

Wreaths Across America

ANNUAL FINANCIAL STATEMENTS

For the Eighteen months ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Wreaths Across America

Opinion

We have audited the accompanying financial statements of Wreaths Across America (a nonprofit organization), which comprise the statement of financial position for the eighteen months ended December 31, 2022, and the related statements of activities, functional expenses and cash flows 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 Wreaths Across America for the eighteen months ended December 31, 2022, 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.

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 Wreaths Across America 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 Wreaths Across America's 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 and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material 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 Wreaths Across America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wreaths Across America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Schedule 1 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Brantron Hibbard & Associates

Bangor, Maine
January 5, 2024

Wreaths Across America
Statement of Financial Position
December 31, 2022

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 4,370,221
Investments	267,750
Accounts receivable	699,659
Inventory	171,633
Prepaid expenses	<u>114,405</u>

Total current assets	<u>5,623,668</u>
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PROPERTY AND EQUIPMENT

Property and equipment	7,031,351
Accumulated depreciation	<u>(4,255,134)</u>

Total property and equipment	<u>2,776,217</u>
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Total assets	<u><u>\$ 8,399,885</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 4,348,785
Other payables	59,156
Accrued payroll	54,241
Deferred revenues	3,847,060
Current portion of notes payable	<u>112,795</u>

Total current liabilities	<u>8,422,037</u>
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LONG-TERM LIABILITIES

Notes payable, net of current portion	<u>295,024</u>
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Total liabilities	<u>8,717,061</u>
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NET ASSETS

Without donor restrictions (deficit)	(492,176)
With donor restrictions	<u>175,000</u>

Total net assets (deficits)	<u>(317,176)</u>
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Total liabilities and net assets	<u><u>\$ 8,399,885</u></u>
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Wreaths Across America
Statement of Activities
Eighteen Months Ended December 31, 2022

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Wreath sponsorships	\$ 61,818,946	\$ -	\$ 61,818,946
In-kind donations	822,500	-	822,500
Other merchandise sales	1,878,801	-	1,878,801
Contributions	947,851	249,000	1,196,851
Interest	9,282	-	9,282
Other	13,430	-	13,430
Net assets released from restrictions	74,000	(74,000)	-
	<u>65,564,810</u>	<u>175,000</u>	<u>65,739,810</u>
EXPENSES			
Sponsorship related costs	\$ 44,303,323	\$ -	\$ 44,303,323
Cost of goods sold - specialty wreaths and other items	1,582,994	-	1,582,994
Trucking expenses	100,781	-	100,781
Distributions to outside groups	6,331,851	-	6,331,851
In-kind expenses	822,500	-	822,500
Salaries and wages	3,590,194	-	3,590,194
Payroll taxes	290,821	-	290,821
Employee benefits	777,361	-	777,361
Travel, meetings and trade shows	390,365	-	390,365
Advertising and promotion	818,190	-	818,190
Processing and usage fees	126,573	-	126,573
Legal and accounting fees	36,766	-	36,766
Professional fees	651,969	-	651,969
Software fees	1,473,605	-	1,473,605
Office expenses	305,322	-	305,322
Printing and copying	4,690	-	4,690
Postage and mailing costs	355,858	-	355,858
Occupancy	165,167	-	165,167
Insurance	127,747	-	127,747
Cleanup of wreaths maintenance	175,649	-	175,649
Dues and subscriptions	15,761	-	15,761
Awards and donations	6,754	-	6,754
Depreciation	930,518	-	930,518
Vehicle expenses	191,788	-	191,788
Promotional and special events	529,611	-	529,611
Interest expense	28,402	-	28,402
Miscellaneous	356,131	-	356,131
	<u>64,549,770</u>	<u>-</u>	<u>64,549,770</u>
Total expenses			
Change in net assets	1,015,040	175,000	1,190,040
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>(1,507,216)</u>	<u>-</u>	<u>(1,507,216)</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ (492,176)</u>	<u>\$ 175,000</u>	<u>\$ (317,176)</u>

Wreaths Across America
Statement of Functional Expenses
Eighteen Months Ended December 31, 2022

	Program Services	Management and General	Fundraising	Total Expenses
EXPENSES				
Sponsorship related costs	\$ 44,303,323	\$ -	\$ -	\$ 44,303,323
Cost of goods sold - specialty wreaths and other items	1,582,994	-	-	1,582,994
Shipping expenses	100,781	-	-	100,781
Distributions to outside groups	6,331,851	-	-	6,331,851
In-kind expenses	822,500	-	-	822,500
Salaries and wages	1,582,002	1,488,217	519,975	3,590,194
Payroll taxes	122,692	146,569	21,560	290,821
Employee benefits	473,428	214,516	89,417	777,361
Travel, meetings and trade shows	56,715	258,640	75,010	390,365
Advertising and promotion	-	409,095	409,095	818,190
Processing and usage fees	55,090	71,483	-	126,573
Legal fees	20,183	16,583	-	36,766
Professional fees	213,680	438,289	-	651,969
Software fees	777,542	696,063	-	1,473,605
Office expenses	234,529	70,793	-	305,322
Printing and copying	1,181	3,509	-	4,690
Postage and mailing costs	355,858	-	-	355,858
Occupancy	-	165,167	-	165,167
Insurance	80,425	47,322	-	127,747
Cleanup of wreaths and trailer maintenance	174,475	1,174	-	175,649
Dues and registrations	15,761	-	-	15,761
Awards and donations	3,034	3,720	-	6,754
Depreciation	620,345	310,173	-	930,518
Website	59,079	-	-	59,079
Vehicle expenses	132,561	59,227	-	191,788
Promotional and special events	385,057	48,776	95,778	529,611
Interest expense	10,855	17,547	-	28,402
Miscellaneous	300,132	55,999	-	356,131
	<u>\$ 58,816,073</u>	<u>\$ 4,522,862</u>	<u>\$ 1,210,835</u>	<u>\$ 64,549,770</u>

Wreaths Across America
Statement of Cash Flows
Eighteen Months Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	<u>\$ 1,190,040</u>
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities	
Depreciation	930,518
(Increase) decrease in operating assets	
Accounts receivable	(670,329)
Inventory	73,787
Prepaid expenses	1,226,196
Increase (decrease) in operating liabilities	
Accounts payable	4,011,825
Other payables	(4,217)
Accrued payroll payable	54,241
Deferred revenue	<u>(2,552,940)</u>
Total adjustments	<u>3,069,081</u>
Net cash provided by operating activities	<u>4,259,121</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Capital outlay	<u>(1,820,627)</u>
Net cash used by investing activities	<u>(1,820,627)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from long-term debt	447,088
Repayments of long-term debt	<u>(598,261)</u>
Net cash used by financing activities	<u>(151,173)</u>
Net change in cash and cash equivalents	2,287,321
CASH AT BEGINNING OF YEAR	<u>2,252,091</u>
CASH AT END OF YEAR	<u><u>\$ 4,539,412</u></u>
SUPPLEMENTAL DISCLOSURE	
Interest paid during the year	<u><u>\$ 28,402</u></u>

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Wreaths Across America was incorporated in 2007 as a nonprofit organization whose mission is to Remember, Honor, Teach, in part by coordinating wreath laying ceremonies at veteran's cemeteries and other locations in all 50 states and beyond. The Organization's expenses and operations are funded primarily through wreath sponsorships, other contributions, and fundraising. The Organization changed its year end from a June 30 fiscal year end to a calendar year end for this reporting period.

Basis of Accounting

The Organization prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Contributions

Contributions and grants received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved and recorded as promises to give on the statement of financial position. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. When a restriction expires, restricted net assets are reclassified to unrestricted net assets.

The organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributed Services and Goods

During the eighteen months ended December 31, 2022, many individuals volunteered their time and performed a variety of tasks to assist the Organization in coordinating wreath laying ceremonies. These services do not meet the criteria for recognition as contributed services and therefore have not been recorded in the financial statements. Certain other contributed professional services are recognized if the services received create or enhance long-lived assets or require specialized skill, 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.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in marketable securities with readily determinable fair values and reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized when applicable. Short-term investments consist of money market accounts with original maturities of twelve months or less. Long-term investments consist of equities.

Property and Equipment

It is the Organization's policy to capitalize property and equipment with a useful life greater than one year. 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 expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful life of the assets, which is 2-20 years.

Collections

The Organization maintains a significant collection of items in the Organization's museum. These items include donated medals, pictures, uniforms, books, other memorabilia, and artwork. The Organization has not capitalized these items, as the value at time of donation was indeterminable.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Fair Value of Financial Instruments

The carrying amounts reflected in the accompanying balance sheets for cash and cash equivalents, accounts receivable, inventory, accounts payable and other current liabilities approximate the respective fair values due to the short maturities of those instruments.

Inventory

Inventory is reported at the lower of cost or market values in the statement of financial position, determined using the average cost method.

Advertising

The cost of advertising is expensed as incurred in the statement of activities.

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, when applicable, the Organization considers all highly liquid investments available for current use with initial maturities of three months or less to be cash equivalents.

Shipping Costs

The cost of shipping is expensed as incurred and reported separately from cost of goods sold in the statement of activities as trucking expenses or as shipping and postage, which totaled \$486,558 in the eighteen months ended December 31, 2022.

Revenue and Revenue Recognition

Revenue is recognized when earned. Wreath sponsorships received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Income Taxes

The Organization is an exempt organization as described in Internal Revenue Code Section 501(c)(3) and has been determined not to be a private foundation. Accordingly, no provision for income taxes is shown in the accompanying financial statements. The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2020, 2021, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 2. LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$4,370,221
Accounts receivable	<u>699,659</u>
	<u>\$5,069,880</u>

NOTE 3. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at financial institutions located in Maine. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization's account balances at times exceed FDIC insured limits. At December 31, 2022 the Organization's cash balances exceeded FDIC insured limits by \$650,688. It has not experienced any losses in such accounts. Management believes it is not exposed to significant risk on its cash deposits.

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 4. FAIR VALUE OF INVESTMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

The Organization categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Information related to The Organization’s assets measured at fair value on a recurring basis is as follows as of December 31, 2022:

	Level I	Level II	Level III	Total	Liquidity
Investments					
Money market fund	\$ 250,078	\$ -	\$ -	\$ 250,078	Daily
U.S. equities					
Common stock	17,672	-	-	17,672	Daily
Total investments	<u>\$ 267,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,750</u>	

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Balance 06/30/21	Additions	Disposals	Balance 12/31/22
Buildings and improvements	\$ 284,298	\$ -	\$ -	\$ 284,298
Leasehold improvements	347,078	547,498	-	894,576
Vehicles	814,409	-	(39,913)	768,496
Software	3,450,194	1,125,000	-	4,575,194
Furniture and fixtures	65,119	84,098	-	149,217
Equipment	290,539	64,031	-	354,570
Accumulated depreciation	<u>(3,364,527)</u>	<u>(930,520)</u>	<u>39,913</u>	<u>(4,255,134)</u>
Total property and equipment, net	<u>\$1,886,110</u>	<u>\$ 890,107</u>	<u>\$ -</u>	<u>\$2,776,217</u>

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 6. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the eighteen months ended December 31, 2022.

NOTES PAYABLE	Balance June 30, 2021	Increases	Decreases	Balance December 31, 2022	Portion due within one year
<i>First National Bank</i>					
Note dated					
November 20, 2020, due 2045.					
Interest at 3.297% with monthly					
principal and interest payments	\$ 246,137	\$ -	\$ (3,863)	\$ 237,949	\$ 7,486
<i>GM Financial Financing</i>					
Vehicle note dated					
December 31, 2016, due 2021.					
Interest at 5.900% with monthly					
principal and interest payments	587	-	(587)	-	-
Vehicle note dated					
December 27, 2019, due 2024.					
Interest at 7.110% with monthly					
principal payments	34,725	-	(18,913)	15,812	14,548
Vehicle note dated					
December 27, 2019, due 2024.					
Interest at 6.990% with monthly					
principal payments	22,969	-	(13,282)	9,687	9,687
Vehicle note dated					
December 27, 2019, due 2024.					
Interest at 6.990% with monthly					
principal payments	22,939	-	(13,278)	9,661	9,661
Vehicle note dated					
December 27, 2019, due 2024.					
Interest at 7.110% with monthly					
principal payments	34,721	-	(18,914)	15,807	14,548
Vehicle note dated					
December 28,, 2020, due 2025.					
Interest at 5.89% with monthly					
principal payments	61,124	-	(23,378)	37,846	17,467
Vehicle note dated					
December 28, 2020, due 2025.					
Interest at 5.89% with monthly					
principal payments	56,566	-	(21,564)	35,002	16,153
Vehicle note dated					
December 28, 2020, due 2025.					
Interest at 5.89% with monthly					
principal payments	57,806	-	(22,015)	35,791	16,518
<i>Ally Financial</i>					
Vehicle note dated					
December 27, 2019, due 2024.					
Interest at 6.990% with monthly					
principal payments	21,420	-	(11,156)	10,264	6,727
Total notes payable	<u>\$ 558,994</u>	<u>\$ -</u>	<u>\$ (86,077)</u>	<u>\$ 407,819</u>	<u>\$ 112,795</u>

Wreaths Across America
Notes to Financial Statements
December 31, 2022

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Future maturities of notes payable are as follows:

Year ended December 31	Principal	Interest	Total
2023	\$ 112,795	\$ 16,420	\$ 129,215
2024	66,384	9,836	76,220
2025	12,720	7,370	20,090
2026	7,638	7,056	14,694
2027	7,894	6,800	14,694
2028-2032	45,194	28,274	73,468
2033-2037	53,573	19,894	73,467
2038-2042	61,285	12,183	73,468
2043-2045	<u>40,336</u>	<u>3,743</u>	<u>44,079</u>
Total	<u>\$ 407,819</u>	<u>\$ 111,576</u>	<u>\$ 519,395</u>

NOTE 7. LINE OF CREDIT

The following is a summary of line of credit activity for the eighteen months ended December 31, 2022:

Balance June 30, 2022	Increases	Decreases	Balance December 31, 2022
<u>\$ -</u>	<u>\$ 406,000</u>	<u>\$ (406,000)</u>	<u>\$ -</u>

The activity above was undertaken in order to maintain access to the Organization's line of credit and maintain cash flow because of a delay in collecting revenues.

NOTE 8. FUNCTIONAL EXPENDITURES

The cost of providing the program and supporting services have been summarized on a functional basis in the statement of activities. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits and payroll taxes, which are allocated on the basis of estimates of time and effort.

The Organization's expenditures by function are as follows for the eighteen months ended December 31, 2022:

Program	\$ 58,816,073
Management and general	4,522,862
Fundraising	<u>1,210,835</u>
Total expenditures	<u>\$ 64,549,770</u>

The Organization reports their costs by nature of expense on the statement of functional expenses.

**Wreaths Across America
Notes to Financial Statements
December 31, 2022**

NOTE 9. RELATED PARTY TRANSACTIONS

During the eighteen months ending December 31, 2022 the Organization paid Worcester Resources, Inc. for wreaths, balsam products, shipping and other services. The husbands of an officer and an employee are majority owners of Worcester Resources, Inc. Total payments to Worcester Resources, Inc. during the eighteen months ended December 31, 2022 were approximately \$43,222,500 for wreaths. At December 31, 2022, \$1,615,002 was owed to Worcester Resources, Inc. for goods or services provided.

NOTE 10. CONCENTRATIONS

Worcester Resources, Inc., as the sole supplier of wreaths for the Organization, accounted for approximately 98% or \$43,222,500 of the sponsorship related costs for the eighteen months ended December 31, 2022. The Organization is committed to maintain the relationship disclosed with this vendor in Note 9 through the December 31, 2025 wreath laying event.

Wreath sponsorships, as the major source of revenue, accounted for approximately 94% or \$61,818,944 of total revenues for the eighteen months ended December 31, 2022. The Organization has no plans to significantly diversify its revenue sources.

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 5, 2024 the date on which the financial statements were available to be issued.

Wreaths Across America
Schedule of Activities Schedule for 990 Reporting

	<u>7/1/22 to</u> <u>12/31/22</u>	<u>7/1/21 to</u> <u>6/30/22</u>
REVENUES AND OTHER SUPPORT		
Wreath sponsorships	\$ 31,884,512	\$ 29,934,432
In-kind donations	45,300	167,328
Other merchandise sales	1,127,986	1,119,063
Cost of goods sold	(1,046,256)	(1,046,863)
Contributions	554,797	854,682
Interest	4,941	5,767
Gain on sale of assets	11,925	-
	<u>32,583,205</u>	<u>31,034,409</u>
EXPENSES		
Sponsorship related costs	\$ 23,139,110	\$ 21,377,509
Trucking expenses	56,406	52,032
Distributions to outside groups	3,290,728	3,046,486
In-kind expenses	45,300	167,328
Salaries and wages	1,398,345	2,070,072
Payroll taxes	109,050	176,674
Employee benefits	330,419	447,082
Travel, meetings and trade shows	173,644	329,542
Advertising and promotion	390,978	427,212
Legal and accounting fees	22,300	28,466
Professional fees	191,208	421,054
Software fees	721,741	1,018,417
Office expenses	311,534	405,495
Postage and mailing costs	-	87,597
Occupancy	71,592	163,017
Insurance	63,545	63,842
Cleanup of wreaths maintenance	8,886	168,907
Dues and subscriptions	4,943	10,818
Depreciation	-	620,345
Other supplies	19,845	21,542
Vehicle expenses	78,967	-
Promotional and special events	231,725	244,395
Interest expense	7,925	23,733
Miscellaneous	14,628	71,358
	<u>30,682,819</u>	<u>31,442,923</u>
Total expenses	30,682,819	31,442,923
Change in net assets	1,900,386	(408,514)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	(1,915,155)	(1,507,216)
RESTATEMENT OF BEGINNING NET ASSETS	<u>7,505</u>	<u>575</u>
NET ASSETS, BEGINNING OF YEAR, RESTATED	<u>(1,907,650)</u>	<u>(1,506,641)</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ (7,264)</u>	<u>\$ (1,915,155)</u>