



THE PREEMPTIVE LOVE COALITION

Financial Statements
With Independent Auditors' Report

December 31, 2022 and 2021

THE PREEMPTIVE LOVE COALITION

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Preemptive Love Coalition
Hewitt, Texas

Opinion

We have audited the accompanying financial statements of The Preemptive Love Coalition (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years 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 The Preemptive Love Coalition as of December 31, 2022 and 2021, 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 the Financial Statements* section of our report. We are required to be independent of The Preemptive Love Coalition 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 The Preemptive Love Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
The Preemptive Love Coalition
Hewitt, Texas

Auditors' Responsibility 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 The Preemptive Love Coalition'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 The Preemptive Love Coalition'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.

Capin Crouse LLP

Lawrenceville, Georgia
September 22, 2023

THE PREEMPTIVE LOVE COALITION

Statements of Financial Position

	December 31,	
	<u>2022</u>	<u>2021</u>
ASSETS:		
Cash and cash equivalents	\$ 1,292,234	\$ 1,187,622
Inventory—net	371,562	454,781
Investments	7,287,735	14,766,724
Prepaid expenses and other assets	139,987	231,664
Property and equipment—net	<u>799,230</u>	<u>1,430,344</u>
 Total Assets	 <u>\$ 9,890,748</u>	 <u>\$ 18,071,135</u>
 LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	<u>\$ 504,763</u>	<u>\$ 544,186</u>
 Net assets:		
Without donor restrictions	9,058,241	17,526,949
With donor restrictions	<u>327,744</u>	<u>-</u>
Total net assets	<u>9,385,985</u>	<u>17,526,949</u>
 Total Liabilities and Net Assets	 <u>\$ 9,890,748</u>	 <u>\$ 18,071,135</u>

See notes to financial statements

THE PREEMPTIVE LOVE COALITION

Statement of Activities

Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Contributions	\$ 3,057,252	\$ 2,365,627	\$ 5,422,879
Merchandise sales—net of discounts	345,684	-	345,684
Investment loss	(1,379,009)	-	(1,379,009)
Loss on disposal of fixed assets	(503,689)	-	(503,689)
Other	10,929	-	10,929
Total Support and Revenue	1,531,167	2,365,627	3,896,794
RECLASSIFICATIONS:			
Satisfaction of purpose restrictions	2,037,883	(2,037,883)	-
EXPENSES:			
Program services	7,348,527	-	7,348,527
Supporting activities:			
Management and general	2,945,251	-	2,945,251
Fundraising	1,743,980	-	1,743,980
	4,689,231	-	4,689,231
Total Expenses	12,037,758	-	12,037,758
Change in Net Assets	(8,468,708)	327,744	(8,140,964)
Net Assets, Beginning of Year	17,526,949	-	17,526,949
Net Assets, End of Year	\$ 9,058,241	\$ 327,744	\$ 9,385,985

See notes to financial statements

THE PREEMPTIVE LOVE COALITION

Statement of Activities

Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Contributions	\$ 10,353,954	\$ 1,312,270	\$ 11,666,224
Merchandise sales—net of discounts	847,474	-	847,474
Investment income	1,008,595	-	1,008,595
Other	79,926	-	79,926
Total Support and Revenue	<u>12,289,949</u>	<u>1,312,270</u>	<u>13,602,219</u>
RECLASSIFICATIONS:			
Satisfaction of purpose restrictions	<u>1,340,065</u>	<u>(1,340,065)</u>	<u>-</u>
EXPENSES:			
Program services	<u>8,943,121</u>	<u>-</u>	<u>8,943,121</u>
Supporting activities:			
Management and general	2,848,387	-	2,848,387
Fundraising	2,438,702	-	2,438,702
	<u>5,287,089</u>	<u>-</u>	<u>5,287,089</u>
Total Expenses	<u>14,230,210</u>	<u>-</u>	<u>14,230,210</u>
Change in Net Assets	(600,196)	(27,795)	(627,991)
Net Assets, Beginning of Year	<u>18,127,145</u>	<u>27,795</u>	<u>18,154,940</u>
Net Assets, End of Year	<u>\$ 17,526,949</u>	<u>\$ -</u>	<u>\$ 17,526,949</u>

See notes to financial statements

THE PREEMPTIVE LOVE COALITION

Statements of Cash Flows

	Year Ended December 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (8,140,964)	\$ (627,991)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	185,966	190,453
Realized/unrealized (gain) loss on investments	1,564,328	(848,208)
Interest and dividends reinvested	(185,319)	(160,387)
Loss on disposal of property and equipment	503,689	8,200
Noncash contribution of property and equipment	-	(38,845)
Change in operating assets and liabilities:		
Inventory	83,219	(212,451)
Prepaid expenses and other assets	91,677	38,004
Accounts payable	(39,423)	10,038
Net Cash Used by Operating Activities	(5,936,827)	(1,641,187)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of securities	(1,100,020)	(2,684,788)
Purchases of property and equipment	(68,041)	(562,808)
Proceeds from sale of property and equipment	9,500	-
Proceeds from sale of securities	7,200,000	3,350,000
Net Cash Provided by Investing Activities	6,041,439	102,404
Net Change in Cash and Cash Equivalents	104,612	(1,538,783)
Cash and Cash Equivalents, Beginning of Year	1,187,622	2,726,405
Cash and Cash Equivalents, End of Year	\$ 1,292,234	\$ 1,187,622
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Donated property and equipment	\$ -	\$ 38,845

See notes to financial statements

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

1. NATURE OF ORGANIZATION:

The Preemptive Love Coalition (the Organization) is a Texas nonprofit corporation established in 2008. As a nonprofit corporation, the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). The Organization is classified as a publicly supported organization, which is not a private foundation as defined by Section 509(a) of the Code.

The Organization is a global community of peacemakers working to end war. The Organization accomplishes this mission through program services described below:

Relief—We help fast, to stop the spread of violence. We provide food so war-torn families can survive, mobile and community-based medical care to reach them where they are, and shelter to ensure their safety. When families have what they need to hold on and hold out, they can start the journey back to wholeness sooner.

Jobs—We give help that lasts, to reduce the risk of war. We equip the next generation with digital jobs that can withstand any upheaval. We help refugees launch businesses using skills they already have, so they can work where they are. When people have the jobs they need, the risk of violence fades.

Community—We help heal the past, to change the ideas that lead to war. We provide content to educate and activate aspiring peacemakers. Through small, neighborhood gatherings around the world, we create connection that can bridge every division. When we step across enemy lines and sit down together, we can stop the next war before it starts.

The primary sources of support and revenue for the Organization is received from the general public, private foundations, corporations, and partner organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

USE OF ESTIMATES

The preparation of the Organization's financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH AND CASH EQUIVALENTS

For purposes of these statements, cash and cash equivalents includes cash on hand, checking, and savings accounts. While occasionally deposits may be in excess of federally insured limits, the Organization has not experienced any losses in such accounts. At December 31, 2022 and 2021, the Organization's cash balances exceeded federally insured limits by \$776,805 and \$472,412, respectively.

INVENTORY—NET

Inventory is valued at the lower of cost (using the average cost method) or net realizable value and consists primarily of merchandise produced and sold by the Organization such as soap, shirts, and books. Management has determined the allowance for obsolescence by reviewing product sales history and current market performance. Special consideration is given to products that are new or deemed by management to be long-lived. Actual losses are recorded as a charge to the allowance as incurred, and additions to the allowance are charged to cost of goods sold.

INVESTMENTS

Investments in marketable equity securities with readily determinable fair values and all debt securities are recorded at fair value based on the last reported sales price on the valuation date. Other investments are reported at cost. Donated investments are recorded at fair value at the date of donation and are thereafter carried in conformity with the stated policy. Interest and dividend income and the realized and unrealized gains and losses on marketable securities are included in investment income (loss) in the accompanying statements of activities.

PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 1 to 39 years. Repairs and maintenance and small equipment purchases are expensed as incurred. Expenditures that significantly increase asset value or extend useful lives are capitalized. Acquisitions of property and equipment in excess of \$5,000 that meet the capitalization requirements are capitalized. Upon retirement, sale or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gains or losses are included on the statements of activities.

CLASSES OF NET ASSETS

The financial statements report amounts separately by class of net assets:

Net assets without donor restrictions are currently available at the discretion of the board for use in operations or designated by the board for specific use. Equity in property and equipment represents amounts invested in property and equipment net of accumulated depreciation. The Organization's board designated net assets represent amounts not to be used for daily operations and held for emergency purposes only.

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CLASSES OF NET ASSETS, continued

Net assets with donor restrictions are stipulated by donors for specific operating purposes or programs, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Merchandise sales are recognized when goods are shipped to customers. All other non-contribution revenues are recognized when earned and contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met.

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications.

The Organization reports donations of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated goods are recorded at fair value at the date of the gift.

Expenses are recorded when costs are incurred in accordance with the accrual basis of accounting. The costs of providing the program services and supporting activities of the Organization have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

3. LIQUIDITY AND FUNDS AVAILABLE:

The following table reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Organization considers general expenditures to be all expenditures related to its ongoing activities to accomplish its mission, as well as the conduct of services undertaken to support those activities to be general expenditures.

	December 31,	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 1,292,234	\$ 1,187,622
Investments	7,287,735	14,766,724
Financial assets, at year-end	8,579,969	15,954,346
Less those unavailable for general expenditure within one year, due to:		
Board-designated reserves	(542,235)	(542,235)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 8,037,734</u>	<u>\$ 15,412,111</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Board-designated reserves can be released upon resolution of the board and used for general expenditures. At December 31, 2022, the Organization has \$327,44 in net assets with donor restrictions for Empowerment grants. These funds are considered available to meet needs for general expenditures as funds are used for their donor restricted purposes.

4. INVENTORY-NET:

Inventory-net consist of the following:

	December 31,	
	2022	2021
Finished goods	\$ 394,499	\$ 484,487
Reserve for excess and obsolete items	(22,937)	(29,706)
	<u>\$ 371,562</u>	<u>\$ 454,781</u>

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

5. INVESTMENTS:

Investments consist of:

	December 31,	
	2022	2021
Held at cost:		
Cash and cash equivalents	\$ 277,173	\$ 4,862,467
Held at fair value:		
Preferred stock	90,749	484,447
Mutual funds	2,628	506,670
Fixed income	2,250,045	2,710,279
Exchange-traded funds	4,667,140	6,202,861
	<u>7,010,562</u>	<u>9,904,257</u>
	<u>\$ 7,287,735</u>	<u>\$ 14,766,724</u>

Investment income (loss) consists of:

	Year Ended December 31,	
	2022	2021
Realized/unrealized gain (loss)	\$ (1,564,328)	\$ 848,208
Interest and dividends—net of fees	185,319	160,387
	<u>\$ (1,379,009)</u>	<u>\$ 1,008,595</u>

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

6. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consist of:

	December 31,	
	2022	2021
Building	\$ 404,765	\$ 404,765
Leasehold improvements	134,775	120,016
Equipment	379,649	397,282
Vehicles	79,937	115,900
Software	-	694,594
	999,126	1,732,557
Less accumulated depreciation	(199,896)	(302,213)
	\$ 799,230	\$ 1,430,344

7. NET ASSETS WITH DONOR RESTRICTIONS:

The following is a summary of the activity for net assets with donor restrictions for the years ended December 31, 2022 and 2021:

	1/1/2022 Balance	Contributions	Released from Restrictions	12/31/2022 Balance
	Empowerment grants	\$ -	\$ 2,365,627	\$ (2,037,883)
	1/1/2021 Balance	Contributions	Released from Restrictions	12/31/2021 Balance
Empowerment grants	\$ 27,795	\$ 1,312,270	\$ (1,340,065)	\$ -

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

8. FAIR VALUE MEASUREMENTS:

The *Fair Value Measurements and Disclosure* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 and Level 2 inputs are not available.

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022 and 2021:

	Fair Value Measurements at			
	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Preferred stock	\$ 90,749	\$ -	\$ -	\$ 90,749
Mutual funds	2,628	-	-	2,628
Fixed income	2,250,045	-	-	2,250,045
Exchange-traded funds	4,667,140	-	-	4,667,140
Total investments, at fair value	<u>\$ 7,010,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,010,562</u>

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

8. FAIR VALUE MEASUREMENTS, continued:

	Fair Value Measurements at			Total
	December 31, 2021			
	Level 1	Level 2	Level 3	
Investments, at fair value:				
Preferred stock	\$ 484,447	\$ -	\$ -	\$ 484,447
Mutual funds	506,670	-	-	506,670
Fixed income	2,710,279	-	-	2,710,279
Exchange-traded funds	6,202,861	-	-	6,202,861
Total investments, at fair value	<u>\$ 9,904,257</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,904,257</u>

Methods and assumptions used by the Organization in estimating fair values are as follows:

Valuation techniques: Fair values for mutual funds, stocks, certain corporate debt securities, municipal bonds, U.S. government obligations, and exchanged-traded funds are based on quoted market prices or dealer quotes.

Changes in valuation techniques: None.

9. EXPENSES BY BOTH NATURE AND FUNCTION:

The statements of activities report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and related benefits are allocated based on employee time and effort. All other categories were allocated based on programmatic purpose and time spent by the employees directly affected by the expense.

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

9. EXPENSES BY BOTH NATURE AND FUNCTION, continued:

Functional expenses by natural classification as of December 31, 2022:

	Program Services	Supporting Activities		Total Supporting Activities	Total Expenses
		Management and General	Fundraising		
Grants to partners	\$ 1,039,832	\$ -	\$ -	\$ -	\$ 1,039,832
Salaries and related benefits	3,284,689	1,334,285	1,130,971	2,465,256	5,749,945
Office, supplies, and other	919,319	175,610	254,883	430,493	1,349,812
Professional fees and services	968,901	1,435,356	334,406	1,769,762	2,738,663
Cost of goods sold	219,475	-	23,720	23,720	243,195
Empowerment, relief, and jobs	916,311	-	-	-	916,311
	<u>\$ 7,348,527</u>	<u>\$ 2,945,251</u>	<u>\$ 1,743,980</u>	<u>\$ 4,689,231</u>	<u>\$ 12,037,758</u>

Functional expenses by natural classification as of December 31, 2021:

	Program Services	Supporting Activities		Total Supporting Activities	Total Expenses
		Management and General	Fundraising		
Grants to partners	\$ 1,228,555	\$ -	\$ -	\$ -	\$ 1,228,555
Salaries and related benefits	3,269,322	1,298,930	1,149,775	2,448,705	5,718,027
Office, supplies, and other	1,682,751	556,816	1,121,211	1,678,027	3,360,778
Professional fees and services	926,547	992,641	106,151	1,098,792	2,025,339
Cost of goods sold	533,130	-	61,565	61,565	594,695
Empowerment, relief, and jobs	1,302,816	-	-	-	1,302,816
	<u>\$ 8,943,121</u>	<u>\$ 2,848,387</u>	<u>\$ 2,438,702</u>	<u>\$ 5,287,089</u>	<u>\$ 14,230,210</u>

10. DONOR CONCENTRATION:

During the years ended December 31, 2022 and 2021, the Organization received 38% and 22%, respectively, of total contributions from two donors. The Organization's operations and program services could be impacted if these donor relationships were to be terminated and could not be replaced by new donors with comparable donations.

THE PREEMPTIVE LOVE COALITION

Notes to Financial Statements

December 31, 2022 and 2021

11. COMMITMENTS AND CONTINGENCIES:

The Organization may be subject to various legal proceedings and claims, which arise in the ordinary course of its business. Management of the Organization believes that the amount, if any, of potential liability with respect to legal actions will be immaterial.

12. SUBSEQUENT EVENTS:

Effective March 7, 2023, the Organization entered into an affiliation agreement (the Agreement) with Search for Common Ground (Search), a District of Columbia nonprofit corporation. Per the Agreement, the Organization and Search desire to collectively to operate together under a shared mission to find synergies between their current and intended future programs. As such, the Agreement requires that the certificate of formation and the bylaws of the Organization in effect as of the date of the Agreement shall be amended to read that Search shall become the sole member of the Organization and that the Organization board of directors shall be restructured. Per the amended bylaws of the Organization, the sole member (Search) of the Organization shall appoint a board of directors of the Organization, whereby the Organization is now under the control of Search and therefore, is required to be consolidated with Search, in accordance with accounting principles generally accepted in the United States.

Subsequent events have been evaluated through September 22, 2023, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.