Adventurers and Scientists for Conservation, Inc.  
(dba Adventure Scientists)  
Financial Statements  
with  
Independent Auditors’ Report  

For the Year Ended December 31, 2020
Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Table of Contents
December 31, 2020

Independent Auditors’ Report ................................................................. 1 and 2

Financial Statements

Statement of Financial Position ........................................................................................................ 3
Statement of Activities .................................................................................................................. 4
Statement of Functional Expenses ............................................................................................. 5
Statement of Cash Flows ............................................................................................................... 6
Notes to the Financial Statements ............................................................................................. 7 to 14
INDEPENDENT AUDITORS’ REPORT

Board of Directors
Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Bozeman, Montana

We have audited the accompanying financial statements of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility
Management is responsible for the 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.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists, as of December 31, 2020, 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.

Rudd & Company, PLLC

Bozeman, Montana
August 6, 2021
## Statement of Financial Position

As of December 31, 2020

### Assets

#### Current Assets
- Cash and cash equivalents: $1,565,856
- Accounts receivable: 22,364
- Pledges receivable: 728,325
- Prepaid expenses: 4,625

Net Current Assets: 2,321,170

#### Property and Equipment
- Vehicles: 12,000
- Leasehold improvements: 7,000
- Equipment: 20,213
- Software: 8,000
- Accumulated depreciation: (9,729)

Net Property and Equipment: 37,484

Total Assets: $2,358,654

### Liabilities and Net Assets

#### Current Liabilities
- Accounts payable: $47,488
- Accrued payroll and payroll taxes: 22,353
- Note payable - ORV: 100,463

Total Current Liabilities: 170,304

#### Net Assets
- Without donor restrictions: 506,300
- With donor restrictions: 1,682,050

Total Net Assets: 2,188,350

Total Liabilities and Net Assets: $2,358,654

The accompanying notes are an integral part of these statements.
Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Activities
For the Year Ended December 31, 2020

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions and pledges</td>
<td>$ 897,820</td>
<td>$ 300,000</td>
<td>$ 1,197,820</td>
</tr>
<tr>
<td>Grants</td>
<td>138,986</td>
<td>-</td>
<td>138,986</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>48,676</td>
<td>40,000</td>
<td>88,676</td>
</tr>
<tr>
<td>Project management fees</td>
<td>287,902</td>
<td>-</td>
<td>287,902</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>79,548</td>
<td>-</td>
<td>79,548</td>
</tr>
<tr>
<td><strong>Total Revenue and Support</strong></td>
<td>1,452,932</td>
<td>340,000</td>
<td>1,792,932</td>
</tr>
<tr>
<td><strong>Net Assets Released from Restrictions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time restrictions</td>
<td>193,889</td>
<td>(193,889)</td>
<td>-</td>
</tr>
<tr>
<td>Project restrictions</td>
<td>50,000</td>
<td>(50,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Net Assets Released from Restrictions</strong></td>
<td>243,889</td>
<td>(243,889)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>998,638</td>
<td>-</td>
<td>998,638</td>
</tr>
<tr>
<td>General and administrative</td>
<td>138,526</td>
<td>-</td>
<td>138,526</td>
</tr>
<tr>
<td>Fundraising</td>
<td>285,953</td>
<td>-</td>
<td>285,953</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,423,117</td>
<td>-</td>
<td>1,423,117</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paycheck Protection Program loan forgiveness</td>
<td>192,326</td>
<td>-</td>
<td>192,326</td>
</tr>
<tr>
<td>Other income</td>
<td>10,000</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Investment income</td>
<td>4,651</td>
<td>-</td>
<td>4,651</td>
</tr>
<tr>
<td><strong>Total Other Income</strong></td>
<td>206,977</td>
<td>-</td>
<td>206,977</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>480,681</td>
<td>96,111</td>
<td>576,792</td>
</tr>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>1,201,369</td>
<td>410,189</td>
<td>1,611,558</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>$ 1,682,050</td>
<td>$ 506,300</td>
<td>$ 2,188,350</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Functional Expenses
For the Year Ended December 31, 2020

<table>
<thead>
<tr>
<th>Item</th>
<th>Program Services</th>
<th>General and Administrative</th>
<th>Fundraising</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer/tech</td>
<td>$38,841</td>
<td>$4,980</td>
<td>$8,040</td>
<td>$51,861</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>4,510</td>
<td>335</td>
<td>1,052</td>
<td>5,897</td>
</tr>
<tr>
<td>Equipment</td>
<td>6,318</td>
<td>121</td>
<td>158</td>
<td>6,597</td>
</tr>
<tr>
<td>Fees</td>
<td>3,577</td>
<td>1,119</td>
<td>671</td>
<td>5,367</td>
</tr>
<tr>
<td>Insurance</td>
<td>11,002</td>
<td>2,669</td>
<td>1,950</td>
<td>15,621</td>
</tr>
<tr>
<td>In-kind</td>
<td>71,447</td>
<td>19,107</td>
<td>15,314</td>
<td>105,868</td>
</tr>
<tr>
<td>Meetings</td>
<td>2,777</td>
<td>485</td>
<td>285</td>
<td>3,547</td>
</tr>
<tr>
<td>Office</td>
<td>1,999</td>
<td>32</td>
<td>97</td>
<td>2,128</td>
</tr>
<tr>
<td>Personnel and payroll expenses</td>
<td>723,260</td>
<td>77,531</td>
<td>228,999</td>
<td>1,029,790</td>
</tr>
<tr>
<td>Professional and legal</td>
<td>19,638</td>
<td>18,655</td>
<td>439</td>
<td>6,139</td>
</tr>
<tr>
<td>Promotional materials</td>
<td>5,534</td>
<td>166</td>
<td>439</td>
<td>6,139</td>
</tr>
<tr>
<td>Publications/media</td>
<td>16,911</td>
<td>333</td>
<td>1,466</td>
<td>18,710</td>
</tr>
<tr>
<td>Registration/dues</td>
<td>3,655</td>
<td>6,852</td>
<td>1,673</td>
<td>12,180</td>
</tr>
<tr>
<td>Rent</td>
<td>42,240</td>
<td>3,743</td>
<td>7,486</td>
<td>53,469</td>
</tr>
<tr>
<td>Shipping</td>
<td>15,392</td>
<td>26</td>
<td>437</td>
<td>15,855</td>
</tr>
<tr>
<td>Supplies</td>
<td>4,122</td>
<td>15</td>
<td>30</td>
<td>4,167</td>
</tr>
<tr>
<td>Staff development</td>
<td>10,178</td>
<td>1,495</td>
<td>8,645</td>
<td>20,318</td>
</tr>
<tr>
<td>Travel</td>
<td>10,067</td>
<td>154</td>
<td>4,465</td>
<td>14,686</td>
</tr>
<tr>
<td>Utilities</td>
<td>6,823</td>
<td>677</td>
<td>1,205</td>
<td>8,705</td>
</tr>
<tr>
<td>Vehicle expense</td>
<td>347</td>
<td>31</td>
<td>61</td>
<td>439</td>
</tr>
<tr>
<td>Total</td>
<td>$998,638</td>
<td>$138,526</td>
<td>$285,953</td>
<td>$1,423,117</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
**Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)**

**Statement of Cash Flows**

**For the Year Ended December 31, 2020**

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Net Assets</td>
</tr>
<tr>
<td>Adjustment to reconcile change in net assets to net cash provided by operating activities</td>
</tr>
<tr>
<td>Depreciation</td>
</tr>
<tr>
<td>Paycheck Protection Program loan forgiveness</td>
</tr>
<tr>
<td>(Increase) decrease in current assets:</td>
</tr>
<tr>
<td>Accounts receivable</td>
</tr>
<tr>
<td>Pledges receivable</td>
</tr>
<tr>
<td>Prepaid expenses</td>
</tr>
<tr>
<td>Inventory</td>
</tr>
<tr>
<td>Increase (decrease) in current liabilities:</td>
</tr>
<tr>
<td>Accounts payable</td>
</tr>
<tr>
<td>Accrued payroll and payroll taxes</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Operating Activities</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows from Investing Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property and equipment</td>
</tr>
<tr>
<td><strong>Net Cash Used by Investing Activities</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows from Financing Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments on ORV loan</td>
</tr>
<tr>
<td>Payments on EIDL advance</td>
</tr>
<tr>
<td>Proceeds from Paycheck Protection Loan</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Financing Activities</strong></td>
</tr>
</tbody>
</table>

| Net Change in Cash and Cash Equivalents | 443,092 |
| Cash and Cash Equivalents, Beginning of Year | 1,122,764 |
| Cash and Cash Equivalents, End of Year | $ 1,565,856 |

**Noncash Financing Activity**

<table>
<thead>
<tr>
<th>Noncash Financing Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paycheck Protection Program loan forgiveness</td>
</tr>
</tbody>
</table>

**Supplemental Disclosure of Cash and Non-Cash Flow Information**

| Cash paid for interest | $ 3,028 |
| Non-cash donations of goods and services | $ 79,548 |

The accompanying notes are an integral part of these statements.
1. Significant Accounting Policies

Organization and Nature of Operations
Adventurers and Scientists for Conservation, Inc. (the Organization), a Montana nonprofit corporation, dba Adventure Scientists, was formed in 2011. The Organization became a 501(c)3 nonprofit organization in 2015. The Organization equips partners with data collected from the outdoors that are crucial to unlocking solutions to the world's environmental challenges. By leveraging the skills of the outdoor adventure community they are uniquely able to gather difficult-to-obtain data at any scale, in any environment.

Basis of Accounting
The accompanying financial statements have been prepared in accordance with accounting standards generally accepted in the United States of America (“GAAP”), as codified by the Financial Accounting Standards Board (“FASB”).

Classification of Net Assets
Contributions are recorded when received, unless susceptible to accrual, and expenses are recognized when incurred. 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 and changes therein are classified as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor imposed stipulations. These net assets are intended for use by management and the Board of Directors for general operations. These net assets also include net assets that have been designated by the Board for certain uses.

Net Assets with Donor Restrictions – Net assets subject to donor imposed restrictions that either expire by the passage of time or can be fulfilled by actions of the Organization pursuant to the donor stipulations. Donor-imposed restrictions are increases in net assets without donor restrictions when restrictions are met in the same reporting period.

This net asset classification also includes net assets subject to donor-imposed stipulations that require they be maintained permanently by the Organization. Generally, the donors of these assets permit the use of all or part of the income earned on any related investments for general or specific purposes.

Donor restricted contributions (if any) are reported as an increase to net assets with donor restrictions. When a restriction expires, 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.
1. Significant Accounting Policies (continued)

**Cash and Cash Equivalents**
For the purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with an original maturity of less than three months as cash equivalents.

The Organization maintains its cash balances in financial institutions. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. Deposits at December 31, 2020 exceeded the FDIC limit by $112,017.

The Organization maintains its money market balances in a financial institution. Balances are insured by the SIPC up to $500,000. Money market funds at December 31, 2020 exceeded the SIPC limit by $664,164.

**Receivables**
Pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Management believes receivables as of December 31, 2020 to be fully collectible; therefore, no allowance for doubtful accounts is presented. As of December 31, 2020, 60 percent of pledges receivable are due from three donors. Accounts receivables related to service revenue at December 31, 2020 and 2019 were $22,364 and $48,945, respectively.

**Property and Equipment**
The Organization capitalizes purchased assets over $5,000, and with a useful life in excess of one year. Lesser amounts are expensed. Property and equipment is stated at cost or, if donated, at the estimated fair market value at the date of donation. Depreciation and amortization of property is computed using the straight-line method over the estimated useful lives of the assets. Normal repair and maintenance costs are expensed as incurred. Estimated useful lives of property and equipment are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold improvements</td>
<td>5 years</td>
</tr>
<tr>
<td>Equipment</td>
<td>3-5 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>3-5 years</td>
</tr>
<tr>
<td>Software</td>
<td>3-5 years</td>
</tr>
</tbody>
</table>

**Revenue**

*In-Kind Contributions*
The Organization records various types of in-kind support, including goods and services. GAAP requires recognition of professional services received if those services (a) create or enhanced long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.
1. Significant Accounting Policies (continued)

Revenue (continued)

Grants
The Organization receives grants from public agencies, as well as private organizations and
individuals, to be used for specific programs or purposes, which may include general
operations. Unconditional grant awards are recorded as grant revenue in the period in which
they are awarded. Grants having the existence of a condition, but lacking in both the
existence of a barrier and right of return to the resource provided, are classified as restricted
grant revenue until the conditions are met. Conditional grant awards, having both the
existence of a barrier and right of return to the resource provider, are classified as refundable
advances when received as a cash advance and are recognized as revenue when the awards
are expended for the purposes of the grant or other conditions are satisfied.

Contributions and Pledges
Contributions are recognized when the donor makes a promise to give to Adventure
Scientists that is, in substance, unconditional. Unconditional donor promises to give are
reported at fair value at the date that there is sufficient verifiable evidence documenting that a
promise was made by the donor and received by the Organization. Contributions of donor-
regulated gifts are recognized at the time of the gift. Contributions restricted for long-term
stewardship of conservation properties are generally not property-specific.

The gifts are reported as either net assets without donor restrictions or net assets with donor
restrictions if they are received with donor stipulations that sufficiently limit the use of the
donated assets. When a donor restriction expires, through the passage of time or when the
purpose is accomplished, net assets with donor restrictions are reclassified to net assets
without donor restrictions.

Sponsorship
Funds received from corporate partners that support the Organization through philanthropic
giving programs.

Project Management Fees
The Organization receives project management fee revenue for services provided or work
performed for other organizations. Revenue is billed on a reimbursement basis, and
recognized as reimbursable expenses are incurred. All funds are considered to be without
donor restriction as the expenses have already been incurred.

Advertising
The Organization expenses advertising costs as they are incurred. Advertising expenses are
included in promotion materials and publications/media on the statement of functional
expenses.
1. Significant Accounting Policies (continued)

**Functional Allocation of Expenses**
Most expenses are charged directly to the program, to fundraising, or to the general and administrative based on specific identification; however, some indirect expenses are allocated between program, fundraising, and general and administrative. Allocations are based on actual wages by function as a percentage of total wages.

**Income Taxes**
The Organization is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. The determination of tax-exempt status is considered to be a tax position taken with respect to the provisions of GAAP. The Organization’s policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence. It is the opinion of management that the Organization has no uncertain tax positions that would be subject to recognition under these standards. The Organization files Form 990 in the U.S. federal jurisdiction. The Organization’s employer identification number is 45-3345338.

**Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Adoption of New Accounting Standards**
In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2014-09: Revenue from Contracts with Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods or services and guidance on accounting for certain contracts. The ASU also contains significant new required disclosures related to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the new standard, effective January 1, 2020, the first day of the Organization’s fiscal year, using the modified retrospective method.

The Organization’s services that fall within the scope of ASC 606 are presented within project management fees revenue and are recognized at a point in time based on expenses incurred. The remaining portion of the Organization’s revenue comes from contributions and grants which is outside the scope of ASC 606. Refer to Revenue Recognition disclosure within Note 1 for the Organization’s accounting policies for revenue sources.
1. Significant Accounting Policies (continued)

Adoption of New Accounting Standards (continued)
The adoption of this ASU did not have a significant impact on the Organization’s financial statements. The majority of the Organization’s revenue arrangements generally consist of a single performance obligation to transfer promised goods or services and do not contain variable consideration. Based on the Organization’s evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU provides additional guidance on characterizing grants and similar contracts with resource providers as either exchange transactions or contributions, as well as distinguishing between conditional and unconditional contributions, which may impact the timing of revenue recognition. Under the new standard, if a transaction is considered an exchange transaction, it is accounted for under the applicable revenue recognition standards. The Organization adopted this standard prospectively for contributions received for the fiscal year ended December 31, 2020. The Organization did not consider the clarifications to materially modify how contributions are recorded and as such, the impact of this new standard related is not material to the financial statements or disclosures.

Subsequent Events
Management has evaluated subsequent events through August 6, 2021, the date on which the financial statements were available to be issued.

2. Related Party Transactions

During the year ended December 31, 2020, the Organization received $212,315,800 of related party donations from management, board members and organizations related to board members. All donations were conducted on terms equivalent to arms-length transactions.

3. Retirement Plan

The Organization adopted a Savings Incentive Match Plan for Employees (SIMPLE). According to the plan, the Organization will match each participant’s elective salary deferrals, dollar for dollar, up to 3% of each participant’s compensation. During the year ended December 31, 2020, the Organization made a matching contribution to the SIMPLE plan of $14,894.
4. In-Kind Support

During the year ended December 31, 2020, the Organization recorded in-kind support as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional and legal</td>
<td>$600</td>
</tr>
<tr>
<td>Promotional materials</td>
<td>$74,128</td>
</tr>
<tr>
<td>Registration/dues</td>
<td>$3,000</td>
</tr>
<tr>
<td>Rent</td>
<td>$1,820</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$79,548</strong></td>
</tr>
</tbody>
</table>

5. Net Assets with Donor Restrictions

Net assets of the Organization consist of balances that are restricted to various project commitments based on donor-imposed restrictions. The restricted amounts as of December 31, 2020 are listed as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted contributions</td>
<td></td>
</tr>
<tr>
<td>To be used in 2021</td>
<td>$300,000</td>
</tr>
<tr>
<td>Purpose Restrictions</td>
<td></td>
</tr>
<tr>
<td>Outdoor Research</td>
<td>$40,000</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td></td>
</tr>
<tr>
<td>To be received in 2021</td>
<td>$166,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$506,300</strong></td>
</tr>
</tbody>
</table>

6. Leases

On July 1, 2019, Adventure Scientists entered into a 60-month triple net operating lease agreement for office space that expires June 30, 2024. The monthly lease payment has a base rate of $3,391 and increases 3% annually. Total rent expense for this lease for the year ended December 31, 2020 was $39,424.

Future minimum lease payments on this office facility and storage are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>$42,546</td>
</tr>
<tr>
<td>2022</td>
<td>43,824</td>
</tr>
<tr>
<td>2023</td>
<td>45,138</td>
</tr>
<tr>
<td>2024</td>
<td>46,494</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$178,002</strong></td>
</tr>
</tbody>
</table>
7. Debt and Subsequent Event

In December 2018, the Organization obtained a $150,000 uncollateralized 1% loan that matured on December 15, 2020. At December 31, 2020, the Organization had a $100,000 liability related to the loan, and subsequent to December 31, 2020, paid off the loan in-full and $463 of interest.

8. Liquidity and Availability of Resources

Financial assets available for general expenses (without donor or other restrictions limiting their use), within one year of the balance sheet date, comprise the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,565,856</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>22,364</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>728,325</td>
</tr>
<tr>
<td>Less: net assets with donor restrictions</td>
<td>(506,300)</td>
</tr>
<tr>
<td>Total Financial Assets Available</td>
<td>$1,810,245</td>
</tr>
</tbody>
</table>

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and receivables. The Organization strives to maintain three to six months of operating costs in reserves. This allows the Organization to appropriately respond to emergency or unforeseen situations. Furthermore, reserve funds allow the Organization to maintain needed cash flow through the fiscal year.

9. Coronavirus Pandemic

The Organization has been impacted by the effects of the world-wide coronavirus pandemic. The Organization is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of the issuance of these financial statements, the full impact to the Organization’s net assets position is not known.
10. Paycheck Protection Loan

The Organization applied for and was granted a $192,326 loan under the Payroll Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization initially recorded the loan as a refundable advance and subsequently recognized other revenue in accordance with guidance for conditional contributions, that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Organization recognized $192,326 as other income for the year ended December 31, 2020. Subsequent to December 31, 2020, the loan was forgiven in full.

11. Upcoming Accounting Pronouncements

The FASB issued Accounting Standard Update (ASU) 2016-02: Leases, Topic 842, in February 2016. This ASU requires the recognition of lease assets and liabilities in the financial statements as a “right-to-use” asset and a lease liability. This ASU is effective for periods beginning after December 15, 2021. Early implementation is permitted; however, the Organization elected not to early implement and is evaluating the impact to its financial statements upon implementation.

12. Subsequent Event

Subsequent to December 31, 2020, the Organization applied for and was granted a second PPP loan for $133,502. The loan accrues interest, but payments are not required to begin for six months to one year after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements.