APPALACHIAN VOICES

Financial Statements and Independent Auditor's Report
For the Years Ended December 31, 2022 and 2021

C. Randolph CPA, PLLC
Certified Public Accountant

APPALACHIAN VOICES

Table of Contents
For the Years Ended December 31, 2022 and 2021

C. Randolph CPA, PLLC

Certified Public Accountant
560 Beaver Creek School Rd.
West Jefferson, North Carolina 28694
Phone: (336) 846-3211
Fax: (336) 846-1142

Independent Auditor's Report

To the Board of Directors of
Appalachian Voices

Opinion

We have audited the accompanying financial statements of Appalachian Voices (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 Appalachian Voices as of December 31, 2022 and 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 the 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 Appalachian Voices and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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 Appalachian Voices' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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 are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Appalachian Voices' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Appalachian Voices' 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.

C. Randolph CPA, PLLC

West Jefferson, North Carolina
October 18, 2023

APPALACHIAN VOICES

Statements of Financial Position
December 31, 2022 and 2021

Assets	2022	2021
Current Assets:		
Cash and cash equivalents	$ 4,597,183	$ 3,770,469
Accounts and sales tax receivable	9,447	1,015
Deposits	13,167	14,817
Prepaid expenses	-	-
Employee advances	160	-
Contributions receivable - current	496,744	457,982
Total current assets	5,116,701	4,244,283
Property and Equipment:		
Equipment	69,327	57,923
Furniture and fixtures	762	762
Less accumulated depreciation	(36,593)	(26,704)
Net property and equipment	33,496	31,981
Other assets:		
Investments	572	-
Operating lease right-of-use asset	99,115	-
Contributions receivable - non-current	20,000	-
Intangible asset	1,500	1,500
Total other assets	121,187	1,500
Total assets	$ 5,271,384	$ 4,277,764
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	$ 57,202	$ 15,147
Credit card payable	34,900	-
Sub awards payable	77,625	-
Accrued expenses	7,628	20,613
PPP Loan	-	392,690
Total current liabilities	177,355	428,450
Long-term liabilities:		
Operating lease liability	99,115	-
Net assets:		
Unrestricted:		
Without donor restrictions	2,834,618	2,502,312
Invested in property and equipment	33,496	31,981
Funder designated funds	270,000	270,000
Board designated funds used for reserve	100,000	100,000
Restricted:		
With donor restrictions	1,756,800	945,021
Total net assets	4,994,914	3,849,314
Total liabilities and net assets	$ 5,271,384	$ 4,277,764

See accompanying notes to financial statements.

APPALACHIAN VOICES

Statements of Activities
For the Years Ended December 31, 2022 and 2021

	2022		
	Net Assets Without Donor Restrictions	**Net Assets With Donor Restrictions**	**Total**
Support and Revenue:			
Contributions	$ 2,220,290	$ 2,323,551	$ 4,543,841
Membership dues	52,587	-	52,587
Paycheck Protection Program funds	392,690	-	392,690
Investment income	8,170	-	8,170
Fiscal sponsorships - net	(27,996)	-	(27,996)
Pass-throughs - net	58,456	-	58,456
Net assets released from restrictions:			
Satisfaction of program restrictions	1,511,772	(1,511,772)	-
Total support and revenue	4,215,969	811,779	5,027,748
Expenses:			
Program expenses	3,185,347	-	3,185,347
Management and general expenses	377,901	-	377,901
Fundraising expenses	318,900	-	318,900
Total expenses	3,882,148	-	3,882,148
Changes in net assets	333,821	811,779	1,145,600
Net assets, beginning of year	2,904,293	945,021	3,849,314
Net assets, end of year	$ 3,238,114	$ 1,756,800	$ 4,994,914

See accompanying notes to financial statements.

2021		
Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
$ 1,545,913	$ 2,137,968	$ 3,683,881
55,520	-	55,520
4,994	-	4,994
7,316	-	7,316
39,039	-	39,039
44,617	-	44,617
1,654,140	(1,654,140)	-
3,351,539	483,828	3,835,367
2,319,119	-	2,319,119
253,730	-	253,730
229,062	-	229,062
2,801,911	-	2,801,911
549,628	483,828	1,033,456
2,354,665	461,193	2,815,858
$ 2,904,293	$ 945,021	$ 3,849,314

APPALACHIAN VOICES

Statement of Functional Expenses
For the Year Ended December 31, 2022

Functional Expenses:	Shifting Investments to Clean Energy	Building Awareness of Regional Issues	Eliminate Fossil Fuels Externalities	Total Program Expenses	Management & General Expenses	Fundraising Expenses	Total Expenses
Salaries and wages	$ 1,181,277	$ 70,631	$ 653,321	$ 1,905,229	$ 263,038	$ 175,676	$ 2,343,943
Payroll taxes and insurance	236,227	9,855	111,553	357,635	34,609	22,791	415,035
Employee benefits	18,171	1,076	11,174	30,421	1,710	1,075	33,206
Advertising	14,458	271	13,487	28,216	730	837	29,783
Bank charges	-	-	-	-	1,049	-	1,049
Conferences and meetings	4,089	7	900	4,996	379	3,613	8,988
Contract labor	324,502	4,411	705	329,618	179	129	329,926
Contributions	1,788	50	1,320	3,158	137	99	3,394
Depreciation	5,293	287	3,099	8,679	787	566	10,032
Dues and subscriptions	5,837	122	2,980	8,939	597	13,127	22,663
Equipment purchases	1,627	83	584	2,294	1,819	295	4,408
Equipment rental	1,246	68	730	2,044	185	133	2,362
Event expense	1,149	634	56	1,839	14	10	1,863
Loss on disposal of fixed assets	29	2	17	48	4	3	55
Insurance	4,188	227	2,453	6,868	623	448	7,939
Leadership development	5,488	295	3,379	9,162	1,630	848	11,640
Licenses and permits	1,727	38	725	2,490	102	86	2,678
Meals and entrtainment	8,011	334	4,179	12,524	7,617	4,078	24,219
Office expense/IT	18,446	1,026	10,300	29,772	4,158	2,169	36,099
Office supplies	2,919	341	2,051	5,311	2,470	153	7,934
Printing and reproduction	27	6,417	-	6,444	75	-	6,519
Promotion materials	12,765	331	6,965	20,061	908	3,367	24,336
Postage and delivery	1,396	904	1,654	3,954	308	566	4,828
Professional fees	137,973	1,008	58,905	197,886	37,537	20,487	255,910
Rent	74,025	2,200	23,980	100,205	7,087	8,241	115,533
Repairs and maintenance	4,466	217	3,087	7,770	867	814	9,451
Travel	44,800	2,047	24,781	71,628	7,009	57,388	136,025
Telephone	4,286	163	1,947	6,396	446	321	7,163
Utilities	5,447	275	2,887	8,609	850	670	10,129
Website expense	7,271	440	5,440	13,151	977	910	15,038
Total functional expenses	$ 2,128,928	$ 103,760	$ 952,659	$ 3,185,347	$ 377,901	$ 318,900	$ 3,882,148

See accompanying notes to financial statements.

APPALACHIAN VOICES

Statement of Functional Expenses
For the Year Ended December 31, 2021

Functional Expenses:	**Eliminate Fossil Fuels Externalities**	**Building Awareness of Regional Issues**	**Shifting Investments to Clean Energy**	**Total Program Expenses**	**Management & General Expenses**	**Fundraising Expenses**	**Total Expenses**
Salaries and wages	$ 512,169	$ 50,094	$ 899,298	$ 1,461,561	$ 163,007	$ 121,837	$ 1,746,405
Payroll taxes and insurance	108,356	13,265	188,157	309,778	29,725	24,409	363,912
Employee benefits	10,474	461	16,843	27,778	3,580	2,012	33,370
Advertising	9,066	163	19,036	28,265	2,521	265	31,051
Bank charges	-	-	-	-	1,072	-	1,072
Conferences and meetings	259	164	1,017	1,440	116	55	1,611
Contract labor	4,762	3,204	211,518	219,484	716	3,832	224,032
Contributions	885	52	1,357	2,294	97	84	2,475
Depreciation	2,248	302	3,832	6,382	563	491	7,436
Dues and subscriptions	2,484	154	3,801	6,439	404	12,121	18,964
Equipment rental	654	88	1,115	1,857	164	143	2,164
Insurance	-	-	-	-	1,335	-	1,335
Leadership development	2,357	317	4,018	6,692	590	514	7,796
Licenses and permits	143	8	1,594	1,745	357	100	2,202
Meals and entrtainment	239	8	2,081	2,328	15	338	2,681
Office supplies	596	123	1,155	1,874	1,257	1,686	4,817
Promotion materials	8,240	1,144	13,599	22,983	2,307	1,865	27,155
Postage and delivery	3,445	389	1,642	5,476	98	7,686	13,260
Printing and reproductions	2,589	109	1,397	4,095	383	830	5,308
Professional fees	8,653	802	33,109	42,564	28,794	14,337	85,695
Rent	38,146	5,986	63,033	107,165	11,798	10,277	129,240
Repairs and maintenance	2,510	337	4,279	7,126	629	548	8,303
Travel	10,381	99	8,231	18,711	1,529	23,170	43,410
Telephone	3,064	381	5,795	9,240	710	619	10,569
Utilities	2,966	418	5,086	8,470	751	626	9,847
Website expense	5,575	695	9,102	15,372	1,212	1,217	17,801
				-			
Total functional expenses	$ 740,261	$ 78,763	$ 1,500,095	$ 2,319,119	$ 253,730	$ 229,062	$ 2,801,911

See accompanying notes to financial statements.

APPALACHIAN VOICES

Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows From Operating Activites:		
Changes in net assets	$ 1,145,600	$ 1,033,456
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation expense	10,032	7,436
Loss on disposal of assets	56	1,338
(Increase) decrease in accounts receivable	(8,432)	(419)
(Increase) decrease in contributions receivable	(58,762)	(42,913)
(Increase) decrease in operating lease right-of-use asset	(99,115)	-
(Increase) decrease in prepaid expenses	-	1,956
(Increase) decrease in employee advances	(160)	4
(Increase) decrease in deposits	1,650	-
Increase (decrease) in accounts payable	42,055	(6,486)
Increase (decrease) in sub awards payable	77,625	-
Increase (decrease) in credit card payable	34,900	-
Increase (decrease) in accrued expenses	(12,985)	(6,646)
Increase (decrease) in PPP loan payable	(392,690)	392,690
Increase (decrease) in operating lease liability	99,115	-
Total	(306,711)	346,960
Net cash provided (used) by operating activities	838,889	1,380,416
Cash Flows From Investing Activities:		
(Increase) decrease in investments	(572)	-
Proceeds from disposal of assets	750	-
Purchase of equipment	(12,353)	(24,246)
Net cash provided (used) by investing activities	(12,175)	(24,246)
Increase (decrease) in cash and cash equivalents	826,714	1,356,170
Beginning cash and cash equivalents	3,770,469	2,414,299
Ending cash and cash equivalents	$ 4,597,183	$ 3,770,469

See accompanying notes to financial statements.

1. General Information and Summary of Significant Accounting Policies

Organization - Appalachian Voices was organized in 1997 as a North Carolina nonprofit corporation. Its purpose is to solve the environmental problems having the greatest impact on the central and southern Appalachian Mountains. The organization's income is primarily from private and public grants and individual contributions.

Sources of Funding - The Organization receives support from contributions and revenues generated by grants and contributions.

Basis of Accounting - The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

Basis of Presentation - The Organization reports 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.

Net Assets Without Donor Restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions - These net assets result from grants that are received with donor stipulations that limit the use of the asset, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

The Organization reports in compliance with the Financial Accounting Standards Board (FASB) ASC 958-205, *Presentation of Financial Statements for Not-for-Profit Entities*. Under these provisions, net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Contributions/Grants - Contributions and grants received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (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 statement of activities as net assets released from restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Staff salaries, employee benefits, and indirect expenses are allocated based on estimated time and effort.

Investments - Investments are recorded at fair market value. Both unrealized gains and losses from the fluctuation of market value and realized gains and losses from the sale of investments are reflected in the statement of activities.

The following provides a summary of the hierarchical levels used to measure fair value:

Level 1: Quoted prices for identical assets or liabilities in active markets that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange, including over-the-counter markets, and that are highly liquid.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets aor liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market date for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity, and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions Receivable - Unconditional promises to give are recognized as revenues or gains in the period received, net of an allowance for uncollectible promises and a discount to the present value of future cash flows, and presented as contributions receivable in the statement of financial position.

Property, Equipment, and Furniture - The Organization capitalizes all expenditures for property, equipment, and furniture in excess of $200. The cost of property, equipment, and furniture is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method for financial reporting purposes and for income tax purposes.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property, equipment, and furniture is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

The useful lives of property, equipment, and furniture for purposes of computing depreciation are:

Equipment	5 years
Office furniture	7 years

Donated Materials and Services - It is the policy of Appalachian Voices to record the value of donated services, materials and facilities usage provided there is an objective basis with which to value such donations. The value of general volunteer services are not recorded, because there is not objective basis with which to value the volunteer time, although the operations of Appalachian Voices is supported by a considerable amount of volunteer time.

Fair Value Measurements - The Organization applies the provisions included in FASB ASC Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As of December 31, 2022 and 2021, there were no nonfinancial assets or liabilities measured at fair value in the financial statements on a nonrecurring basis.

Financial instruments consist of cash and cash equivalents, contributions receivable, current liabilities and debt obligations. The carrying amounts reported in the statement of financial position for cash and cash equivalents, contributions receivable and current liabilities approximate fair value due to the short-term nature of these financial statements.

Cash and Cash Equivalents - For purposes of financial statement presentation, Appalachian Voices considers all bank accounts, certificates of deposit, interest accrued on certificates of deposit, and petty cash funds to be cash and cash equivalents.

Concentration of Credit Risk - At December 31, 2022 and 2021, the Organization had deposits that exceeded the federal deposit insurance limit by $2,406,925 and $1,395,967, respectively.

Advertising - Advertising costs are expensed when incurred. Advertising expense for the years ended December 31, 2022 and 2021 was $29,783 and $31,051, respectively.

Income Taxes - The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2022, 2021 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

Recent Accounting Pronouncements -In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The objective of this ASU is to increase transparency of contributed nonfinancial assets for not-for-profit ("NFP") entities through enhancements to presentation and disclosure. The amendments in this ASU apply to NFPs that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The amendments in this ASU will improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets for NFPs, including additional disclosure requirements for recognized contributed services. The amendments will not change the recognition and measurement requirements. ASU No. 2020-07 is effective for fiscal years beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early application of the amendments is permitted. The amendments in this ASU should be applied on a retrospective basis.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which will require a lessee to recognize assets and liabilities for leases with lease terms of more than twelve months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a financing or operating lease. However, unlike current GAAP—which requires only capital leases to be recognized on the statement of financial position – the new ASU will require both financing and operating leases to be recognized on the statement of financial position. Various subsequent accounting standards have been issued by the FASB that clarify, modify, or expand the guidance for Topic 842. In November 2019, the FASB issued ASU No. 2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates for Certain Entities, which provided certain entities that had not yet issued their financial statements (or made financial statements available for issuance) reflecting the adoption of Topic 842 with an additional year deferral of implementation of Topic 842. The guidance set forth in Topic 842 is now effective for private companies for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022.

2. Net Assets

The Appalachian Voices Board of Directors has designated portions of the net assets to be used for purposes other than general operations as follows:

	2022	**2021**
Investment in property and equipment	$ 33,496	$ 31,981
Funder designated funds	270,000	270,000
Board designated funds used for reserve	100,000	100,000
	$403,496	$401,981

3. Contributions Receivable

Unconditional promises to give consists of the following:

	2022	**2021**
Unrestricted	$213,755	$121,680
Shifting	302,989	250,882
Internalizing	-	85,420
Total contribution receivable	$516,744	$457,982

4. Liquidity and Availability of Financial Assets

The Organization’s primary sources of support are grants and contributions. Most of that support is required to be used in accordance with the purpose restrictions imposed by the donors. Donor-restricted support has historically funded approximately 14% of annual program and supporting activities, with the remainder funded by miscellaneous income without donor restrictions. The Organization’s objective is to maintain liquid financial assets without donor restrictions sufficient to cover 12 months of program expenditures. As shown on the face of the statement of financial position, and summarized below, most of the Organization’s financial assets are not subject to donor-imposed restrictions on use:

	2022	2021
Financial assets available within one year and free of donor restrictions:		
Cash and cash equivalents	$1,094,469	$1,323,908
Operating reserve cash and cash equivalents	2,059,084	1,838,856
Contributions and pledges receivable	193,755	121,680
Financial assets subject to donor-imposed restrictions:		
Cash and cash equivalents	1,453,811	608,719
Contributions and pledges receivable	302,989	336,302
Total financial assets	$5,104,108	$4,229,466

5. Retirement Plan

The Organization has a simple IRA plan covering employees that meet certain criteria for eligibility. In addition to employee deferrals, the Organization will make a 3% contribution for employees. Employer contributions associated with the simple IRA plan for the year ended December 31, 2022 and 2021 totaled $33,207 and $33,371, respectively.

6. Operating Lease Right-of-Use Asset

The Organization entered into a lease with Michael Vetro on April 15, 2016 for office space located in Boone, North Carolina. The lease requires monthly lease payments of $4,278 plus one-third of the annual property tax bill for the term. The term of the lease is two years commencing September 15, 2016 and terminating September 14, 2018. The lease was renewed on January 24, 2018 commencing September 15, 2018 and terminating September 14, 2022. The lease was again renewed on January 28, 2022 commencing September 15, 2022 and terminating September 14, 2024 with monthly lease payments of $5,116.

Future minimum lease obligations are as follows:

2023	$61,392
2024	40,928
Total undiscounted cash flows	102,320
Less present value discount	(3,205)
Total lease liability	$99,115

7. Lease Obligation

The organization entered into a three-year lease with Parker River, LLC on October 11, 2016, for space located in Charlottesville, Virginia. The most recent lease amendment is dated July 6, 2022, and extends the lease for a one year term from November 1, 2022 to October 31, 2023 with a monthly payment of $3,906.24. This lease was not renewed.

8. Income Taxes

Uncertain Tax Positions

FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, clarifies the accounting for uncertainty in income tax positions. Based on an evaluation of uncertain tax positions, management is required to measure potential tax liabilities that could have a risk of greater than a 50% likelihood of being realized upon settlement. As of December 31, 2022, management has determined that the Organization has no such risk and therefore no liabilities have been recorded for uncertain tax positions.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions material to the financial statements.

9. Subsequent Events

Management has evaluated subsequent events through October 18, 2023, the date on which the financial statements were available to be issued. During the period from the end of the year and through this date, no circumstances occurred that require recognition or disclosure in these financial statements.