

Fight Colorectal Cancer, Inc.

Independent Auditors' Report
and Financial Statements
Years Ended June 30, 2022 and 2021

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Independent Auditors' Report

To the Board of Directors
Fight Colorectal Cancer, Inc.
Springfield, Missouri

Opinion

We have audited the accompanying financial statements of Fight Colorectal Cancer, Inc., (the Organization) (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2022, and the related statements of activities and net assets, 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 Fight Colorectal Cancer, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the years 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 Financial Statements section of our report. We are required to be independent of Fight Colorectal Cancer, Inc. and to meet our other ethical responsibilities in accordance with 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 these 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 Fight Colorectal Cancer, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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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 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 Fight Colorectal Cancer, 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 Fight Colorectal Cancer, 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.

Report on Comparative Information

We have previously audited Fight Colorectal Cancer, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 6, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
December 13, 2022

Fight Colorectal Cancer, Inc.

Statements of Financial Position

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,153,409	\$ 3,207,521
Investments	932,572	-
Contributions receivable, current	696,138	584,553
Prepaid expenses	11,764	14,157
Total current assets	<u>3,793,883</u>	<u>3,806,231</u>
Property and Equipment		
Cost	220,531	203,541
Less accumulated depreciation	91,856	80,612
Net property and equipment	<u>128,675</u>	<u>122,929</u>
Other Assets		
Contributions receivable, long-term	539,109	1,072,880
Total assets	<u>\$ 4,461,667</u>	<u>\$ 5,002,040</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 134,990	\$ 163,032
Accrued expenses	122,141	114,831
Total current liabilities	<u>257,131</u>	<u>277,863</u>
Net Assets		
Without donor restrictions	2,824,766	2,854,089
With donor restrictions	1,379,770	1,870,088
Total net assets	<u>4,204,536</u>	<u>4,724,177</u>
Total liabilities and net assets	<u>\$ 4,461,667</u>	<u>\$ 5,002,040</u>

The accompanying notes are an integral part of these financial statements

Fight Colorectal Cancer, Inc.

Statements of Activities

Year Ended June 30, 2022

With Summarized Financial Information for the Year Ended June 30, 2021

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Public Support and Revenues				
Contributions and grants	\$ 2,319,497	\$ 234,174	\$2,553,671	\$2,255,277
Paycheck Protection Program income	-	-	-	218,000
Investment loss, net	(65,022)	-	(65,022)	-
Other income	38,116	-	38,116	39,964
Total public support and revenues	2,292,591	234,174	2,526,765	2,513,241
Net assets released from restrictions	724,492	(724,492)	-	-
Total public support, revenues and reclassifications	3,017,083	(490,318)	2,526,765	2,513,241
Expenses				
Program services				
Awareness	715,030	-	715,030	751,076
Advocacy	875,232	-	875,232	691,749
Research	372,296	-	372,296	306,215
Education	600,278	-	600,278	639,002
Total program services	2,562,836	-	2,562,836	2,388,042
Supporting services				
Management and general	217,309	-	217,309	240,549
Fundraising	250,475	-	250,475	156,694
Total supporting services	467,784	-	467,784	397,243
Total expenses	3,030,620	-	3,030,620	2,785,285
Other expense				
Loss on disposition of property and equipment	(15,786)	-	(15,786)	-
Decrease in net assets	(29,323)	(490,318)	(519,641)	(272,044)
Net assets - beginning of year	2,854,089	1,870,088	4,724,177	4,996,221
Net assets - end of year	<u>\$ 2,824,766</u>	<u>\$1,379,770</u>	<u>\$4,204,536</u>	<u>\$4,724,177</u>

The accompanying notes are an integral part of these financial statements

Fight Colorectal Cancer, Inc.

Statements of Functional Expenses

Year Ended June 30, 2022

With Summarized Financial Information for the Year Ended June 30, 2021

Expenses	2022							2021	
	Program Services				Supporting Services			Total	Total
	Awareness	Advocacy	Research	Education	Total	Management and General	Fundraising		
Salaries	\$ 287,047	\$ 327,615	\$ 119,231	\$ 269,449	\$ 1,003,342	\$ 117,355	\$ 38,802	\$ 1,159,499	\$ 1,055,871
Payroll taxes	21,863	26,198	11,686	22,491	82,238	14,134	3,069	99,441	84,134
Employee benefits	29,450	21,894	7,703	26,661	85,708	14,736	6,733	107,177	98,163
Retirement benefits	1,135	1,220	906	873	4,134	600	266	5,000	14,318
Meetings and events	10,373	135,029	24,411	5,745	175,558	5,072	58,611	239,241	89,182
Depreciation	15,719	11,077	5,014	17,653	49,463	4,636	1,144	55,243	42,055
Office supplies and maintenance	5,015	3,110	2,732	27,165	38,022	14,464	502	52,988	26,646
Professional services	128,345	130,840	83,902	103,290	446,377	10,040	47,694	504,111	487,314
Technology	70,557	41,500	34,905	30,894	177,856	6,622	23,745	208,223	149,240
Promotion	65,170	25,543	11,961	33,077	135,751	2,611	30,371	168,733	254,618
Insurance	2,116	1,552	688	2,421	6,777	662	152	7,591	11,207
Travel	33,264	35,102	49,697	5,678	123,741	11,892	31,235	166,868	56,162
Utilities	4,980	3,715	1,626	5,673	15,994	1,347	334	17,675	22,088
Postage	24,296	2,691	1,457	3,817	32,261	727	1,559	34,547	34,134
Printing	1,529	243	156	489	2,417	44	832	3,293	171
Grants	-	90,373	10,000	15,000	115,373	-	-	115,373	280,078
Dues and subscriptions	291	7,738	1,625	14,573	24,227	81	22	24,330	20,292
Rent	13,255	9,309	4,162	14,728	41,454	3,900	966	46,320	46,500
Bank and merchant fees	-	-	-	(5)	(5)	(408)	4,241	3,828	3,467
Miscellaneous	625	483	434	606	2,148	8,794	197	11,139	9,645
Total expenses	\$ 715,030	\$ 875,232	\$ 372,296	\$ 600,278	\$ 2,562,836	\$ 217,309	\$ 250,475	\$ 3,030,620	\$ 2,785,285

The accompanying notes are an integral part of these financial statements

Fight Colorectal Cancer, Inc.

Statements of Cash Flows Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from (used in) operating activities		
Decrease in net assets	\$ (519,641)	\$ (272,044)
Adjustments		
Paycheck Protection Program income	-	(218,000)
Unrealized loss on investments	69,388	-
Loss on disposition of property and equipment	15,786	-
Depreciation	55,243	42,055
Net change in operating accounts:		
Contributions receivable	422,186	498,453
Prepaid expenses	2,393	34,999
Accounts payable	(28,042)	136,037
Accrued expenses	7,310	9,864
Net cash from operating activities	24,623	231,364
Cash flows used in investing activities		
Acquisitions of investments	(997,594)	-
Reinvestment of earnings on investments	(4,366)	-
Acquisition of property and equipment	(76,775)	(62,937)
Net cash used in investing activities	(1,078,735)	(62,937)
Cash flows from financing activities		
Proceeds from Paycheck Protection Program	-	218,000
Net increase (decrease) in cash and cash equivalents	(1,054,112)	386,427
Cash and cash equivalents - beginning of year	3,207,521	2,821,094
Cash and cash equivalents - end of year	\$ 2,153,409	\$ 3,207,521

The accompanying notes are an integral part of these financial statements

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

1. Summary of Significant Accounting Policies

Nature of business: Fight Colorectal Cancer, Inc. (the Organization) is a 501(c)(3) nonprofit corporation established in March 2005 for the purpose of demanding a cure for colon and rectal cancer, as well as educating and supporting patients, pushing for changes in policy that will increase and improve research, and empowering survivors to raise their voices against the status quo. The primary source of revenue for the organization is contributions raised throughout the United States.

Specific services and programs provided by the Organization include the following:

Awareness: The Organization educates the public on key issues regarding prevention, diagnosis, and treatment of colorectal cancer.

Advocacy: The Organization advocates for increased funding for research, screening, and access to care for patients and their families.

Research: The Organization works with researchers to ensure that research and treatment is responsive to patient needs, as well as training patients and caregivers on how to inform the research process.

Education: The Organization provides educational resources to patients and their caregivers, including webinars, blogs, publications, podcasts, and downloadable materials.

Revenue recognition: The Organization recognizes revenue using the following method:

Contributions and grants: Contributions and grants are recognized when cash, other assets, and 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 or the donor has explicitly released the restriction. The grant received by the Organization is nonreciprocal, therefore, revenue is recognized as obligations are met.

Basis of presentation: The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets not subject to donor restriction may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors must be expended in accordance with donor restrictions. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the 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. At June 30 2022 and 2021, there were no net assets to be maintained in perpetuity.

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

Donor restricted contributions are reported as increases in net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or the purpose is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and net assets as net assets released from donor restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Comparative financial information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Accounting estimates: Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Contributions receivable: Contributions receivable are unconditional promises to give. Amounts that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the promise is received. Amortization of the discount is included in revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met. Management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Property and equipment and related depreciation: Property and equipment has been stated at cost. Depreciation has been computed by applying the straight-line method and estimated lives as follows:

<u>Category</u>	<u>Estimated Life</u>
Furniture, fixtures, and equipment	3-5 years
Software and licenses	3-5 years

Acquisitions of property and equipment or repairs, maintenance, or betterments that materially prolong the useful lives of assets are capitalized.

Investments: The Organization carries investments in marketable securities and derivatives with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. The investments, as presented in the other assets section of the statement of financial position, consists of investments held for the purpose of seeking higher returns, while providing reasonable stability of principal. Unrealized gains and losses are included in investment income in the accompanying statements of activities and net assets.

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

Tax exempt status: The Organization has been classified as an exempt organization under Internal Revenue Code Section 501(c)(3) as a public charity qualified for charitable contributions under Internal Revenue Code Section 170.

The Organization has analyzed the tax positions taken and has concluded that as of June 30, 2022 and 2021, there are no uncertain positions taken, or expected to be taken, that would require recognition of an asset or liability or disclosure in the financial statements. A tax asset or liability would be recognized if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization does not believe it likely that changes will occur within the next fiscal year that will have a material impact on the financial statements.

Contributed services: Unpaid volunteers have made contributions of their time to assist with the Organization's programs and fundraising campaigns. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Paycheck Protection Program: The Organization initially recorded Paycheck Protection Program (PPP) loans as refundable advances and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and a right of return of the PPP no longer exist.

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services identified. Such allocations are determined by management on an equitable basis. All other costs have been directly applied.

The allocated expenses include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and payroll taxes	Time and effort
Employee and retirement benefits	Time and effort
Depreciation	Full time equivalent
Office supplies and maintenance	Full time equivalent
Insurance	Full time equivalent
Professional services	Full time equivalent
Rent	Full time equivalent

Advertising costs: The Organization expenses non-direct response advertising costs as they are incurred. Advertising expense for the years ended June 30, 2022 and 2021 amounted to \$46,239 and \$26,907, respectively.

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

Statements of cash flows: Cash equivalents include time deposits, certificates of deposit, money market funds, and all highly liquid debt instruments with maturities of three months or less at the date of their acquisition.

Fair value measurement: The definition of fair value focuses on the exit price (i.e., 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) not the entry price (i.e., the price that would be paid to acquire the asset or received to assume the liability at the measurement date). Fair value is a market-based measurement, not an entity-specific measurement. Therefore, the fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability.

Subsequent events: Management has evaluated subsequent events between the end of the most recent fiscal year end and December 13, 2022, the date the financial statements were available to be issued. See Note 2 for further discussion of risks related to the coronavirus pandemic.

2. Risks and Uncertainties

During a previous year, a strain of coronavirus (COVID-19) was identified as a global pandemic and began affecting the health of large portions of the global population. The detrimental impact of this virus is not yet determinable but will likely be significant for both the Organization and the overall economy. The effects of COVID-19 on the Organization are also not yet determinable; however, COVID-19 has been identified as a significant risk and uncertainty that could impact future operations and result in changes in estimates and assumptions made in the financial statements.

3. Paycheck Protection Program

During February 2021, the Organization was granted a \$218,000 loan under the Paycheck Protection Program “PPP” administered by Legacy Bank and Trust, a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization applied for and was notified in October 2021 that \$218,000 in eligible expenditures for payroll and other expenses described in the CARES Act had been forgiven. Loan forgiveness in the amount of \$218,000 is reflected in the accompanying statements of activities and net assets for the year ended June 30, 2021.

4. Availability and Liquidity

The Organization structures its financial assets to meet three months of operating expenses. Excess cash may be invested in short-term investments, including money market accounts and certificates of deposit.

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

The following represents the Organization's financial assets at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Financial assets at year end		
Cash and cash equivalents	\$ 2,153,409	\$ 3,207,521
Investments	932,572	-
Contributions receivable	<u>1,235,247</u>	<u>1,657,433</u>
Total financial assets	4,321,228	4,864,954
Less amounts not available to be used within one year		
Contributions receivable - long-term	<u>539,109</u>	<u>1,072,880</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,782,119</u>	<u>\$ 3,792,074</u>

5. Investments

The carrying amount of investments as shown in the statements of financial position and their approximate market value as of June 30, 2022, were as follows:

	<u>2022</u>		
	<u>Cost</u>	<u>Unrealized Gains (Losses)</u>	<u>Market Value</u>
Equity securities	<u>\$ 1,001,960</u>	<u>\$ (69,388)</u>	<u>\$ 932,572</u>

6. Contributions Receivable

Contributions receivable consist of the following unconditional promises to give:

	<u>2022</u>	<u>2021</u>
Due in less than one year	\$ 696,138	\$ 584,553
Due in one to five years	<u>544,500</u>	<u>1,089,000</u>
	1,240,638	1,673,553
Less: Unamortized discount	5,391	16,120
Total contributions receivable	<u>\$ 1,235,247</u>	<u>\$ 1,657,433</u>

The unamortized discount was calculated using an average rate of 1%.

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

7. Property and Equipment

<u>Category</u>	<u>2022</u>	<u>2021</u>
Furniture, fixtures, and equipment	\$ 97,248	\$ 97,248
Software and licenses	123,283	106,293
	<u>220,531</u>	<u>203,541</u>
Less accumulated depreciation	91,856	80,612
Total	<u>\$ 128,675</u>	<u>\$ 122,929</u>

8. Net Assets

Net assets with donor restrictions at June 30, 2022 and 2021 are available for the following purposes or periods:

<u>Specific Purpose</u>	<u>2022</u>	<u>2021</u>
Research	\$ 144,534	\$ 222,675
<u>Passage of Time</u>		
Contribution receivables	1,235,236	1,647,413
Total net assets with donor restrictions	<u>\$ 1,379,770</u>	<u>\$ 1,870,088</u>

Net assets released from donor restrictions are as follows:

<u>Satisfaction of purpose restrictions</u>	<u>2022</u>	<u>2021</u>
Research	\$ 160,688	\$ 47,967
Awareness	-	82,863
Patient education	-	39,960
Passage of time	563,804	538,506
Total net assets released from donor restrictions	<u>\$ 724,492</u>	<u>\$ 709,296</u>

9. Operating Leases

The Organization leases office space from an unrelated third party with a monthly rent of \$6,250, with the lease expiring April 30, 2029.

The future minimum lease payments under noncancelable operating leases at June 30, 2022 are as follows:

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

<u>Year Ended June 30</u>	<u>Future Lease Payments</u>
2023	\$ 75,500
2024	78,500
2025	81,000
2026	81,300
2027	82,800
Thereafter	154,000
	<u>\$ 553,100</u>

10. Retirement Plan

The Organization maintains a 403(b)-retirement plan matching up to two percent of employee contributions at the discretion of the Board of Directors. The plan provides coverage for all employees after eligibility requirements are met.

11. Fair Value Measurement

The Organization has an established process for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models or processes that use primarily market-based or independently sourced market data, including interest rate yield curves, option volatilities and third-party information. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Valuation Hierarchy

ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets

Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument

Level 3: inputs to the valuation methodology are unobservable and significant to the fair value measurement

Fight Colorectal Cancer, Inc.

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Following is a description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instrument pursuant to the valuation hierarchy.

Investments – The Organization uses quoted market prices from actively traded markets to estimate the fair value of the Level 1 securities that it holds. If quoted market prices were not available, then fair values would be estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows and would be classified within Level 2 of the valuation hierarchy. In certain cases where there is limited activity or less transparency around inputs to the valuation, securities would be classified within Level 3 of the valuation hierarchy.

The following tables present the financial instruments carried at fair value on a recurring basis as of June 30, 2022, by caption on the statement of financial position and by ASC 820 valuation hierarchy.

	Fair value	Fair Value Measurement		
		Level 1	Level 2	Level 3
June 30, 2022				
Equity securities	\$ 932,572	\$ 932,572	\$ -	\$ -

12. Concentrations of Credit Risk

The Organization maintains bank accounts with two financial institutions. On June 30, 2022, the balance with Legacy Bank exceeded FDIC insurance limit.