Project Healing Waters Fly Fishing, Inc.

Financial Statements
For the Nine-Month Period Ended
September 30, 2021

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Contents

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Independent Auditor's Report

Board of Directors
Project Healing Waters Fly Fishing, Inc.
La Plata, Maryland

Opinion

We have audited the financial statements of **Project Healing Waters Fly Fishing, Inc.** (the Organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities and change in net assets, functional expenses, and cash flows for the nine-month period then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 31, 2021, and the changes in its net assets and its cash flows for the nine-month period 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 (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we:

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

BDO USA, LLP

McLean, Virginia
September 19, 2022

Financial Statements

Project Healing Waters Fly Fishing, Inc.

Statement of Financial Position

September 30,2021

Assets	
Current assets	
Cash and cash equivalents	$ 1,284,720
Contributions receivable	158,803
Inventory	63,191
Prepaid expenses	89,180
Total current assets	1,595,894
Noncurrent assets	
Property and equipment, net	190,501
Investments	443,515
Deposits	4,550
Total noncurrent assets	638,566
Total assets	$ 2,234,460
Liabilities and net assets	
Current liabilities	
Accounts payable	$ 142,107
Accrued liabilities	85,833
Deferred revenue	12,940
Total current liabilities	240,880
Commitments and contingencies	
Net assets	
Without donor restrictions	1,151,955
With donor restrictions	841,625
Total net assets	1,993,580
Total liabilities and net assets	$ 2,234,460

See accompanying notes to the financial statements.

Project Healing Waters Fly Fishing, Inc.

Statement of Activities and Change in Net Assets

Nine-month Period Ended September 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support			
Special events			
Revenue	$ 66,809	$ -	$ 66,809
Less: donor benefit costs	(20,377)	-	(20,377)
Net support from special events	46,432	-	46,432
Grants and contributions	1,174,347	483,827	1,658,174
In-kind contributions	312,516	-	312,516
Investment return, net	5,523	-	5,523
Other income	190,304	-	190,304
Net assets released from donor restrictions	485,555	(485,555)	-
Total revenue and other support	2,214,677	(1,728)	2,212,949
Expenses			
Program services:			
National	92,649	-	92,649
Regional	1,505,194	-	1,505,194
Total program services	1,597,843	-	1,597,843
Supporting services:			
Management and general	359,414	-	359,414
Fundraising	362,300	-	362,300
Total supporting services	721,714	-	721,714
Total expenses	2,319,557	-	2,319,557
Change in net assets	(104,880)	(1,728)	(106,608)
Net assets, beginning of year	1,256,835	843,353	2,100,188
Net assets, end of year	$ 1,151,955	$ 841,625	$ 1,993,580

See accompanying notes to the financial statements.

Project Healing Waters Fly Fishing, Inc.

Statement of Functional Expenses

Nine-Month Period Ended September 30, 2021	Program Services			Supporting Services			
	National	Regional	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries, benefits and payroll taxes	$ 22,578	$ 476,804	$ 499,382	$ 197,819	$ 233,227	$ 431,046	$ 930,428
Materials and supplies	632	620,309	620,941	139	25,395	25,534	646,475
Professional fees	34,192	175,259	209,451	85,121	44,805	129,926	339,377
Travel	14,555	28,528	43,083	-	1,307	1,307	44,390
Occupancy	6,296	57,698	63,994	20,845	13,594	34,439	98,433
Office expense	7,199	36,660	43,859	23,862	40,665	64,527	108,386
Depreciation and amortization	545	45,104	45,649	5,425	1,098	6,523	52,172
Insurance	4,500	18,675	23,175	6,003	576	6,579	29,754
Equipment rental	-	29,972	29,972	-	-	-	29,972
Shows and fundraising	-	-	-	-	1,633	1,633	1,633
Fishing licenses	-	1,015	1,015	-	-	-	1,015
Other expenses	2,152	15,170	17,322	20,200	-	20,200	37,522
Total expenses	$ 92,649	$ 1,505,194	$ 1,597,843	$ 359,414	$ 362,300	$ 721,714	$ 2,319,557

See accompanying notes to the financial statements.

Project Healing Waters Fly Fishing, Inc.

Statement of Cash Flows

Nine-month Period Ended September 30, 2021	
Cash flows from operating activities:	
Change in net assets	$ (106,608)
Adjustments to reconcile change in net assets to net cash and cash equivalents used in operating activities	
Depreciation and amortization	52,172
Bad debt expense	17,000
Donated stock	(31,075)
Gain on forgiveness of PPP loan	(190,000)
Change in operating assets:	
Contributions receivable	90,319
Inventory	(2,768)
Prepaid expenses	22,076
Change in operating liabilities:	
Accounts payable	97,382
Accrued liabilities	12,137
Deferred revenue	12,940
Net cash and cash equivalents used in operating activities	(26,425)
Cash flows from investing activities:	
Purchases of property and equipment	(21,889)
Purchases of investments	2,518
Proceeds from sales of investments	104,480
Net cash provided by investing activities	85,109
Net change in cash and cash equivalents	58,684
Cash and cash equivalents at the beginning of the period	1,226,036
Cash and cash equivalents at the end of the period	$ 1,284,720
Supplemental disclosure of noncash financing activity:	
Forgiveness of PPP loan	$ 190,000

See accompanying notes to the financial statements.

1. Organization and Summary of Significant Accounting Policies

Project Healing Waters Fly Fishing, Inc. (the Organization) is a non-profit organization dedicated to the physical and emotional rehabilitation of disabled active military service personnel and disabled veterans through fly fishing and associated activities including education and outings. The Organization receives its support from the public in the form of cash, in-kind contributions of goods and services, and grants from foundations and other donors.

During 2021, the Board of Directors voted to change the Organization's reporting year from a calendar year end of December 31 to a fiscal year end of September 30. As a result, statements of activities and change in net assets, functional expenses and cash flows are presented for the nine-month period ended September 30, 2021.

The Organization fulfills its mission by focusing its efforts in two main programs, which are included in the statements of activities and change in net assets and statement of functional expenses as follows:

- **National programs** which consists of National Destinations Program, National Competitions Program, and National Training Program.

- ***Regional programs*** which provides five core program activities: (1) fly tying, (2) fly rod building, (3) fly casting, (4) fly fishing education, and (5) fly fishing outings for disabled active military service personnel and disabled veterans. Class curriculum ranges from lessons for beginners to those with prior fishing and tying experience who are adapting their skills to their new abilities.

The headquarters staff provides program, supply, and material support, as well as volunteer training, fly fishing destination outings, and fly casting and fly rod building competitions for selected participants for the three national programs.

The Organization provides all activities and services to participants at no cost. The Organization provides all equipment and materials to the participants for their use, including adaptive equipment that accommodates their special needs.

The significant accounting policies followed by the Organization are described below.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Revenues are recognized in the period in which they are earned. Expenses are recognized when the obligation is incurred.

Cash Equivalents

The Organization considers all highly liquid instruments, which are to be used for current operations and have an original maturity of three months or less, to be cash equivalents.

Contributions Receivable

Contributions receivable consist of donations received online via the Organization's and third-party service providers' websites before year end that have not been transferred to operating funds and uncollected pledges from donors. Management is of the opinion that all contributions receivable are fully collectible and therefore no allowance for doubtful accounts is provided.

Inventory

Inventory is stated at the lower of cost or net realizable value.

Property and Equipment

Property and equipment are stated at cost, or if donated, the assets are capitalized at the estimated fair value at the date of receipt. Depreciation and amortization are computed over the estimated useful lives of three to ten years. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Major renewals, betterments, and additions in excess of $500, and a useful life greater than one year, are capitalized with certain exceptions based on the expected length of use of the asset.

Investments

Investments with readily determinable fair values are reflected at fair market value. Income is recognized from interest and dividends as earned. Investment consists of mutual funds and certificates of deposit. Certificates of deposit are recorded at cost, which approximates fair value. The Organization's mutual funds are available-for-sale securities carried at fair value based on quoted market prices (Level 1) at the date nearest the financial position date. Unrealized gains or losses are included in the accompanying statement of activities and change in net assets.

Basis of Presentation

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified in the following two classes:

> ***Net assets without donor restrictions*** represents funds that are available for support of the operations of the Organization, and that are not subject to donor restrictions.
>
> ***Net assets with donor restrictions*** consist of contributions that have been restricted by the donor for specific purposes or are time restricted, including contributions that have been restricted by the donor that stipulate the resources be maintained in perpetuity, but permit the Organization to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets. Donor-imposed restrictions are initially reported in the net assets with donor restrictions class, even if it is anticipated such restrictions will be met in the current reporting period.

Board-designated net assets are net assets without donor restrictions that are used only for the specific purpose by Board resolution. As of September 30, 2021, the Organization did not have board-designated net assets.

Grants and Contributions

Grants and contributions revenue are transactions under which the donor does not receive commensurate value. Contributions may either be conditional or unconditional contributions. Grants and contributions revenue are recorded as with or without donor restrictions, depending on the existence or nature of any donor restrictions. Unconditional promises to give are recognized as revenue or gains in the year acknowledged. Unconditional promises to give are carried at fair value less an estimate made for doubtful promises based on a review of all outstanding promises. Conditional promises to give are only recognized when the conditions on which they depend are substantially met. Conditional promises to give with donor restrictions are initially reported in the net assets with donor restrictions class, even if it is anticipated such restrictions will be met in the current reporting period. As of September 30, 2021, the Organization had remaining award balances on a federal grant of $525,000. These award balances are not recognized as assets and will be recognized as revenue as the project progress and conditions are met, generally as expenses are incurred.

In-kind Contributions

Contributed goods are recorded at fair value at the date of receipt. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by peoples with those skills, and would otherwise be purchased by the Organization. During nine-month period ended September 30, 2021, the Organization recorded in-kind contributions totaling $312,516. In addition, during the nine-month period ended September 30, 2021, the Organization received 106,681 volunteer hours that did not meet the criteria for recognition, with an estimated fair value of $3,044,661.

Special Events

Special events sponsorship revenues, auctions, raffle income, as well as ticket sales which are accounted for under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, including all subsequent amendments (collectively, ASC 606), in which revenue is recognized at a point in time when the tickets are sold. Amounts received in advance of services performed, but not yet earned are recorded as deferred revenue.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis. Those expenses include salaries, benefits and payroll taxes, office expense, depreciation, insurance, and occupancy expenses.

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Risk

The Organization maintains its cash and investment balances at various financial institutions and at times, these balances may exceed federally insured limits. Amounts on deposit in excess of federally insured limits at September 30, 2021 approximates $487,000. The Organization has not experienced any losses with respect to its bank and investment balances in excess of government provided insurance and management believes that there is no significant concentration of credit risk as a result of maintaining these accounts.

Income Taxes

The Organization is a non-profit organization and is exempt from the payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes is required for the nine-month period ended September 30, 2021, as the Organization had no significant net unrelated business income.

The Organization recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized uncertain income tax positions ($0 at September 30, 2021) are measured at the largest amount that has a greater than 50% likelihood of being realized upon settlement. Changes in recognition or measurement are reflected in the period in which the change in judgment occurred. The Organization is generally no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years ended December 31, 2017 and prior.

Recent Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which is the leasing standard for both lessees and lessors. Under this update, a lessee will recognize lease assets and liabilities on the statement of financial position for all arrangements with terms longer than 12 months. In an effort to provide relief to entities impacted as a result of the COVID-19 pandemic, the FASB issued ASU 2020-05, which delays the effective date of ASC 842 by one year to include all nonpublic entities that have not yet issued their financial statements. The deferred effective date is for fiscal years beginning after December 15, 2021, and interim periods with fiscal years beginning after December

15, 2022.The Organization is currently evaluating the impact these updates will have on the financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. In an effort to improve transparency in reporting nonprofit gifts-in-kind, the ASU requires not-for-profit organizations to change the financial statement presentation and disclosure of contributed nonfinancial assets. Under the new requirements, gifts-in-kind are to be presented as a separate line item, and include enhanced disclosures about the valuation of those contributions, description of any donor-imposed restrictions, and description of the valuation techniques and inputs used to arrive at a fair value measure. The new standard is to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. Early adoption is permitted. Management will evaluate the effect that the adoption of this new standard will have on the financial statements.

The Organization has assessed other accounting pronouncements issued or effective during the nine-month period ended September 30, 2021 and deemed they were not applicable to the Organization and are not anticipated to have a material effect on the financial statements.

2. Investments and Fair Value Measurements

Certain assets and liabilities are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or price to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

U.S. GAAP establishes a framework for measuring fair value for assets and liabilities subject to fair value measurement. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy 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 that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment. 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 valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level with 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 following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used as of September 30, 2021.

Money Market Funds

Valued at quoted market prices in an exchange and active market.

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 method is 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.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of September 30, 2021:

	As of September 30, 2021			
	Fair Value Hierarchy Level			
Description	Level 1	Level 2	Level 3	Total
Investments:				
Money market funds	$ 31,075	$ -	$ -	$ 31,075
Total investments, in the fair value hierarchy	$ 31,075	$ -	$ -	31,075
Certificates of deposit*				412,440
Total investments, at fair value				$ 443,515

* *Certificates of deposit included in the investment portfolio are not subject to the provision of fair value measurement as they are recorded at cost.*

3. Contributions Receivable

Contributions receivable at September 30, 2021 consisted of the following:

Online donations	$	19,969
Other contributions		138,834
	$	158,803

All contributions receivable are collectible within one year. The Organization recorded bad debt expense of $17,000 for the nine-month period September 30, 2021.

4. Property and Equipment

Property and equipment at September 30, 2021 consisted of the following:

Vehicles	$	221,287
Computers and software		231,630
Furniture and equipment		78,554
Storage shed		13,439
		544,910
Less: accumulated depreciation and amortization		(354,409)
Property and equipment, net	$	190,501

During the nine-month period ended September 30, 2021, the Organization recorded depreciation and amortization expense related to property and equipment of $52,172.

5. Paycheck Protection Program (PPP) - Other income

On April 24, 2020, the Organization received loan proceeds in the amount of $190,000 under the Paycheck Protection Program (“PPP”) of the Coronavirus Aid Relief and Economic Security (CARES) Act, which was enacted March 27, 2020. The PPP loan is evidenced by a promissory note in favor of a financial institution (the Lender), which bore interest at the rate of 1.00% per annum. No payments of principal or interest were due under the note until the date on which the amount of loan forgiveness (if any) under the CARES Act, which could be up to 10 months after the end of the related notes covered period (which is defined as 24 weeks after the date of the loan) (the “Deferral Period”). The note could be prepaid at any time prior to maturity with no prepayment penalties.

Funds from the PPP loan were to be used only for payroll and related costs, costs used to continue group health care benefits, mortgage payments, rent utilities, and interest on other debt obligations that were incurred prior to February 15, 2020 (the “Qualifying Expenses”). Under the terms of the PPP loan, certain amounts thereunder could be forgiven if they were used for qualifying expenses as described in and in compliance with the CARES Act.

During the nine-month period ended September 30, 2021, the Organization received notice from the lender and the Small Business Administration that the PPP loan in the amount of $190,000 had been fully forgiven. As a result, in accordance with U.S. GAAP, the Organization wrote off the PPP loan liability and recognized a gain on forgiveness of debt which is included in other income in the accompanying statement of activities and change in net assets totaling $190,000.

6. Retirement Plan

The Organization has a 401(k) defined contribution retirement plan that covers all employees over 21 years of age. Employees become eligible for the retirement plan upon completion of six months of service. Employees are fully vested in salary deferral, employer matching contributions, and non-elective contributions. Employer matching contributions for the nine-month period ended September 31, 2021 totaled $27,509.

7. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following at September 30, 2021:

	Beginning balance	Additions	Released from restrictions	Ending Balance
National programs	$ 161,221	$ 3,800	$ (18,742)	$ 146,279
Regional/local programs	485,418	365,027	(302,178)	548,267
Restricted national grants	196,714	115,000	(164,635)	147,079
Total	$ 843,353	$ 483,827	$ (485,555)	$ 841,625

8. Operating Leases

The Organization entered into a lease agreement for office space in La Plata, Maryland, which commenced on February 1, 2019. The lease calls for monthly payments of $6,361, for a period of three years, and contains a 3% annual escalation provision. Subsequent to year end the lease was amended to extend the term of the lease through January 2025.

The Organization also entered into a 12-month lease agreement for office space in Colorado Springs, Colorado, with an option for an additional 60 months which commenced on July 8, 2020. The lease requires for monthly payments of $1,557 beginning December 1, 2020.

The future minimum lease payments under the current operating lease agreements are as follows:

Years ending September 30,	
2022	$ 101,260
2023	103,308
2024	105,388
2025	43,883
	$ 353,839

In accordance with authoritative guidance issued by the FASB, the Organization recognizes the total cost of its office lease ratably over the lease period. The difference between rent paid and that expensed is reflected as deferred rent, which is included in accounts payable in the accompanying statement of financial position, and is being amortized over the term of the lease.

Rent expense for the nine-month period ended September 30, 2021, which is inclusive of some common area maintenance, taxes, and insurance fees totaled $98,433.

9. Liquidity and Availability

The following reflects the Organization's financial assets as of September 30, 2021, reduced by amounts not available for general use within one year because of donor-imposed restrictions.

Cash and cash equivalents	$ 1,284,720
Contributions receivable	158,803
Investments	443,515
Total financial assets	1,887,038
Less those unavailable for general expenditure within one year due to:	
Donor-imposed restrictions	(841,625)
Financial assets available to meet cash needs for general expenditure within one year	$ 1,045,413

As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available and liquid as its obligations become due. The Organization has no debt on the statement of financial position as of September 30, 2021 and typically pays its obligations using cash.

As of September 30, 2021, the Organization has financial assets equal to 3.8 months of operating expenses, respectively. Operating expenses are defined as total budgeted expenses reduced by the following: depreciation expenses, in-kind expenses, expenditures to be funded by contributions with donor restrictions and conditional expenses. Conditional expenses are those that are approved by the Board of Trustees during the annual budget review and approval process, and are based upon the local program, region, or headquarters raising the funds to support the expenses prior to incurring any expense.

10. Risks and Uncertainties – COVID 19 Outbreak

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus ("COVID-19") and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as pandemic, based on the rapid increase in exposure globally. The COVID-19 pandemic continues to have a substantial negative impact on the global economy and has resulted in significant volatility in the financial markets. Management is continually monitoring the impact of the pandemic on its operations. As of the date of this report the Organization has not suffered material negative impact on its operations. The Organization will continue to monitor the financial and business implications of the pandemic on its operations and continues to implement strategies as appropriate. See Note 9 for information regarding the Organization's liquidity and availability of resources.

11. Subsequent Events

Management has evaluated subsequent events and transactions subsequent to the statement of financial position date for potential recognition or disclosure through September 19, 2022, the date the financial statements were available to be issued. There were no events that required recognition or disclosure in the financial statements, except as described in Note 8.