



**Matter of Trust.org**

Join Eco-Enthusiasts  
for Renewable Resources

*(A CALIFORNIA NONPROFIT ORGANIZATION)*

**FINANCIAL STATEMENTS**

**WITH**

**INDEPENDENT ACCOUNTANT'S REVIEW**

**YEAR ENDED DECEMBER 31, 2024**

**MATTER OF TRUST, INC.**

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**DECEMBER 31, 2024**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of  
MATTER OF TRUST, INC.  
San Francisco, CA

We have reviewed the accompanying financial statements of MATTER OF TRUST, INC. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility 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.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of MATTER OF TRUST, INC. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "D. M. F. L.", is written over a horizontal line.

*Iryna Accountancy Corporation*

Oakland, California  
May 11, 2025

MATTER OF TRUST, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 104,474	\$ 961	\$ 105,435
Prepaid expenses	1,496	-	1,496
Investments	90,129	-	90,129
Property and equipment, net	630,769	-	630,769
TOTAL CURRENT ASSETS	826,868	961	827,829
TOTAL ASSETS	\$ 826,868	\$ 961	\$ 827,829
<b>LIABILITIES</b>			
Accounts payable	10,812	-	10,812
Accrued compensation	3,487	-	3,487
Due to other governments	141	-	141
TOTAL CURRENT LIABILITIES	14,440	-	14,440
TOTAL LIABILITIES	14,440	-	14,440
<b>NET ASSETS</b>			
Without donor restrictions			
Undesignated	812,428	-	812,428
With donor restrictions			
Purpose and time restrictions	-	961	961
TOTAL NET ASSETS	812,428	961	813,389
TOTAL LIABILITIES and NET ASSETS	\$ 826,868	\$ 961	\$ 827,829

See independent accountant's review report and notes to financial statements.

**MATTER OF TRUST, INC.**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED DECEMBER 31, 2024**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
Contributions	\$ 187,998	\$ -	\$ 187,998
Grants and awards	302,125	-	302,125
In-kind donations	182,600	-	182,600
Investment return	27,806	-	27,806
Program service fees	7,739	-	7,739
Other revenue	757	-	757
Merchandise sales	14,893	-	14,893
Fiscal sponsorships	17	66,599	66,616
Net assets released from restrictions	65,840	(65,840)	-
Total support and revenue	789,775	759	790,534
<b>EXPENSES</b>			
Program services			
Eco-Industrial Hub	108,058	-	108,058
Eco-Home	80,310	-	80,310
Eco Academy	52,287	-	52,287
Hair Matters	69,195	-	69,195
The Hum Sum	202,570	-	202,570
WALOP	26,444	-	26,444
Fiscal Sponsorships	63,642	-	63,642
Support services			
Management and general	55,587	-	55,587
Fundraising	14,254	-	14,254
Total expenses	672,347	-	672,347
CHANGE IN NET ASSETS	117,428	759	118,187
NET ASSETS AT BEGINNING OF YEAR	695,000	202	695,202
NET ASSETS AT END OF YEAR	\$ 812,428	\$ 961	\$ 813,389

See independent accountant's review report and notes to financial statements.

**MATTER OF TRUST, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2024**

	Program Services								Supporting Services		Total
	Eco-Industrial Hub	Eco-Home	Eco Academy	Hair Matters	The Hum Sum	WALOP	Fiscal Sponsor ships	Total	Management and General	Fund raising	
Salaries and wages	\$ 32,585	9,381	22,486	1,883	16,685	1,883	23,201	108,104	26,758	1,883	\$ 136,745
Payroll taxes	2,834	848	1,819	171	1,246	171	1,963	9,052	2,045	171	11,268
Advertising	-	-	1,040	960	-	7,200	-	9,200	-	-	9,200
Depreciation and amortization	2,198	-	-	28,862	73,400	-	-	104,460	-	-	104,460
Dues and other charges	215	258	36	25	2,718	-	96	3,348	2,564	-	5,912
Occupancy	41,300	41,300	-	-	-	-	-	82,600	-	-	82,600
Insurance	-	-	-	-	-	-	-	0	9,334	-	9,334
Professional services	1,688	8,862	6,637	14,010	35,403	7,190	-	73,790	2,034	2,200	78,024
Office expenses	13,821	7,829	269	50	302	-	13,592	35,863	1,078	-	36,941
Travel	482	312	-	22	-	-	24,790	25,606	-	-	25,606
Professional services, in-kind	10,000	10,000	20,000	20,000	10,000	10,000	-	80,000	10,000	10,000	100,000
Information technology	-	-	-	-	62,816	-	-	62,816	606	-	63,422
Miscellaneous	300	1,520	-	-	-	-	-	1,820	1,168	-	2,988
Cost of goods sold	2,635	-	-	3,212	-	-	-	5,847	-	-	5,847
Total expenses	\$ 108,058	80,310	52,287	69,195	202,570	26,444	63,642	602,506	55,587	14,254	\$ 672,347

See independent accountant's review report and notes to financial statements.

**MATTER OF TRUST, INC.**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED DECEMBER 31, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 118,187
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Net unrealized loss (gain)	(4,917)
Depreciation and amortization expense	104,460
(Increase) decrease in operating assets:	
Prepaid expenses	363
Deposits	1,000
Increase (decrease) in operating liabilities:	
Accounts payable	(2,707)
Accrued compensation	(4,072)
Due to other governments	(282)
<b>NET CASH (USED)/PROVIDED BY OPERATING ACTIVITIES</b>	<u>212,032</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of investments	(213,456)
Proceeds from sale of investments	177,630
Purchase of equipment	(131,449)
<b>NET CASH (USED)/PROVIDED BY INVESTING ACTIVITIES</b>	<u>(167,275)</u>

<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>44,757</u>
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Cash and cash equivalents, beginning of the year	
Unrestricted cash and cash equivalents	60,476
Restricted cash and cash equivalents	202

<b>Total cash and cash equivalents, beginning of the year</b>	<u>60,678</u>
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Cash and cash equivalents, end of year	
Unrestricted cash and cash equivalents	104,474
Restricted cash and cash equivalents	961

<b>Total cash and cash equivalents, end of the year</b>	<u>\$ 105,435</u>
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See independent accountant's review report and notes to financial statements.

## MATTER OF TRUST, INC.

### NOTES TO FINANCIAL STATEMENTS

#### NOTE 1 – SUMMARY OF ACTIVITIES

MATTER OF TRUST, INC. (the Organization), an ecological public charity founded in 1998, is dedicated to fostering harmony between humanity and the Earth. The Organization bridges surplus resources with areas of need, cultivating optimism and trust in renewable cycles. Through integrated and transformative programs, it promotes the sustainable use of naturally abundant materials and manmade excess, both in-house and in the field. With a deep respect for ancient wisdom, practical solutions, and innovative ideas, the Organization strives to support thriving habitats – whether forests, oceans, or urban environments – while advancing ecological awareness and balance.

The Organization is in San Francisco, California.

#### NOTE 2 – PROGRAM SERVICES

The Organization offers six core programs and supports two additional initiatives through fiscal sponsorships.

*The Eco-Industrial Hub* is the Organization's main felting facility, serving as both a production center and an educational space. It houses the Organization's flagship felting factory alongside an interactive exhibit hall that showcases environmental innovations and sustainable practices.

*The Eco-Home* is a demonstration site created by the Organization, featuring an urban edible garden and showcasing sustainable living solutions. It highlights planet-friendly options suitable for renters, homeowners, and contractors, offering practical ideas for environmentally conscious living in urban spaces.

*The Eco-Academy* is created by the Organization, empowers and celebrates youth, interns, and apprentices of all ages through hands-on learning focused on reuse, renewable resources, and nature's cycles of abundance. It offers field trips, volunteer days, corporate off-sites, tours, and educational visits that explore cottage industries and green career paths. All in-house and field-based projects emphasize ecology—the study of how life thrives in diverse habitats, from forests to cities

*Hair Matters* is the program of the Organization, where it collects donations of hair and animal fibers from salons, wigmakers, individuals, groomers, ranchers, and mills. These natural materials—such as fur, wool, and alpaca—are felted into mats used for cleaning up oil spills, filtering water, regenerating soil, preventing erosion, and restoring seagrass, kelp, and coastal areas. The program now partners with over 125 Global Felting & Research Hubs in 47 countries.

*The Hum Sum (TheHumSum.org)*, short for Humanity Adding Solutions, is an environmental social media platform designed to support the global coordination of fiber and other in-kind donations. Developed by the Organization, it serves as a kindhearted and practical tool for individuals and organizations alike. The platform also features a global eco-events calendar, a tracker for eco-commitments, forums for sharing innovations, a green business directory, an affiliates program, and more—all aimed at encouraging collaboration and sustainable action around the world.

*The Worthy Actionable List of Projects* is a program by the Organization that organizes and implements large-scale, short-term community initiatives designed to make a lasting environmental impact. These focused efforts promote healthier air, soil, water, energy, and ecosystems. Examples include setting up dog waste composting sites in local parks, coordinating zero-waste flash mobs at concerts and marathons, and creating swales for groundwater recharge through terraforming projects.

There are two programs where the Organization provides fiscal sponsorships.

*Sonoma Food Runners – San Francisco North Bay Area* is a daily food recovery program serving the San Francisco North Bay region. The initiative collects surplus food from hospitals, schools, farms, and grocery stores, and delivers it directly to shelters and low-income housing communities, helping to reduce waste and fight hunger.



## **NOTE 2 – PROGRAM SERVICES (continued)**

*Heart of the City – Food Security Program – San Francisco Civic Center* is the largest of its kind program in the United States. Located in the San Francisco Civic Center neighborhood—considered a food desert—the program offers nutrition education and operates a reimbursement token system that supports both local farmers and low-income residents, strengthening access to healthy food while supporting the regional food economy.

## **NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES**

### *Basis of Accounting*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which involve the application of accrual accounting. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

### *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the related notes, during the reporting period. Accordingly, actual results could differ from those estimates.

### *Leases*

The Organization adopted Accounting Standards Codification (“ASC”) 842, Leases (“ASC 842”), using the modified retrospective transition method and selected the effective date as the date of initial application. The Organization elected the “package of practical expedients,” which allows it not to reassess, under ASC 842, prior conclusions regarding lease identification, lease classification, and initial direct costs. The Organization also made a policy election not to separate non-lease components from lease components; therefore, lease and non-lease components are accounted for as a single lease component. Additionally, the Organization elected the short-term lease recognition exemption for all leases that qualify. The Organization determines whether a contract contains a lease at the inception of the arrangement based on whether it has the right to obtain substantially all of the economic benefits from the use of an identified asset and the right to direct the use of that asset in exchange for consideration.

Right-of-use (“ROU”) assets represent the Organization’s right to use an underlying asset over the lease term, while lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets are recognized at the amount of the lease liability, adjusted for any lease incentives received. Lease liabilities are recognized at the present value of future lease payments as of the lease commencement date.

The interest rate used to determine the present value of the future lease payments is a risk-free discount rate, based on a term comparable to the lease term, as the interest rate implicit in most leases is not readily determinable. Lease payments may be fixed or variable; however, only fixed payments or in-substance fixed payments are included in the lease liability calculation. Variable lease payments, such as those for common area maintenance, utilities, real estate taxes, or other costs, are recognized as operating expenses in the period in which they are incurred.

Operating leases are presented on the balance sheet under operating lease ROU assets and both current and non-current operating lease liabilities. Finance leases are presented under property and equipment, net; accrued and other current liabilities; and other long-term liabilities. For operating leases, lease expense is recognized on a straight-line basis over the lease term.

The Organization has evaluated its lease situation under the standard and found it to be not applicable as of December 31, 2024.

### *Net Assets*

Financial statement presentation follows the requirement of the Financial Accounting Standard Board. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

**NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board can designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment. There were no board-designated net assets as of December 31, 2024.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) 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, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were no donor-imposed restrictions perpetual in nature as of December 31, 2024.

*Cash and Cash Equivalents*

For the purposes of the statement of cash flows the Organization considers cash and cash equivalents to include all cash accounts held in banks and other financial institutions, with an initial maturity of three months or less.

*Income Taxes*

The Organization is a not-for-profit organization and is exempt from federal and state taxes under section 501(c)3 of the Internal Revenue Code and Section 23701(d) of the California Code. The Organization is considered a publicly supported organization. The Financial Accounting Standards Board prescribes a recognition threshold and a measurement attribute for financial statement recognition of tax positions taken or expected to be taken on a tax return. Management has evaluated its uncertain tax positions and related income tax contingencies at December 31, 2024 and does not believe any material tax positions exist.

*Prepaid Expenses*

Prepaid expenses are amortized over the period of future benefit.

*Functional allocation of expenses*

The costs of providing various programs and other activities are summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited based on the management estimate. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Salaries and related expenses are allocated based on employees’ direct time spent on program or support activities or the best estimate of time spent. Given the collaborative manner in which the Organization delivers its programs, rents are allocated based on staff hours devoted to each program or function. Expenses, other than salaries and related expenses, which are not directly identifiable by program or support services, are allocated based on the management’s best estimate.

The main categories of expenses are allocated based on the following methodology:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and wages	Time and effort
Depreciation and amortization	Function and usage
Occupancy	Function and usage
Professional services	Time and effort
Fiscal sponsorship expenses	Function and usage
Professional services, in-kind	Time and effort
Information technology	Function and usage

### **NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### *Property, Equipment and Depreciation*

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, or improvements that significantly prolong the useful lives of the assets are capitalized. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from three to thirty-nine years.

#### *Investments*

The Organization carries investments in marketable securities with readily determinable fair values in the statement of financial position. Unrealized gains and losses, interest, dividends, realized changes and related fees are included in the change in net assets in the statement of activities.

#### *Contributions*

The Organization accounts for contributions received and contributions made in accordance with accounting standards for nonprofit organizations. Contributions are recognized when the donor makes a pledge to give that is, in substance, an unconditional promise. Contributions received are recorded as contributions without donor restrictions or contributions with donor restrictions depending on the existence and, or nature of any donor restrictions. Contributions with donor restrictions are reported as an increase in net assets with donor restrictions. When the restriction is met, the amount is shown as a reclassification from net assets with donor restrictions to net assets without donor restrictions.

#### *Contributions In-Kind*

Donated equipment and other goods are recorded at estimated fair market value on the day of donation. Contributed services, which require specialized skills and which the Organization would have paid for if not donated, are recorded at their estimated fair market value at the time the services are rendered. The Organization also receives donated services that do not meet the criteria for recognition, but which are, nonetheless, central to the Organization's operations; these contributed services are not reflected in the financial statements.

#### *Revenue Recognition*

The Organization recognizes revenue on the accrual basis of accounting. Program service fees are recognized as revenue in the period in which the related service is provided. Grants and donations are recognized in accordance with contribution rules established for nonprofit organizations. The Organization's primary revenue sources are contributions from individuals and grants and awards from local foundations and corporations. The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barriers and a right of return - are not recognized until the conditions on which they depend have been met. As of December 31, 2024 there are no conditional contributions.

#### *Pledges Receivable*

Pledges receivable including pledges and grants receivable are unconditional promises to give that are recognized as contributions when the promise is received. Pledges receivable that are expected to be collected in less than one year are reported at their net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value on the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. As of December 31, 2024 there are no pledges and grants receivable.

### NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Deposits*

Deposits consist of security deposit amounts held with leasing companies or payments made for goods or services made in advance of receiving such goods or services. Deposits are recorded when payment is made in advance of receiving the related benefits. As of December 31, 2024 there are no deposits.

#### *Advertising*

The Organization expenses advertising costs as they are incurred. For the year ended December 31, 2024 advertising costs are \$9,200.

### NOTE 4 – INVESTMENTS

#### *Fair Value Measurements*

The Organization adopted the provisions of Fair Value Measurements which apply to all financial instruments being measured and reported on a fair value basis. 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. In determining fair value, the Organization uses a fair value hierarchy which is categorized into three levels as follows:

Level 1 – Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 – Valuations are based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.

Level 3 – Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

The Organization's financial assets measured at fair value at December 31, 2024 are as follows:

#### Fair value reported at Level 1 inputs

Cash	\$	5,213
Stocks		9,015
Exchange-traded funds & closed-end funds		67,971
Mutual funds		<u>7,930</u>
Total investments	\$	<u>90,129</u>

Fair values for the above investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

Investments consist of a portfolio of cash, stocks, exchange-traded funds, closed-end funds, and mutual funds based on guidelines established by the Organization's Board of Directors. Investment return for the year ended December 31, 2024 is as follows:

Interest and dividends	\$	931
Net realized gain		21,958
Net unrealized gain		<u>4,917</u>
Total investment return	\$	<u>27,806</u>

## NOTE 5 – CONTINGENCIES

Conditions contained within the various contracts/grants awarded to the Organization are subject to the funding agencies' criteria and regulations under which expenditures may be charged against and are subject to audit under such regulations and criteria. Occasionally, such audits may determine that certain costs incurred against the grants may not comply with the established criteria governing them. In such cases, the Organization could be held responsible for repayments to the funding agency or be subject to reductions of future funding. Management does not anticipate any material questioned costs for the contracts and grants administered during the period.

## NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Cash and cash equivalents	\$	105,435
Investments		90,129
Less those unavailable for general expenditures within one year, due to:		
Restricted by donor with time or purpose restrictions		(961)
Financial assets available for general expenditure within one year	\$	<u>194,603</u>

\$194,603 of financial assets is available to cover the Organization's liquidity needs. The Organization has a goal to maintain sufficient financial assets on hand, which consists of cash and short-term investments to meet the total of next fiscal year's projected management/general and fundraising expenses, which are expected to be approximately \$69,841 (per actual supporting expenses for the year ended December 31, 2024).

As part of the Organization liquidity policy, the management structures its financial assets to be available for general expenditures, liabilities, and other obligations that come due.

## NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment for the year ended December 31, 2024 are as follows:

Equipment	\$	168,396
Computers		3,869
Website		623,002
Accumulated depreciation and amortization		<u>(164,498)</u>
Net book value	\$	<u>630,769</u>

Depreciation and amortization expense is \$104,460 for the year ended December 31, 2024.

## NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of contributions and grants designated for specific purposes or time. The composition of net assets with donor restrictions at December 31, 2024 and the changes in these net assets are as follows:

Restrictions	12/31/2023	Additions	Released	12/31/2024
Heart of the City	\$ 202	\$ 39,423	\$ (38,957)	\$ 668
Sonoma Food Runners	-	27,176	(26,883)	293
Total	\$ <u>202</u>	\$ <u>66,599</u>	\$ <u>(65,840)</u>	\$ <u>961</u>

## NOTE 9 – CONTRIBUTIONS IN-KIND

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.

During the years ended December 31, 2024, the Organization received donated services from unpaid volunteers that do not satisfy the criteria for recognition under *FASB ASC 958-605-25-16*. Management estimates approximately 3,462 hours were contributed by 462 volunteers during the year ended December 31, 2024.

Donated professional services and donated stocks for the year end December 31, 2024 are as follows:

Donated rent	\$	82,600
Donated services		<u>100,000</u>
Total	\$	<u><u>182,600</u></u>

The donated rent was valued at a total of \$82,600, based on a rate of \$16.52 per square foot for 5,000 square feet. Donated rent is valued at the fair market value of the space provided, determined by the typical rental rate for similar properties in the same location and condition.

The donated services provided by the Organization's president were valued at a total of \$100,000, based on a rate of \$48 per hour. Donated services are valued at a fair market rate, as if the Organization had paid for them at standard professional rates.

## NOTE 10 – ACCRUED VACATION

Accrued vacation consists of accrued unpaid employee vacation benefits which are recognized as liabilities of the Organization. As of December 31, 2024, the accrued vacation balance is \$702.

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulate sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the Organization since payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenses in the period sick leave is taken.

## NOTE 11 – CONCENTRATION OF CREDIT RISK

*FASB ASC 825* requires disclosure of significant concentrations of credit risk arising from all financial instruments. Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits and receivables. At times, a portion of the cash balances may not be insured by (FDIC). The FDIC insures cash balances held in banks up to \$250,000 for each bank. The potential concentration of credit risk pertaining to cash balances will vary throughout the year depending upon the level of cash deposits versus amounts insured.

As of December 31, 2024, deposits in amount of \$6,699 were not FDIC insured.

## NOTE 12 – SUBSEQUENT EVENTS

Management of the Organization has reviewed the results of operations for the period of time from its year end, December 31, 2024, through May 11, 2025, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

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