

**Cheryl Rohlf & Associates, Ltd.**

*Certified Public Accountants*

**MAESTRO CARES FOUNDATION**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2021 AND 2020**

**WITH**

**REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

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## **INDEPENDENT AUDITOR'S REPORT**

September 15, 2022

To the Board of Directors of  
Maestro Cares Foundation

### **Opinion**

We have audited the accompanying financial statements of Maestro Cares Foundation, (an Illinois nonprofit organization) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the fiscal 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 as of December 31, 2021 and 2020 and the changes in its net assets and its cash flows of Maestro Cares Foundation for the years then ended, in conformity 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 Maestro Cares Foundation 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.

### **Responsibility 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, 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 Maestro Cares Foundation's ability to continue as a going concern within one year after the date that financial statements are available to be issued.

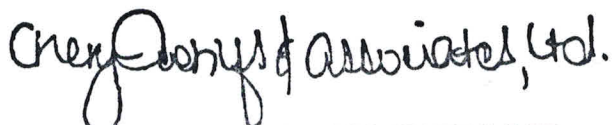
## **Auditor's Responsibilities for the Audit of the Financial Statements**

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 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 misstatements 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 and opinion on the effectiveness of Maestro Cares Foundation'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 Maestro Cares Foundation'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 of timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



**CHERYL ROHLFS & ASSOCIATES, LTD.**

Northbrook, Illinois

**MAESTRO CARES FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 2,158,711	\$ 3,693,641
Investments	3,685,368	1,665,499
Unconditional Promises to Give	375,065	4,615
Prepaid Expenses	10,696	211,115
Property and Equipment:		
Office Equipment	29,249	41,130
Less: Accumulated Depreciation	(15,574)	(27,794)
Total Property and Equipment	13,675	13,336
<b>Total Assets</b>	<b>\$ 6,243,515</b>	<b>\$ 5,588,206</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable and Accrued Expenses	\$ 77,871	\$ 23,417
Deferred Revenue	-	80,000
<b>Total Liabilities</b>	77,871	103,417
<b>Net Assets</b>		
Without Donor Restrictions	6,165,644	5,484,789
<b>Total Net Assets</b>	6,165,644	5,484,789
<b>Total Liabilities and Net Assets</b>	<b>\$ 6,243,515</b>	<b>\$ 5,588,206</b>

See accompanying notes and independent auditor's report.

**MAESTRO CARES FOUNDATION  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>		
<b>Revenues and Gains:</b>		
Contributions and Grants	\$ 1,777,982	\$ 1,005,083
Concert and Ticket Donations	871,813	222,192
Fundraising and Special Events	700,820	77,085
In-kind Contributions	36,737	127,746
Investment Income, net of investment fees of \$17,100 in 2021 and \$7,150 in 2020	186,275	158,040
Miscellaneous Income	2,241	3,244
<b>Total Revenues, Gains and Other Support Without Donor Restrictions</b>	<b>3,575,868</b>	<b>1,593,390</b>
<b>Expenses:</b>		
Program Services	1,862,883	950,250
Supporting Services:		
Management and General	261,100	320,634
Fundraising	771,030	409,135
<b>Total Expenses</b>	<b>2,895,013</b>	<b>1,680,019</b>
<b>INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 680,855</b>	<b>\$ (86,629)</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>\$ 680,855</b>	<b>\$ (86,629)</b>
NET ASSETS, BEGINNING OF YEAR	5,484,789	5,571,418
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 6,165,644</b>	<b>\$ 5,484,789</b>

See accompanying notes and independent auditor's report.

**MAESTRO CARES FOUNDATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	Programs	Management and General	Fundraising	<b>2021 Total</b>
Compensation and Related Expenses:				
Salaries	\$ 275,267	\$ 46,002	\$ 149,815	\$ 471,084
Payroll Taxes	21,752	3,635	11,838	37,225
Employee Benefits	29,452	4,799	16,044	50,295
	<u>\$ 326,471</u>	<u>\$ 54,436</u>	<u>\$ 177,697</u>	<u>\$ 558,604</u>
Capital Project Grants	1,005,097	-	-	1,005,097
Scholarships	79,320	-	-	79,320
Child Sponsorship Expenses	4,405	-	-	4,405
Contributions	422,231	-	-	422,231
Marketing	560	8,187	2,738	11,485
Contract Services and Consultants	12,100	27,531	87,081	126,712
Event Expenses	98	1,919	355,523	357,540
Bank and Credit Card Fees	38	18,307	713	19,058
Postage and Printing	33	1,757	14,246	16,036
Insurance	-	9,897	-	9,897
Donated Event Expenses	-	-	17,661	17,661
Donated Services	-	7,177	11,900	19,077
Supplies, Subscriptions and Reference Materials	1,448	4,684	2,651	8,783
Technology and Website	-	1,956	59	2,015
Communications	-	2,677	2,069	4,746
Occupancy	-	107,472	-	107,472
Travel, Meals and Lodging	11,082	3,997	94,360	109,439
Miscellaneous	-	6,741	4,332	11,073
Total Expenses Before Depreciation	<u>\$ 1,862,883</u>	<u>\$ 256,738</u>	<u>\$ 771,030</u>	<u>\$ 2,890,651</u>
Depreciation	-	4,362	-	4,362
<b>TOTAL EXPENSES</b>	<u><u>\$ 1,862,883</u></u>	<u><u>\$ 261,100</u></u>	<u><u>\$ 771,030</u></u>	<u><u>\$ 2,895,013</u></u>

See accompanying notes and independent auditor's report.

**MAESTRO CARES FOUNDATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (CONTINUED)**

	Programs	Management and General	Fundraising	<b>2020 Total</b>
Compensation and Related Expenses:				
Salaries	\$ 212,445	\$ 59,206	\$ 76,620	\$ 348,271
Payroll Taxes	16,873	4,703	6,086	27,662
Employee Benefits	24,268	6,763	8,752	39,783
	<u>\$ 253,586</u>	<u>\$ 70,672</u>	<u>\$ 91,458</u>	<u>\$ 415,716</u>
Capital Project Grants	510,642	-	-	510,642
Scholarships	23,069	-	-	23,069
Child Sponsorship Expenses	11,410	-	-	11,410
Contributions	132,950	4,000	66,456	203,406
Marketing	753	4,318	6,150	11,221
Contract Services and Consultants	2,967	33,011	91,812	127,790
Event Expenses	227	746	41,009	41,982
Bank and Credit Card Fees	29	8,403	2,254	10,686
Postage and Printing	-	5,658	14,363	20,021
Staff Development	-	325	115	440
Insurance	-	9,714	-	9,714
Donated Event Expenses	4,900	34,500	54,582	93,982
Donated Services	-	14,851	18,913	33,764
Supplies, Subscriptions and Reference Materials	-	7,132	439	7,571
Technology and Website	-	3,412	4,563	7,975
Communications	-	1,956	3,136	5,092
Occupancy	-	112,472	-	112,472
Travel, Meals and Lodging	9,673	2,188	13,086	24,947
Miscellaneous	44	2,884	799	3,727
Total Expenses Before Depreciation	<u>\$ 950,250</u>	<u>\$ 316,242</u>	<u>\$ 409,135</u>	<u>\$ 1,675,627</u>
Depreciation	-	4,392	-	4,392
<b>TOTAL EXPENSES</b>	<u><u>\$ 950,250</u></u>	<u><u>\$ 320,634</u></u>	<u><u>\$ 409,135</u></u>	<u><u>\$ 1,680,019</u></u>

See accompanying notes and independent auditor's report.



**MAESTRO CARES FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase (Decrease) in Net Assets	\$ 680,855	\$ (86,629)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	4,362	4,392
Unrealized Gains on Investments	(111,444)	(10,242)
Realized Gains on Sales of Investments	(36,996)	(108,563)
(Increase) Decrease in Operating Assets:		
Unconditional Promises to Give	(370,450)	397,513
Prepaid Expenses	200,419	(111,239)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	54,454	(234,346)
Deferred Revenue	<u>(80,000)</u>	<u>(336,381)</u>
 NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES	 <u>\$ 341,200</u>	 <u>\$ (485,495)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases (Disposals) of Investments	\$ (1,871,429)	\$ 48,748
Purchases of Office Equipment	<u>(4,701)</u>	<u>(4,432)</u>
 NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	 <u>\$ (1,876,130)</u>	 <u>\$ 44,316</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	 <u>\$ -</u>	 <u>\$ -</u>
 NET DECREASE IN CASH	 \$ (1,534,930)	 \$ (441,179)
 <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	 <u>3,693,641</u>	 <u>4,134,820</u>
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	 <u>\$ 2,158,711</u>	 <u>\$ 3,693,641</u>

See accompanying notes and independent auditor's report.

**MAESTRO CARES FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Maestro Cares Foundation (the Organization) is a non-profit organization incorporated in 2011 in the State of Illinois, with its headquarters in Chicago, Illinois. The Organization's mission is to improve the quality of life of disadvantaged children and communities in Latin America and the United States. They do so by providing housing, educational programming and essential resources to support their growth and development. Through their efforts, they are strengthening communities and helping children become tomorrow's leaders. The Organization obtains funding from the general public for their projects from special event ticket sales and sponsorships, fundraising events, and individual and corporate donations.

Since its inception, the organization has funded the construction of over 25 projects throughout Latin America and the United States. Maestro Cares Foundation has expanded its mission to 13 different countries and territories by providing funding for educational programs and the construction of homes, schools, rehabilitation centers, baseball fields, community centers and temporary pediatric family homes. In 2021, the organization supported a total of 5 programs; 3 in Latin American and 2 in the United States. The organization is working diligently to expand its scholarship program by offering more scholarships to both U.S. and international students.

**Basis of Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use of that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with

donor restrictions if the donor has restricted the use of the property of equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

### **Basis of Accounting**

The financial statements of Maestro Cares Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

### **Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

### **Investments**

The Organization carries its investments in marketable securities with readily determinable fair values at their fair values in the Statement of Financial Position.

### **Revenues and Revenue Recognition**

The Organization recognizes revenue as it satisfies a performance obligation by transferring control over a product or a service to a customer. Revenue is measured at the transaction price, which is based on the amount of consideration that the Organization expects to receive in exchange for transferring the promised good or service to the customer. Event and fundraising revenues received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Contributions are recognized at a point in time when cash or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

### **Contributions**

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions until the restriction is satisfied.

### **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.

### **Promises to Give**

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

### **Property and Equipment**

It is the Organization's policy to capitalize property and equipment purchases of more than \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations for property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Office equipment is depreciated using the straight-line method over the useful lives of the assets of five to ten years.

### **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. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Organization files U.S. federal and Illinois state information returns. The federal and state informational tax returns for tax years 2019, 2020 and 2021 can be subject to examinations by tax authorities, generally for three years from the date of filing.

### **Expense Allocations**

The costs of providing program and supporting services have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, costs have been allocated between the Organization's program and the supporting services in a direct functional method, when applicable, and on the basis of proportional use of the service provided.

### **Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided additional services throughout the years that are not recognized as contributions in the financial statements, since the recognition criteria were not met.

## 2. CHANGE IN ACCOUNTING PRINCIPLES

In February 2016, the Financial Accounting Standards Board (FASB) issued its much anticipated lease accounting standard in ASU 2016-02, *Leases*, (ASC Topic 842) for both lessees and lessors. Under this standard, a lessee will recognize right-of-use asset and related lease liabilities on the statement of financial position for all arrangements with terms longer than 12 months. The goal of the new standard is to streamline the accounting for leases under U.S. generally accepted accounting principles, reduce off-balance-sheet activities, and enhance transparency into liabilities resulting from leasing arrangements. This standard is effective for nonprofit organizations with annual reporting periods beginning after December 15, 2021.

## 3. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in three financial institutions. Those accounts are fully insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2021 and 2020, the Organization exceeded the insured amounts.

## 4. INVESTMENTS

The Organization invested in the following as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Equity Securities	\$ 1,014,722	\$ 342,109
Exchange Traded Products	1,651,980	684,617
Mutual Funds	635,389	170,273
Government Securities	<u>383,277</u>	<u>468,500</u>
	<u>\$ 3,685,368</u>	<u>\$ 1,665,499</u>

Investment income is comprised of the following for the year 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Dividend and Interest Income	\$ 54,935	\$ 46,385
Unrealized Gains (Losses)	111,444	10,242
Realized Gains (Losses) on Sales	36,996	108,563
Investment Fees	<u>(17,100)</u>	<u>(7,150)</u>
Total Investment Income	<u>\$ 186,275</u>	<u>\$ 158,040</u>

## 5. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2021 are as follows:

	Fair Value Measurements at Reporting Date Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments:			
Equity Securities	\$ 1,014,722	\$ 1,014,722	\$ -
Exchange Traded Products	1,651,980	-	1,651,980
Mutual Funds	635,389	385,208	250,181
Government Securities	383,277	-	383,277
	<u>\$ 3,685,368</u>	<u>\$ 1,399,930</u>	<u>\$ 2,285,438</u>

Fair values of assets measured on a recurring basis at December 31, 2020 are as follows:

	Fair Value Measurements at Reporting Date Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments:			
Equity Securities	\$ 342,109	\$ 342,109	\$ -
Exchange Traded Products	684,617	-	684,617
Mutual Funds	170,273	-	170,273
Government Securities	468,500	-	468,500
	<u>\$ 1,665,499</u>	<u>\$ 342,109</u>	<u>\$ 1,323,390</u>

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Equity securities and equity mutual funds that trade in active markets are valued using quoted market prices and are classified as Level 1. Bond mutual funds, emerging traded products, corporate bonds, and government securities are valued at closing price on national exchanges if available, or by using pricing models maximizing the use of observable inputs for similar securities and are classified as Level 2.

## 6. CONDITIONAL PROMISES TO GIVE

Maestro Cares Foundation had future conditional promises to give of \$1,947,257 and \$1,150,375 as of December 31, 2021 and 2020, respectively, which are not recorded in the financial statements. The conditional promises to give relate to various memorandum of understanding commitments that have not yet been paid due to the construction progress on the particular facility.

## 7. DONATED SERVICES

The estimated fair value of the donated facilities and services was quantified by Cardenas Marketing Network, providing office services to the Organization. These donated services were recorded in the Statement of Activities and were valued at \$36,737 and \$33,774 for the years December 31, 2021 and 2020, respectively.

**8. PAYCHECK PROTECTION PROGRAM CONTRIBUTION**

The Organization accepted the Paycheck Protection Program loan in April 2020 for \$97,735. The loan was for a two year term. Interest is at 1% per year of the loan. The PPP loan has the potential to be forgiven, if all criteria of expenditures of the loan proceeds are met. The PPP loan was forgiven in full and was recorded as Contribution Revenue in the Statement of Activities in 2020.

**9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following are the Organization's financial assets as of the balance sheet date reduced by amounts not available for general use within one year:

	<u>2021</u>	<u>2020</u>
Financial Assets at December 31:		
Cash	\$ 2,158,711	\$ 3,693,641
Investments	3,685,368	1,665,499
Unconditional Promises to Give	<u>375,065</u>	<u>4,615</u>
Total Financial Assets	<u>\$ 6,219,144</u>	<u>\$ 5,363,755</u>
Less: amount not available to be used withing on year:		
Net Assets with Donor Restrictions	<u>-</u>	<u>-</u>
Financial Assets available to meet general expenditures over the next twelve months	<u>\$ 6,219,144</u>	<u>\$ 5,363,755</u>

Maestro Cares Foundation regularly monitors the availability of resources required to meet its operating needs and current and future project commitments, while also striving to maximize the investment of its available funds. In addition to the financial assets available to meet general expenditures over the next twelve months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover the expenditures of the planned projects and administration costs. Maestro Cares Foundation maintains sufficient reserves to provide reasonable assurance that all commitments will continue to be met, ensuring the sustainability of the Organization.

**10. BUSINESS DISRUPTION**

The COVID-19 global outbreak has caused economic disruption through mandated and voluntary closings of businesses, schools, and organizations. Since March 2020, the Board of Directors and management have been actively monitoring the events and circumstances surrounding the spread of COVID-19 with their primary concern being the health and wellness of the program participants, staff and volunteers.

The Organization has complied with restricting physical gatherings according with each phase of Restore Illinois. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations on the year ending December 31, 2022 is uncertain.

## **11. EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through September 15, 2022, the date which the financial statements were available to be issued.