

**CROSSOVER MISSION, INC.**

**Financial Statements  
with  
Independent Auditors' Report**

For the year ended August 31, 2022

**Table of Contents**

	<b>Page</b>
<b>Independent Auditors' Report</b> .....	2 - 3
<b>Financial Statements:</b>	
Statement of Financial Position .....	4
Statement of Activities.....	5
Statement of Functional Expenses .....	6
Statement of Cash Flows.....	7
Notes to Financial Statements .....	8 - 15



**Independent Auditors' Report**

To the Board of Directors  
Crossover Mission, Inc.  
Vero Beach, Florida

**Opinion**

We have audited the accompanying financial statements of the Crossover Mission, Inc. (a nonprofit organization) which comprise the statement of financial position as of August 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 Crossover Mission, Inc. as of August 31, 2022, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Crossover Mission, 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 Crossover Mission, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditors' 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 auditors' 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, 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.

To the Board of Directors  
Crossover Mission, Inc.

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 Crossover Mission, Inc.'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 Crossover Mission, Inc.'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.

*Kmetz, Elwell, Graham & Associates*

Kmetz, Elwell, Graham, & Associates, PLLC  
Certified Public Accountants  
Vero Beach, Florida

November 18, 2022

Crossover Mission, Inc.  
Statement of Financial Position  
August 31, 2022

---

**Assets**

**Current Assets:**

Cash	\$	1,400,555
Investments		133,159
Grant receivable		14,151
Pledges receivable - current portion		605,000
Other current assets		15,199

---

<b>Total Current Assets</b>	<b>2,168,064</b>
-----------------------------	------------------

---

**Other Assets:**

Pledges receivable - non-current portion	440,000
Property and equipment, net	4,082,775

---

<b>Total Other Assets</b>	<b>4,522,775</b>
---------------------------	------------------

---

<b>Total Assets</b>	<b>\$ 6,690,839</b>
---------------------	---------------------

---

**Liabilities and Net Assets**

**Current Liabilities:**

Accounts payable and accrued liabilities	\$	125,849
Current portion, long-term debt		4,138
Accrued payroll liabilities		24,532

---

<b>Total Current Liabilities</b>	<b>154,519</b>
----------------------------------	----------------

---

Long-term debt, net of current portion	2,085,862
--	-----------

---

<b>Total Liabilities</b>	<b>2,240,381</b>
--------------------------	------------------

---

Without Donor Restrictions	2,667,734
With Donor Restrictions	1,782,724

---

<b>Total Net Assets</b>	<b>4,450,458</b>
-------------------------	------------------

---

<b>Total Liabilities and Net Assets</b>	<b>\$ 6,690,839</b>
---	---------------------

---

See accompanying notes to financial statements.



**Crossover Mission, Inc.**  
Statement of Activities  
For the year ended August 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Public Support and Revenues</b>			
Grants	\$ 629,034	\$ 400,000	\$ 1,029,034
Contributions	1,670,152	1,182,724	2,852,876
Program income	17,135	-	17,135
Investment income (loss)	(15,142)	-	(15,142)
Fundraising events, net	277,029	-	277,029
Net assets released from restriction	150,000	(150,000)	-
<b>Total Revenue and other support</b>	<b>2,728,208</b>	<b>1,432,724</b>	<b>4,160,932</b>
<b>Expenses</b>			
Athletics	309,267	-	309,267
Education	489,001	-	489,001
<b>Total Functional Expenses</b>	<b>798,268</b>	<b>-</b>	<b>798,268</b>
Fundraising	188,132	-	188,132
Administrative	173,394	-	173,394
<b>Total Expenses</b>	<b>1,159,794</b>	<b>-</b>	<b>1,159,794</b>
<b>Increase in Net Assets</b>	<b>1,568,414</b>	<b>1,432,724</b>	<b>3,001,138</b>
<b>Net Assets, beginning of year</b>	<b>1,099,320</b>	<b>350,000</b>	<b>1,449,320</b>
<b>Net Assets, end of year</b>	<b>\$ 2,667,734</b>	<b>\$ 1,782,724</b>	<b>\$ 4,450,458</b>

See accompanying notes to financial statements.



**Crossover Mission, Inc.**  
Statement of Functional Expenses  
For the year ended August 31, 2022

	Program Services		Supporting Services		Total
	Athletics	Education	Fundraising	Administrative	
Salaries and wages	\$ 151,018	\$ 239,266	\$ 68,132	\$ 88,859	\$ 547,275
<b>Total Payroll</b>	151,018	239,266	68,132	88,859	547,275
Tournament & camp expenses	25,828	25,828	-	-	51,656
Sports equipment	4,139	-	-	-	4,139
Facilities expense	52,016	52,016	-	5,475	109,507
Instruction and mentoring	-	64,668	-	-	64,668
Marketing and outreach	3,522	7,710	-	-	11,232
Background checks	1,081	1,080	-	-	2,161
Insurance	9,668	9,668	-	1,329	20,665
Supplies and other	-	17,670	-	29,697	47,367
Professional fees	-	9,101	120,000	44,976	174,077
Interest	26,301	26,301	-	3,058	55,660
Depreciation	35,694	35,693	-	-	71,387
<b>Total Expenses</b>	\$ 309,267	\$ 489,001	\$ 188,132	\$ 173,394	\$ 1,159,794

See accompanying notes to financial statements.



**Crossover Mission, Inc.**  
Statement of Cash Flows  
For the year ended August 31, 2022

---

**Cash Flows From Operating Activities:**

Change in net assets	\$ 3,001,138
Adjustments to reconcile change in net assets to net cash flows provided by (used for) operating activities:	
Depreciation	71,387
Forgiveness of debt	(250,000)
Unrealized loss on investments	17,355
(Increase) decrease in:	
Grant receivable	12,502
Pledges receivable	(695,000)
Other current assets	(8,465)
Increase (decrease) in:	
Accounts payable	(11,768)
Deferred revenue	(281,977)
Accrued expenses	(9,517)

---

Net cash provided by operating activities	1,845,655
---	-----------

---

**Cash Flows From Investing Activities:**

Purchase and sale of investments, net	18,578
Purchase of property and equipment	(3,311,733)

---

Net cash used for investing activities	(3,293,155)
--	-------------

---

**Cash Flows From Financing Activities:**

Proceeds from long-term debt	2,542,241
Payments on long-term debt	(300,000)

---

Net cash provided by financing activities	2,242,241
---	-----------

---

Net increase in cash	794,741
----------------------	---------

<b>Cash and Cash Equivalents, beginning of year</b>	605,814
---	---------

---

<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 1,400,555</b>
---	---------------------

---

See accompanying notes to financial statements.

**Supplemental cash flow information:**

Cash paid during the year for interest	<u>\$ 52,602</u>
--	------------------



**Note 1 – Nature of Organization and Purpose**

Crossover Mission, Inc. (“Crossover”) is a Florida not-for-profit organization that was incorporated on March 12, 2014. Crossover was formed to support and mentor at-risk students through after-school athletics and academic programs managed by dedicated coaches and adult mentors. Crossover is located in Vero Beach, Florida and provides its programs in the greater Vero Beach and Indian River County area.

Crossover’s activities and programs are funded from private sector donations and grants received from private and public charitable organizations. Crossover’s ability to continue operations is based upon its ability to solicit and receive future grants and donations.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Accounting**

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles, using the accrual basis of accounting.

**Basis of Presentation**

Contributions received are recorded as unrestricted or restricted support, depending on the existence and/or nature of any donor imposed restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor imposed restrictions. 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.

Expenses are reported as decreases in net assets without donor imposed restrictions. Gains and losses on other assets or liabilities are reported as increases or decreases in net assets without donor imposed restrictions unless their use is restricted by explicit donor stipulation or by grantor agreement.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash and investments that are readily convertible into cash and have original maturities of three months or less.

**Investments**

Investments are reported in accordance with FASB ASC 320, Investments in Debt and Equity Securities. Under this topic, investments are recorded at the fair market value in the Statement of Financial Position. Realized and unrealized gains and losses are reflected in the Statement of Activities.

**Property and Equipment**

Property and equipment acquisitions greater than \$500 are capitalized and are stated at cost. Donated property and equipment is recorded at the fair market value at the date of the gift. Depreciation is provided on a straight-line basis over the estimated useful life of the assets.

---

Computers and technology	3 years
Vehicles	5 years
Furniture and equipment	5-10 years
Building and improvements	28 years

---

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 2 – Summary of Significant Accounting Policies (continued)**

**Revenue Recognition**

Crossover recognizes revenue in accordance with Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of the guidance is that entities recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. No contract liabilities were recorded for the fiscal year.

**Support and Revenue**

Support and revenue is reported as an increase in unrestricted net assets unless use of the related assets is limited by time, donor-imposed or contractual restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of the temporary donor-imposed, time or contractual restrictions on net assets are reported as reclassifications to unrestricted net assets in the period in which the restriction expires. A restriction expires when the stipulated time period has elapsed and/or the stipulated purpose has been fulfilled.

**Unconditional Promises to Give**

Unconditional promises to give are recognized as revenue and as assets in the year the promise is received. Unconditional promises to give that are scheduled to be received in the succeeding twelve months are reflected as current promises to give and are recorded as pledges receivable at their net realizable value. Unconditional promises to give that are scheduled to be received beyond the succeeding twelve months are reflected as non-current promises to give and are recorded as pledges receivable at the present value of their net realizable value.

**Functional Allocation of Expenses**

The cost of providing the program and other activities has been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis.

The significant expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Payroll expense	Time and effort
Occupancy	Program

**Use of 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.

**Income Tax Status**

Crossover Mission is a not-for-profit organization that is generally exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Crossover has been determined not to be a private foundation within the meaning of Section 509(a) of the Code.

Management of Crossover considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur, including changes to Crossover's status as a not-for-profit entity. Management believes Crossover met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax. Crossover's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.



**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 2 – Summary of Significant Accounting Policies (continued)****Risks and Uncertainties**

In March 2020, a global pandemic was declared by the World Health Organization as a result of the rapidly growing outbreak of the coronavirus, COVID-19. The pandemic has significantly impacted the economic conditions in the United States, including disrupting the supply chains and affecting production and sales across a range of industries. There have been no adjustments to the financial statements as a result of this uncertainty.

**Note 3 – Concentrations of Credit Risk**

Crossover Mission maintains cash in financial institutions which are insured by the Federal Deposit Insurance Corporation (“FDIC”). The FDIC deposit insurance limit for cash is currently \$250,000 per depositor, per insured institution. As of August 31, 2022, Crossover has deposits held at two financial institutions which exceed the FDIC insurance limit by \$969,657 in total. Crossover has not experienced any losses on such amounts and does not believe it is exposed to any significant risk with respect to such balances.

**Note 4 – Investments**

The components of total investment return for the year ended August 31, 2022 are as follows:

Interest, dividends and other earnings	\$	1,860
Net realized/unrealized gain (loss) on investments		(17,002)
	\$	(15,142)

Investments consist of the following as of August 31, 2022:

	Cost	Fair Market Value	Net Unrealized Gains (Losses)
Cash and cash equivalents	\$ 235	\$ 235	\$ -
Mutual funds	64,512	107,824	43,312
Stocks	2	25,100	25,098
	\$ 64,749	\$ 133,159	\$ 68,410

**Note 5 – Fair Value Measurements**

ASC Topic 825, “Financial Instruments”, requires certain disclosures regarding the fair value of financial instruments. Effective January 1, 2021, Crossover Mission adopted ASC Topic 820, “Fair Value Measurements and Disclosures”, which defines fair value, establishes guidelines for measuring fair value, and expands disclosure regarding fair value measurements. ASC Topic 820 established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three levels. A financial instrument’s categorization within the fair value hierarchy is based upon the lowest level of input that is available and significant to the fair value measurement.

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 5 – Fair Value Measurements (continued)**

Crossover Mission recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the year ended August 31, 2022.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The following methods and assumptions were used by Crossover Mission in estimating its fair value disclosures for financial instruments:

- Cash and cash equivalents, certificates of deposit, accounts receivable, contracts receivable, inventory, accounts payable, deferred revenue, accrued liabilities, accrued vacation and long term debt: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments or because they are not subject to valuation on a recurring basis.
- Investments: The fair value of current and other investments is based on quoted market prices for those or similar investments where available.

The following is a summary of Fair Value Measurements as of August 31, 2022:

Fair Value Measurements at Reporting Date Using				
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	\$ 133,159	\$ 133,159	\$ -	\$ -
Pledges and grants receivable	1,059,151	-	-	1,059,151
	\$ 1,192,310	\$ 133,159	\$ -	\$ 1,059,151

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 6 – Pledges Receivable**

At August 31, 2022, pledges receivable consisted of pledges for building improvements, after school care and holiday camp programs totaling \$1,045,000. Pledges receivable are expected to be realized in the following periods:

2023	\$ 605,000
2024	430,000
2025	5,000
2026	5,000
	<u>\$ 1,045,000</u>

Outstanding pledges receivable by program are as follows:

Program services	\$ 645,000
Construction and equipment	400,000
	<u>\$ 1,045,000</u>

Management has determined that no allowance is necessary for pledges receivable, as these are due from a reputable contributors with a history of supporting the mission of the organization.

**Note 7 – Property and Equipment**

The following is a summary of property and equipment at August 31, 2022:

	Balance 8/31/2021	Additions	Deletions	Balance 8/31/2022
Land	\$ -	\$ 1,450,000	\$ -	\$ 1,450,000
Building	-	700,000	-	700,000
Building improvements	-	1,345,026	-	1,345,026
Vehicles	96,617	-	-	96,617
Furniture and equipment	11,440	148,659	-	160,099
Computer and technology	62,937	5,188	-	68,125
Leasehold improvements	35,687	-	(35,687)	-
Leasehold interests	328,710	-	(328,710)	-
Intangible assets	2,705	-	-	2,705
Construction in progress	786,307	1,140,626	(1,442,079)	484,854
<b>Total property and equipment</b>	<b>1,324,403</b>	<b>4,789,499</b>	<b>(1,806,476)</b>	<b>4,307,426</b>
Less: accumulated depreciation	(290,227)	(71,387)	136,963	(224,651)
<b>Net property and equipment</b>	<b>\$ 1,034,176</b>	<b>\$ 4,718,112</b>	<b>\$ (1,669,513)</b>	<b>\$ 4,082,775</b>

On June 1, 2020, Crossover entered into a three-year right of use real estate lease for a facility that will include its administrative offices, educational classrooms, technology center and athletic facilities. During the fiscal year, Crossover exercised its option to purchase the leased real estate for \$2,150,000.

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 8 – Long-Term Debt**

Effective December 31, 2021, Crossover entered into a line of credit agreement with one of its directors. The terms of this note agreement enables Crossover to borrow up to \$500,000 to fund costs related to the modifications and improvements to leased real estate facilities, that Crossover has since purchased. This note has an interest rate of 3% per year on the balance advanced with interest payments due quarterly, commencing on April 1, 2022. During the year Crossover made draws totaling \$577,241 and the outstanding balance on the line of credit as of August 31, 2022 was \$125,000. This line of credit is due and any balance is payable in full on November 1, 2023.

On January 31, 2022, Crossover entered into a mortgage agreement with Marine Bank & Trust Company in the amount of \$1,612,500 for the purchase of leased real estate in Indian River County. The underlying note is amortized over 20 years and requires interest only payments until August 28, 2023 at which time monthly interest and principal payments of \$10,040 will commence and continue for 42 months. The interest on the first 60 months of this note is 4.25%. Beginning February 28, 2027 the interest will be adjusted to the average yield of United States Treasury Securities adjusted to a constant maturity of five years plus a margin of 3.5 % adjusted if necessary to the minimum and maximum rate limitations for the loan, resulting in an initial rate of 5.047% per annum and monthly payments of \$9,470. The final payment in the amount of \$1,197,633 on this note is due on January 28, 2032.

On January 31, 2022, Crossover entered into a loan agreement with one of its directors in the amount of \$352,500. This note carries a current interest rate of 4.5% and requires interest only payments until it becomes due on February 1, 2027. The interest rate on this note will increase to 5.25% effective October 1, 2022. The interest is variable and based on the rate charged to lender on its Fidelity Margin account. The note is secured by a mortgage on real estate in Indian River County.

Future principal and interest payments due are as follows:

	Principal	Interest	Total
2023	\$ 4,138	\$ 83,808	\$ 87,946
2024	177,004	79,674	256,678
2025	54,485	76,573	131,058
2026	56,990	74,177	131,167
2027	401,859	72,219	474,078
2028 and after	1,395,524	293,711	1,689,235
	\$ 2,090,000	\$ 680,162	\$ 2,770,162

**Note 9 – Net Assets with Donor Restrictions**

As of August 31, 2022, Crossover had restricted net assets consisting of resources currently available for use but limited by donor restrictions that can be fulfilled by the passing of time or removed by the activities of the organization.

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 9 – Net Assets with Donor Restrictions** (continued)

Net assets with donor restrictions at August 31, 2022 are restricted for the following:

Time restricted:	
Pledges receivable	\$ 1,045,000
Purpose restricted:	
Construction and equipment	514,460
Sports equipment	91,720
College readiness program	97,258
Scholarship fund	34,286
	\$ 1,782,724

**Note 10 – Net Assets Released from Donor Restrictions**

Net assets released from donor restrictions during the fiscal ended August 31, 2022, were as follows:

Program services	\$ 150,000
	\$ 150,000

**Note 11 – Liquidity and Availability of Financial Assets**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of August 31, 2022 are:

Cash - operating	\$ 1,400,555
Pledges receivable - current portion	605,000
Grants receivable	14,151
Less:	
Amounts with donor restrictions - current portion	(1,342,724)
Total financial assets available for general expenditure	\$ 676,982

Additionally, Crossover funds operating needs through contributions, grants and fundraising.

**Note 12 – Concentrations**

Crossover received a large portion of its contributions from the Board of Directors and one funder. For the fiscal year 2022, the total contributions received from these sources were approximately 45% of total revenues.

**Note 13 – Related Parties**

During the year ended August 31, 2022, two members of the Board of Directors provided funding to the organization in the form of a \$352,500 second mortgage for the purchase of leased building and a \$500,000 line of credit to help provide liquidity for the planned improvements to the same property. These loans are described in detail in Note 8.

**Crossover Mission, Inc.**

Notes to Financial Statements (continued)

**Note 14 – Commitments**

Crossover has signed a contract for the construction of improvements to the newly purchased building. At August 31, 2022, payments including retainage remaining under the current terms of the contracts totaled \$267,547.

**Note 15 – Prior Period Adjustments**

In 2021, Crossover received a multi-year pledge in the amount of \$350,000 that was not recorded as revenue and pledge receivable during the year. The summarized information has been restated to reflect the correction in pledges receivable and net assets with donor restrictions.

Details of prior period balances as restated at August 31, 2021 are as follows:

Pledges receivable at August 31, 2021	\$	-
Correction to record pledges receivable		350,000
<hr/>		
Pledges receivable at August 31, 2021, restated	\$	350,000
<hr/>		
Total net assets at August 31, 2021	\$	1,099,320
Correction to record contributions with donor restrictions		350,000
<hr/>		
Total net assets at August 31, 2021, restated	\$	1,449,320
<hr/>		
Net assets with donor restrictions at August 31, 2021	\$	-
Correction to record donor restricted net assets		350,000
<hr/>		
Net assets with donor restrictions at August 31, 2021, restated	\$	350,000
<hr/>		

Additionally, on the Statement of Cashflows, Cash and Cash Equivalents, beginning of the year, has been restated as \$605,814 to be consistent with current year's presentation.

**Note 16 – Subsequent Events**

Management has evaluated subsequent events through November 18, 2022, the date the financial statements were available to be issued. After consideration of the above, management is not aware of any events subsequent to the statement of financial position date which would require additional adjustments to, or disclosure in, the accompanying financial statements.