CANCER SUPPORT TEAM, INC.

Audited Financial Statements
For the Year Ended December 31, 2022
With Comparative Financial Information
as of December 31, 2021
With Independent Auditors' Report

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TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Cancer Support Team, Inc.
Harrison, NY

Opinion

We have audited the accompanying financial statements of Cancer Support Team, Inc. (a nonprofit organization) which comprise of the statements of financial position as of December 31, 2022, and the related statements of activities and change in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cancer Support Team, Inc. as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Cancer Support Team, Inc. as of December 31, 2021 were audited by other auditors whose report dated August 22, 2022 expressed an unmodified opinion on those statements.

Basis for Opinion

We conducted our audit 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 Cancer Support Team, Inc. 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 Cancer Support Team's Inc. ability to continue as a going concern within one year after the date that the 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

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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, including omissions, 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 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 Cancer Support Team, Inc. 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 Cancer Support Team, Inc. 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.

Report on Summarized Comparative Information

The 2021 financial statements of Cancer Support Team, Inc. were previously audited by other auditors, who expressed an unmodified audit opinion on those audited financial statements in their report dated August 22, 2022. In their opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tobin & Company, CPAs, PC

Purchase, New York
September 20, 2023

Cancer Support Team, Inc.

Statement of Financial Position

As of December 31,		2022		2021
ASSETS				
Cash and equivalents - without donor restrictions	$	1,340,856	$	752,143
Cash and equivalents - with donor restrictions		342,043		440,654
Investments		1,084,266		1,426,166
Grant receivables		3,869		3,944
Prepaid expenses		2,851		4,766
Security deposit		15,208		15,208
Operating lease right of use asset, net		156,686		-
Property and equipment, net of accumulated depreciation		2,476		3,577
Total Assets	**$**	**2,948,254**	**$**	**2,646,458**
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable and accrued expenses	$	15,251	$	19,844
Deferred lease liability		-		13,182
Operating lease payable, current		79,438		-
Deferred revenue		-		23,850
Total Current Liabilities		94,689		56,876
Long Term Liabilities				
Operating lease payable, net of current		87,294		-
Total Liabilities		181,983		56,876
Net Assets				
Without donor restrictions				
Undesignated		1,339,963		722,762
Board designated		1,084,266		1,426,166
Total Without donor restrictions		2,424,229		2,148,928
With donor restrictions				
Purpose Restricted		342,043		440,654
Total Net Assets		2,766,272		2,589,582
Total Liabilities and Net Assets	**$**	**2,948,254**	**$**	**2,646,458**

See accompanying notes to financial statements

Cancer Support Team, Inc.

Statement of Activities and Change in Net Assets

For the Years Ended December 31,	Without Restriction	With Restriction	2022 Total	2021 Total
Support and Revenue				
Contributions	$ 417,947	$ -	$ 417,947	$ 320,574
Grants	543,424	352,090	895,514	1,010,098
Events, net	361,825	-	361,825	64,372
Other income	2,309	-	2,309	1,819
Investment return, net	(183,968)	1,017	(182,951)	146,730
Government Grant	-	-	-	283,218
Net assets released from restrictions	451,718	(451,718)	-	-
Total Support and Revenue	**1,593,255**	**(98,611)**	**1,494,643**	**1,826,811**
Expenses				
Program services	954,138	-	954,138	746,810
General and administrative	237,449	-	237,449	192,452
Fundraising	126,367	-	126,367	106,521
Total Expenses	**1,317,954**	**-**	**1,317,954**	**1,045,783**
Change in Net Assets	**275,301**	**(98,611)**	**176,690**	**781,028**
Net assets at beginning of year	2,148,928	440,654	**2,589,582**	**1,808,554**
Net Assets at End of Year	**$ 2,424,229**	**$ 342,043**	**$ 2,766,272**	**$ 2,589,582**

See accompanying notes to financial statements

Cancer Support Team, Inc.

Statement of Functional Expenses

For the years ended December 31,	Program Services	General and Administrative	Fundraising	2022 Total Expenses	2021 Total Expenses
Salaries, employee benefits and payroll taxes	713,530	180,617	101,716	995,864	$ 792,314
Patient assistance	104,638	-	-	104,638	62,000
Lease expense	69,266	17,316	-	86,582	81,225
Professional fees and related charges	-	21,588	16,749	38,336	25,476
Community service	28,696	-	-	28,696	42,399
Equipment and related	8,017	7,719	-	15,736	7,968
Printing and postage	2,799	824	5,616	9,239	7,876
Insurance	9,003	-	-	9,003	6,967
Office Supplies	-	1,760	-	1,760	1,210
Board and Personnel	5,774	-	-	5,774	1,438
Payroll service fee	-	5,750	-	5,750	4,264
Telephone and other	8,001	774	-	8,775	5,966
Website	4,415	-	-	4,415	4,050
Bank and credit card fees	-	-	2,286	2,286	1,530
Depreciation	-	1,100	-	1,100	1,100
Total Expenses	$ 954,138	$ 237,449	$ 126,367	$ 1,317,954	$ 1,045,783

See accompanying notes to financial statements

Cancer Support Team, Inc.

Statement of Cash Flows

For the Years Ended December 31,	2022	2021
Cash Flow from Operating Activities:		
Changes in net assets	$ 176,690	$ 781,028
Adjustments to reconcile changes in net assets to cash provided by operating activities:		
Depreciation	1,100	1,100
Realized/Unrealized (gains) and losses	233,180	(87,614)
PPP loan forgiveness	-	(283,218)
Changes in Operating Assets & Liabilities:		
Decrease in grant receivables	75	2,749
Decrease in prepaid expenses	1,916	2,532
Increase (Decrease) in accounts payable	(4,593)	4,607
Decrease in operating lease payable	(3,135)	-
Decrease in Deferred revenue	(23,850)	-
Net Cash Provided by Operating Activities	**381,382**	**421,184**
Cash Flow from Investing Activities:		
Sale of investments	251,308	35,000
Purchase of investments	(142,588)	(94,078)
Net Cash Provided by (Used in) Investing Activities	**108,720**	**(59,078)**
Cash Flow from Financing Activities:		
Proceeds from PPP loan payable	**-**	**141,618**
Net Increase in Cash and Equivalents	**490,102**	**503,724**
Cash and equivalents, beginning of the year	1,192,797	689,073
Cash and Equivalents, End of the Year	**$ 1,682,899**	**$ 1,192,797**
Supplemental Disclosures		
PPP loan forgiveness	**$ -**	**$ 283,218**

See accompanying notes to financial statements

Note 1 - Organization

Cancer Support Team, Inc. ("CST"), a not-for-profit formed in the State of New York, provides professional nursing, social work, and other supportive services to cancer patients and their families throughout lower Westchester County, New York. CST is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting
The Organization prepares its financial statements on the accrual basis in accordance with accounting principles generally accepted in the Unites States of America.

Basis of Presentation
The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification. Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the 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 restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.
>
> Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue and Support
Grants: Revenue from grants and contracts are recorded as earned pursuant to the terms of the contracts. Revenue earned based on achievement of performance objectives is recognized when the objectives have been achieved.

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

Note 2 - Summary of Significant Accounting Policies (continued)

Property and Equipment
Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets ranging between 5 and 7 years. No asset impairments were noted at December 31, 2022, and 2021.

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.

Tax Status
The Organization is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Organization has evaluated the recognition requirements for uncertain income tax positions as required by accounting principles generally accepted in the United States of America. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. Accordingly, the Organization affirms it did not take any uncertain income tax positions.

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

Financial instruments, that potentially subject the Organization to concentrations of credit risk, consist of cash, and cash equivalents. The Organization’s cash and cash equivalents are on deposit with several financial institutions. At times during the year such investments may be in excess of Federal Deposit Insurance Corporation (FDIC) limits.

Expense Allocation
Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the prorated basis determined by Management. Administrative and general expenses include expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Compensated Absences
Compensated absences for vacation and sick pay have not been accrued since the amount is immaterial but are expensed as incurred.

Investments
Investments are carried at fair values, which generally represents the quoted market price as of the last business day of the fiscal year. Unrealized gains and losses are included in the change in net assets. Investment income and gains are reported as increases in unrestricted net assets in the reporting period in which the income and gains are recognized.

Note 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements
The Organization follows U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Rent/lease Expense
Rent expense under operating leases is recognized on a straight-line basis over the life of the underlying lease. Any difference between the amount expensed and the amount due and payable in accordance with the terms of the lease is recorded as deferred rent payable. Rent expense for the year ended December 31, 2021 was $81,225. This pronouncement has been superseded by ASU 2016-02, Leases for the year ended December 31, 2022. See Note 11 for ASC 842 adoption.

Adoption of Pronouncements
In February 2016, the FASB issues ASU 2016-02, Leases (Topic 842), that requires, among other things, a lessee to recognize a right-of-use asset representing an entity's right to use the underlying asset for the lease term and a liability for lease payments. The lease assets and liabilities are presented in the statement of financial position. This pronouncement was effective for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization adopted this pronouncement effective January 1, 2022. Please see Note 11 for further information.

In September 2020, the Financial Accounting Standards Board issued ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, to clarify the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items. The ASU does not change existing recognition and measurement requirements for contributed nonfinancial assets. The ASU is effective for annual reporting periods beginning after June 15, 2021, with early adoption permitted. The Organization adopted the pronouncement effective January 1, 2022. There were no material in kind donations during 2022.

Note 3 - Investments

The Organization applies GAAP for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes 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 measurements involving significant unobservable inputs (Level 3 measurements).

Note 3 - Investments (Continued)

The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all the significant inputs are observable, either directly, or indirectly.
- Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The following table sets forth by level, the Organization's investment assets measured at fair value as of December 31, 2022 and 2021:

December 31, 2022	Input Level 1	Input Level 2	Input Level 3
Mutual funds	$ 1,081,748	-	-
Money market funds	2,518	-	-
Total Fair Value of Assets	$ 1,084,266	-	-

December 31, 2021	Input Level 1	Input Level 2	Input Level 3
Mutual funds	$ 1,426,078	-	-
Money market funds	88	-	-
Total Fair Value of Assets	$ 1,426,166	-	-

Net investment return consisted of the following:

	2022	2021
Dividends and Interest	$ 56,593	$ 71,753
Realized and unrealized gains (loss), net	(226,485)	87,614
Advisory Fees	(13,059)	(12,637)
Investment return, net	$ (182,951)	$ 146,730

Note 4 - Property and Equipment

Property and equipment consist of the following as of December 31:

	2022	2021
Equipment	$ 5,502	$ 5,502
Less: Accumulated Depreciation	(3,026)	(1,925)
Property and Equipment, Net	$ 2,476	$ 3,577

Depreciation expense for the year ended December 31, 2022 and 2021 was $1,100.

Note 5 – Liquidity

The Organization regularly monitors liquidity required to meet its general operating needs while also striving to maintain sufficient reserves to meet operating needs during periods of uncertainty and to ensure longer-term commitments will continue to be met. The Organization's strategy is to operate within a balanced budget that anticipates collecting sufficient revenue to cover general expenditures.

The following reflects the Organization's financial assets as of December 31, 2022, and 2021, reduced by amounts not available for general use within one year of December 31:

	2022	2021
Cash and cash equivalents	$ 1,682,899	$ 1,192,797
Investments	1,084,266	1,426,166
Grants receivable	3,869	3,944
Net financial assets available within one year	2,771,034	2,622,907
Less: spendable net assets with donor restrictions	(342,043)	(440,654)
Less: board designated net assets without donor restrictions	(1,084,266)	(1,426,166)
Financial assets available to meet general expenditures within one year	$ 1,344,725	$ 756,087

The Organization's Board of Directors has designated a portion of its unrestricted resources (Note 10). These funds are invested in money market funds and other short-term investments but remain available and may be spent at the discretion of the Board.

Note 6 – Employee Benefit Plan

The Organization sponsors a qualified defined contribution plan (403(b) plan). Upon employment, all employees are eligible to participate in the plan. Each participant may elect to reduce their compensation and have such amounts deposited into the 403(b) plan subject to statutory limits on 403(b) plan contributions. The Organization in any or all plan years, may make a discretionary non-elective contribution. The amounts charged for the non-elective contributions to this plan were $6,870 and $5,164 for the years ended December 31, 2022, and 2021, respectively.

Note 7 – Events

As part of its fundraising efforts, the Organization holds periodic events. Revenue for events are recognized in the period in which the event is held. Direct expenses associated with special events are netted against such revenue as follows:

	2022	2021
Event revenue	$ 429,200	$ 78,764
Event direct expenses	67,375	14,392
Events, net	$ 361,825	$ 64,372

Note 8 – Net Assets with Donor Restrictions

On December 31, 2022, the Organization had $342,043 of net assets with Donor Restrictions. These assets were restricted for the purpose of professional nursing, social work, and other supportive services to cancer patients and their families, as well as financial assistance.

For the years ended December 31, 2022, and 2021, net assets amounting to $451,718 and $275,361, respectively, were released from operations by satisfying purpose restrictions, thus satisfying the restricted purposes.

The changes in net assets with donor restrictions for the years ended December 31, 2022, and 2021 are summarized as follows:

	January 1, 2022	Additions	Released for Operations	December 31, 2022
Nursing, Social Work and Case Management	$ 309,695	293,840	(365,941)	$ 237,594
Patient Resources	108,448	58,250	(83,777)	82,921
Other Support Resources	22,511	1,017	(2,000)	21,528
	$ 440,654	353,107	(451,718)	$ 342,043

	January 1, 2021	Additions	Released for Operations	December 31, 2021
Nursing, Social Work and Case Management	$ 158,719	370,675	(219,699)	$ 309,695
Patient Resources	31,111	116,969	(39,632)	108,448
Other Support Resources	20,058	18,483	(16,030)	22,511
	$ 209,888	506,127	(275,361)	$ 440,654

Note 9 – Paycheck Protection Program

In February 2021, the Organization received loan proceeds in the amount of $141,618 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries. The Organization complied with the terms of the PPP loan and was granted full forgiveness of its PPP loan on September 15, 2021.

Note 10 — Board Designated Fund

CST created a fund to provide shut-down costs, if ever required, and to hold large bequests and funds in excess of those determined to be required to be maintained in CST's general operating account. CST does not have donor-restricted endowment funds. The Fund consists of three separate components:

- Shut down/contingency reserve — This fund is to be maintained at the amount estimated to be sufficient to cover a three or four month orderly shut-down of CST.

- Operating reserve — This fund is to be maintained at one month of operating expenses.

- Endowment reserve — This fund is the balance of the funds in the account and repository of all gains and losses.

Interpretation of relevant law
The Board has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the fair value of the original funds appropriated by the Board. As a result of this interpretation, CST classifies as net assets without donor restriction — board designated (a) the original value of funds appropriated to the board designated fund, (b) the original value of subsequent funds appropriated to the board designated fund, and (c) accumulations to the board designated fund made in accordance with the direction of the Board. In accordance with NYPMIFA, CST considers the following factors in making a determination to appropriate or accumulate board designated endowment funds:

1. the duration and preservation of the fund;
2. the purposes of the organization and the board designated endowment fund;
3. general economic conditions;
4. the possible effect of inflation and deflation;
5. the expected total return from income and the appreciation of investments;
6. other resources of the organization; and
7. the investment policies of the organization.

Return objectives and risk parameters
CST has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the program supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to provide, in priority order: 1) safety of principal, 2) liquidity for operating needs, 3) diversification of risk and 4) maximization of yield.

Strategies employed for achieving objectives
To satisfy its long-term rate-of-return objectives, CST relies on a total return strategy designed to provide a reasonable level of annual distributions to general operating funds and to provide for the long-term preservation of the endowment fund.

Note 10 — Board Designated Fund (Continued)

Invested assets are managed with the goal of protecting principal while generating income appropriate to conservative investment strategy with strict fiscal principles.

Spending policy

The total amount to be allocated for disbursement from the Endowment reserve shall be determined by a simple majority vote at the annual Board meeting after review of CST's operating budget for the ensuing year and the balances in the Endowment reserve. Determination of the total amount of disbursements shall be based on the market value of the Fund as of December 31st of the prior year. Any funds allocated for disbursement that are not disbursed in CST's fiscal year for which the funds are approved, are to be returned to the Fund for future use under the allocation limits.

The changes in net assets of the board designated fund consist of the following for the years ended December 31, 2022, and 2021, respectively:

	2022	2021
Board designated net assets -- Beginning of year	$ 1,426,166	$ 1,279,474
Interest and Dividends	54,339	70,661
Net realized and unrealized gain (loss)	(233,180)	88,668
Advisory fees	(13,059)	(12,637)
Transfer to undesignated	(150,000)	-
Change in Board Designated net assets	(341,900)	146,692
Board designated net assets-- end of year	$ 1,084,266	$ 1,426,166

Note 11 – Operating Lease

The Organization conducts its operations from its facilities in Harrison, New York, where it conducts its operations. The lease commitment is for five years and three months beginning November 1, 2019, and ending on January 31, 2025, with an option to renew the lease for an additional 5 years.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, Leases (Topic 842). This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

Note 11 – Operating Lease (continued)

- The Organization adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.
- The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.
- The Organization made the accounting policy election to not separate lease components from non-lease components.
- The Organization has made the accounting policy election for short-term leases for existing and future short-term leases for all classes of underlying assets.
- In instances where interest rates were not readily determinable the Organization elected to use Risk Free rates determined by the Treasury Yield Curve.

As of December 31, 2021, prior to the adoption of ASC 842, the deferred rent liability resulting from recording operating lease expense using the straight-line method was presented as the deferred rent on the accompanying statement of financial position. As of December 31, 2022, under ASC 842, the deferred rent liability is reported as a reduction to right-of-use asset, net, for operating lease on the accompanying statement of financial position.

For the year ended December 31,		2022
Lease expense		
Operating lease expense	$	86,582
Supplemental balance sheet information related to leases was as follows		
Operating Lease		
ROU assets obtained in exchange for new operating lease liabilities	$	411,229
Less: Deferred Rent Liability (under ASC 840)		(10,047)
Less: Amortization of ROU Asset		(244,497)
Operating Right of Use Asset at December 31, 2022	$	156,686
Weighted-average remaining lease term in years for operating leases		2.01
Weighted-average discount rate for operating leases		1.37%

Future minimum rent obligations are as follows:

Maturity Analysis		Operating
December 31, 2023	$	81,225
December 31, 2024		81,225
December 31, 2025		6,768
Total undiscounted cash flows		169,218
Less: present value discount		(2,486)
Total lease liabilities	$	166,732

Note 12 – Reclassifications

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

Note 13 – Subsequent Events

The Organization has evaluated subsequent events through September 20, 2023 which is the date the financial statements were available to be issued, and accordingly has disclosed any relevant matters.