries, Inc.
Statements of Activities
For the Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Contributions and grants	\$ 450,016	\$ 130,000	\$ 580,016	\$ 296,348	\$ 12,334	\$ 308,682
Special events, net	-	-	-	85,611	-	85,611
Program service fees	31,285	-	31,285	41,004	-	41,004
Miscellaneous income	20,684	-	20,684	13,068	-	13,068
Total Revenue and Support	501,985	130,000	631,985	436,031	12,334	448,365
Net Assets Released from Restrictions						
Restrictions satisfied by payments	12,334	(12,334)	-	5,731	(5,731)	-
Total Revenue, Support and Reclassifications	514,319	117,666	631,985	441,762	6,603	448,365
Expenses						
Program services						
McCauley House	92,026	-	92,026	100,980	-	100,980
Wright House	107,793	-	107,793	111,648	-	111,648
Prodigal House	79,487	-	79,487	40,311	-	40,311
Prodigal House West	38,157	-	38,157	84,205	-	84,205
Supporting services						
General and administrative	41,523	-	41,523	103,789	-	103,789
Fundraising	24,204	-	24,204	15,413	-	15,413
Total Expenses	383,190	-	383,190	456,346	-	456,346
Change in Net Assets	131,129	117,666	248,795	(14,584)	6,603	(7,981)
Net Assets at Beginning of Year	389,833	12,334	402,167	404,417	5,731	410,148
Net Assets at End of Year	<u>\$ 520,962</u>	<u>\$ 130,000</u>	<u>\$ 650,962</u>	<u>\$ 389,833</u>	<u>\$ 12,334</u>	<u>\$ 402,167</u>

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

Prodigal Ministries, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program Services				Supporting Services			Total Expenses	
	McCauley House	Wright House	Prodigal House	Prodigal House (W)	Total	Management & General	Fund Raising		Total
Salaries and Related Expenses									
Salaries	\$ 41,928	\$ 39,735	\$ 27,008	\$ 8,704	\$ 117,375	\$ 23,440	\$ 13,987	\$ 37,427	\$ 154,802
Payroll taxes	3,309	3,136	2,132	687	9,264	1,851	1,104	2,955	12,219
Total Salaries and Related Expenses	45,237	42,871	29,140	9,391	126,639	25,291	15,091	40,382	167,021
Professional services	-	-	-	-	-	10,337	-	10,337	10,337
Repairs and maintenance	923	1,538	1,846	820	5,127	-	-	-	5,127
Occupancy	8,751	9,424	8,414	4,712	31,301	1,177	1,178	2,355	33,656
Client expenses	11,177	19,626	19,377	3,785	53,965	-	-	-	53,965
Insurance	4,572	4,572	4,572	4,572	18,288	643	-	643	18,931
Office	2,205	429	134	468	3,236	269	53	322	3,558
Transportation	-	-	-	-	-	150	-	150	150
Interest	67	10,064	7,373	67	17,571	-	-	-	17,571
Telephone and internet	4,618	896	280	980	6,774	437	438	875	7,649
Advertising and public relations	-	-	-	-	-	160	-	160	160
Dues and fees	-	-	-	-	-	1,546	-	1,546	1,546
Fundraising expense	-	-	-	-	-	-	7,444	7,444	7,444
Training	-	-	-	-	-	400	-	400	400
Total expenses before depreciation	77,550	89,420	71,136	24,795	262,901	40,410	24,204	64,614	327,515
Depreciation	14,476	18,373	8,351	13,362	54,562	1,113	-	1,113	55,675
Total Expenses Included in Expense Section of Statement of Activities	\$ 92,026	\$ 107,793	\$ 79,487	\$ 38,157	\$ 317,463	\$ 41,523	\$ 24,204	\$ 65,727	\$ 383,190

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

Prodigal Ministries, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2019

	Program Services				Supporting Services			Total Expenses	
	McCauley House	Wright House	Prodigal House	Prodigal House (W)	Total	Management & General	Fund Raising		Total
Salaries and Related Expenses									
Salaries	\$ 42,865	\$ 35,599	\$ 6,242	\$ 24,546	\$ 109,252	\$ 50,953	\$ 12,364	\$ 63,317	\$ 172,569
Employee benefits	500	415	73	286	\$ 1,274	596	144	740	2,014
Payroll taxes	3,410	2,832	497	1,953	8,692	4,052	983	5,035	13,727
Total Salaries and Related Expenses	46,775	38,846	6,812	26,785	119,218	55,601	13,491	69,092	188,310
Professional services	-	-	-	-	-	32,765	-	32,765	32,765
Repairs and maintenance	3,951	6,585	3,512	7,902	21,950	-	-	-	21,950
Occupancy	10,765	11,593	5,796	10,351	38,505	1,449	1,448	2,897	41,402
Client expenses	13,587	19,682	5,207	19,502	57,978	-	-	-	57,978
Insurance	3,714	3,714	3,714	3,714	14,856	910	-	910	15,766
Office	1,978	382	418	119	2,897	563	119	682	3,579
Transportation	-	-	-	-	-	1,294	-	1,294	1,294
Interest	9	10,963	10	6,942	17,924	-	-	-	17,924
Telephone and internet	5,353	1,038	1,136	324	7,851	130	130	260	8,111
Advertising and public relations	-	-	-	-	-	1,324	-	1,324	1,324
Dues and fees	-	-	-	-	-	1,415	-	1,415	1,415
Fundraising expense	-	-	-	-	-	-	225	225	225
Training	-	-	-	-	-	7,196	-	7,196	7,196
Direct cost of special events	-	-	-	-	-	-	34,916	34,916	34,916
Total expenses before depreciation	86,132	92,803	26,605	75,639	281,179	102,647	50,329	152,976	434,155
Depreciation	14,848	18,845	13,706	8,566	54,856	1,142	-	1,142	55,998
Total expenses	100,980	111,648	40,311	84,205	336,035	103,789	50,329	154,118	490,153
Less direct cost of special events	-	-	-	-	-	-	(34,916)	(34,916)	(34,916)
Total Expenses Included in Expense Section of Statement of Activities	\$ 100,980	\$ 111,648	\$ 40,311	\$ 84,205	\$ 337,144	\$ 103,789	\$ 15,413	\$ 119,202	\$ 456,346

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

Prodigal Ministries, Inc.
 Statements of Cash Flows
 For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities:		
Change in net assets	\$ 248,795	\$ (7,981)
Adjustments to reconcile change in net cash from operating activities:		
Depreciation	55,675	57,107
(Increase) decrease in operating assets:		
Accounts receivable	(2,950)	-
Prepaid expenses	-	576
Promises to give	(70,000)	-
Increase (decrease) in operating liabilities:		
Accounts payable	4,383	4,258
	235,903	53,960
Cash Flows from Investing Activities:		
Purchase of land, building and equipment	(24,202)	(37,454)
	(24,202)	(37,454)
Cash Flows from Financing Activities:		
Borrowings from line of credit	26,000	26,496
Payments on line of credit	(26,000)	(26,496)
Payments on notes payable	(71,626)	(20,952)
	(71,626)	(20,952)
Net Increase (Decrease) in Cash	140,075	(4,446)
Cash at Beginning of Year	41,257	45,703
	\$ 181,332	\$ 41,257
Supplemental Disclosures:		
Cash paid for interest	\$ 17,571	\$ 17,924

Prodigal Ministries, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies

Nature of Organization and Operations

Prodigal Ministries, Inc. (the Organization) is a Kentucky not-for-profit corporation formed in 1994. The Organization is a Christian aftercare program offering transitional housing for men and women coming out of the prison system. The Organization helps the residents become self-sufficient and avoid returning to prison by offering training, mentoring programs, and disciplined living in residential housing centers. Grants, contributions, and program fees provide funding for the Organization.

The Organization owns and maintains four residential housing centers. The McCauley House is located in Crestwood, KY and accommodates up to eight women. The Wright House is located in Buckner, KY and accommodates up to fourteen men. The Prodigal House is located in Louisville, KY and accommodates up to eight men. The Prodigal House West is located in Louisville, KY and accommodates up to seven men.

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) with regards to financial statements of Not-for-Profit Organizations. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the net asset categories follows:

Net assets without donor restrictions: expendable funds that are not subject to donor-imposed stipulations, are designated for specific purposes by the Board of Directors, or invested in land, building and equipment.

Net assets with donor restrictions: stipulated by donors for specific operating purposes or are restricted by time. These include donor restrictions requiring that the corpus to be invested in perpetuity and only the income be made available for operations in accordance with donor restrictions.

Estimates

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

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Organization considers all highly liquid investments that are not designated for a specific purpose, with a maturity of three months or less when purchased, to be cash equivalents.

Promises to Give

Promises to give are recognized when a donor makes a promise to give that is, in substance, unconditional. Promises to give becoming due in the next year are recorded at net realizable value. Promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Land, Buildings and Equipment

The Organization capitalizes all expenditures for land, buildings, and equipment in excess of \$1,000. The Organization records all purchases of long-lived, tangible property and equipment at cost. Depreciation expense to recognize the cost of utilizing all long-lived, tangible assets has been provided on a straight-line basis over the estimated useful lives of the respective assets ranging from 5 to 40 years.

Revenue Recognition

Contributions and grants are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest, is received and are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Conditional promises to give, that is, those with a measurable performance or other barriers, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Special events are recognized as revenue when the event occurs.

Program service fees are recorded when they are received.

Rental income is recorded as revenue when rents are received.

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

Allocation of Expenses

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, costs have been allocated among the program and supporting services benefited. Directly identifiable expenses are charged to program and supporting services. The expenses that are allocated are compensation and benefits, which are allocated on the basis of estimates of time and effort.

Income Tax Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization qualified for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of FASB ASC 740-10 would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the statement of activities or accrued in the statement of financial position.

Note 2 - Concentration of Credit Risk

Cash – The Organization maintains its cash balances in several financial institutions in or near Louisville, Kentucky. The cash balances are insured by the Federal Deposit Insurance Corporation. At various times during the year, the cash balances may exceed amounts federally insured. The risk is managed by maintaining all deposits in high quality financial institutions.

Note 3 - Promises to Give

Promises to give on December 31, 2020 and 2019 consist of the following:

	2020	2019
SE Christian Church	\$ 70,000	\$ -
Receivable in less than one year	\$ 45,000	\$ -
Receivable in one to five years	25,000	-
Total promises to give	\$ 70,000	\$ -

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 4 – Conditional Promises to Give

During the year ended December 31, 2020, Prodigal received a conditional promise from Robinson S. Brown, III (grantor). Grantor agreed to match Prodigal's mortgage reduction, up to \$175,000, through December 2022.

Note 5 - Land, Buildings and Equipment

Land, buildings, and equipment at December 31, 2020 and 2019 consists of the following components:

	2020	2019
Land and buildings	\$ 884,532	\$ 884,533
Improvements	412,396	388,194
Furniture and equipment	47,848	51,716
Total costs	1,344,776	1,324,443
Less accumulated depreciation	(654,753)	(602,947)
Land, buildings and equipment, net	\$ 690,023	\$ 721,496
Depreciation expense	\$ 55,675	\$ 57,107

Note 6 - Notes Payable

Notes payable at December 31, 2020 and 2019 consist of the following:

	2020	2019
Note payable to a bank, secured by real property at 4414 Old LaGrange Road, interest rate of 4.75%, with monthly payments of \$1,911 and a balloon payment due April 2022	\$ 213,653	\$ 220,591
Note payable to a bank, secured by real property at 121 West Oak Street, interest rate of 4.75% with monthly payments of \$1,275 and a balloon payment due June 2021	68,778	133,466
Total notes payable	\$ 282,431	\$ 354,057

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 7 - Notes Payable (Continued)

In June 2021, Prodigal refinanced the 121 West Oak Street mortgage with Stock Yards Bank. The new loan term is 10 years, with an interest rate of 3.90% and monthly payments of \$635.

Future maturities of these notes at December 31, 2020 are due according to the following schedule:

2021		\$	34,571
2022			29,001
2023			29,218
2024			29,443
2025			29,678
Thereafter			130,520
		\$	282,431

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31, 2020 and 2019:

	2020		2019
Subject to a specified purpose or the passage of time:			
Good Samaritan	\$ -		\$ 12,334
SE Christian Church	130,000		-
Total net assets with donor restriction	\$ 130,000		\$ 12,334

Note 9 – Special Events

Revenue and expenses from special events for the years ended December 31, 2019 consisted of the following:

	2019		
Christmas in September	\$ 93,632	\$ 26,776	\$ 66,856
Golf Scramble	26,895	8,140	18,755
	\$ 120,527	\$ 34,916	\$ 85,611

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 10 – Lease Income

The Organization owns two buildings under operating leases, expiring July and September 2022. Leases are renewed on an annual basis. Future minimum rental income under all leases as of December 31, 2020 is \$32,499.

Note 11 - Liquidity and Availability of Financial Assets

The following table reflects the Organization’s financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, perpetual endowments, and accumulated earnings net of appropriations within one year, or because the governing board has set aside the funds for a specific purpose.

	2020	2019
Financial Assets		
Cash and cash equivalents	\$ 181,332	\$ 41,257
Accounts receivable	2,950	-
Promises to give	70,000	-
	\$ 254,282	\$ 41,257
Less those unavailable for general expenditure within one year		
Donor imposed restrictions	(25,000)	(12,334)
Financial assets available to meet cash needs for general expenditure within one year	\$ 229,282	\$ 28,923

In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient program, and by utilizing resources from current and prior year’s gifts.

Note 12 - Recently Issued Accounting Standards

Accounting Standards Update 2016-02, Leases (Topic 842)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* (ASU 2016-02), requiring all leases to be recognized on the Organization’s balance sheet as a right-of-use asset and a lease liability, unless the lease is a short-term lease (generally a lease with a term of twelve months or less). At the commencement date of the lease, the Organization will recognize: 1) a lease liability for Organization’s obligation to make payments under the lease agreement, measured on a discounted basis; and 2) a right-of-use asset that represents the Organization’s right to use, or control the use of, the specified asset for the lease term. Upon adopting ASU 2016-02, the Organization will be required to recognize and measure its leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 will be effective for the Organization for the year ending December 31, 2022, with early adoption permitted. The Organization is currently evaluating the effect that the new standard will have on its financial statements.

Prodigal Ministries, Inc.
Notes to Financial Statements (Continued)
December 31, 2020 and 2019

Note 13 - Recently Issued Accounting Standards (Continued)

ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, requiring an entity to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. ASU 2020-07 includes additional disclosure requirements about contributed nonfinancial assets for not-for-profit entities, including additional disclosure requirements for recognized contributed services. The standard will be applied on a retrospective basis and will be effective for the year ending December 31, 2022. The Organization does not expect the new standard will impact its financial statements other than a reclassification on the statement of activities and additional disclosures.

Note 14 - Commitments and Contingencies

The novel coronavirus (COVID-19) was first identified in people in late 2019. COVID-19 spread rapidly throughout the world, and in March 2020, the World Health Organization characterized COVID-19 as a pandemic. It has significantly disrupted supply chains and businesses around the world. The United States and global markets experienced significant volatility in value resulting from uncertainty caused by the pandemic. The extent of the impact of COVID-19 on Prodigal's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the clients, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact Prodigal's future financial condition, results of operations and cash flows is uncertain.

Note 15 - Subsequent Events

On April 04, 2020, the Organization received \$54,610 in loan funding from the Paycheck Protection Program (PPP), established pursuant to the recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and administered by the U.S. Small Business Administration. The loan proceeds have been used to cover payroll costs. The loan is eligible for forgiveness as part of the CARES Act if certain requirements currently in effect are met. As all loan proceeds were spent on eligible costs as of December 31, 2020, the Organization has recorded the loan under ASC 958-605, Not-for-Profit Entities, Revenues Recognition as a conditional contribution. The Organization applied for forgiveness of the PPP loan on February 22, 2021, and the SBA approved the forgiveness application in full on March 13, 2021. Based on the forgiveness requirements met, \$54,640 has been recognized as a grant in the statement of activities for the year ended December 31, 2020.

Management has evaluated subsequent events for recognition or disclosure in the financial statements through December 14, 2021, which represents the date which the financial statements were available to be issued.