

UNCOMMON.ORG, INC.

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

Uncommon.org, Inc.

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TODRES & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

The Board of Trustees
Uncommon.org, Inc.

Opinion

We have audited the accompanying financial statements of Uncommon.org, Inc., (a New York corporation), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, cash flows and functional expenses 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 Uncommon.org, Inc. as of December 31, 2022 and 2021, and the results of its activities and cash flows for the years then ended in accordance with accounting principals generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Uncommon.org, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 principals 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 Uncommon.org, Inc.'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 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Uncommon.org, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Uncommon.org, 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.

Todres + Company, LLP

Westbury, New York
November 3, 2023

Uncommon.org, Inc.

Statements of Financial Position

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Current assets		
Cash	\$ 266,398	\$ 210,255
Accounts receivable	2,127	36
Total current assets	<u>268,525</u>	<u>210,291</u>
Non-current assets		
Employee loans receivable	1,470	1,000
Property and equipment, less accumulated depreciation (Notes 1 and 2)	<u>45,246</u>	<u>10,661</u>
Total non-current assets	<u>46,716</u>	<u>11,661</u>
Total assets	<u>\$ 315,241</u>	<u>\$ 221,952</u>
<u>Net Assets</u>		
Net assets:		
Without donor restrictions	295,241	221,952
With donor restrictions (Note 6)	<u>20,000</u>	<u>-</u>
Total net assets	<u>\$ 315,241</u>	<u>\$ 221,952</u>

- The accompanying notes are an integral part of the financial statements -

Uncommon.org, Inc.

Statements of Activities

For the Years Ended December 31, 2022 and 2021

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions Subject to Expenditure for Specified Purpose</u>	<u>Total 2022</u>	<u>Total 2021</u>
	<u>Operating Fund</u>			
Revenues and support:				
Donations	\$ 389,753	\$ 20,000	\$ 409,753	\$ 285,382
Grants	-	-	-	44,500
Special event revenue (Note 5)	88,917	-	88,917	699
Other	14,241	-	14,241	3,615
Total revenues and support	<u>492,911</u>	<u>20,000</u>	<u>512,911</u>	<u>334,196</u>
Expenses:				
Program services	281,955	-	281,955	159,812
Management and general	108,724	-	108,724	53,280
Special event expenses (Note 5)	22,860	-	22,860	360
Total expenses	<u>413,539</u>	<u>-</u>	<u>413,539</u>	<u>213,452</u>
Increase in net assets before other (expenses) and reclassifications	79,372	20,000	99,372	120,744
Other (expenses) and reclassifications:				
Depreciation	<u>(6,083)</u>	<u>-</u>	<u>(6,083)</u>	<u>(1,148)</u>
Total other (expenses) and reclassifications	<u>(6,083)</u>	<u>-</u>	<u>(6,083)</u>	<u>(1,148)</u>
Increase in net assets	73,289	20,000	93,289	119,596
Net assets:				
Beginning of year	<u>221,952</u>	<u>-</u>	<u>221,952</u>	<u>102,356</u>
End of year	<u>\$ 295,241</u>	<u>\$ 20,000</u>	<u>\$ 315,241</u>	<u>\$ 221,952</u>

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Uncommon.org, Inc.

Statement of Activities

For the Year Ended December 31, 2021

	<u>Net Assets Without Donor Restrictions</u>	
	<u>Operating Fund</u>	<u>Total 2021</u>
Revenues and support:		
Donations	\$ 285,382	\$ 285,382
Grants	44,500	44,500
Special event revenue	699	699
Other	3,615	3,615
Total revenues and support	<u>334,196</u>	<u>334,196</u>
Expenses:		
Program services	159,812	159,812
Management and general	53,280	53,280
Special event expenses	360	360
Total expenses	<u>213,452</u>	<u>213,452</u>
Increase in net assets before other (expenses) and reclassifications	120,744	120,744
Other (expenses) and reclassifications:		
Depreciation	(1,148)	(1,148)
Total other (expenses) and reclassifications	<u>(1,148)</u>	<u>(1,148)</u>
Increase in net assets	119,596	119,596
Net assets:		
Beginning of year	<u>102,356</u>	<u>102,356</u>
End of year	<u>\$ 221,952</u>	<u>\$ 221,952</u>

- The accompanying notes are an integral part of the financial statements -

Uncommon.org, Inc.

Statements of Cash Flows

For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Increase in net assets	\$ 93,289	\$ 119,596
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,083	1,148
Changes in operating assets and liabilities:		
Increase in assets:		
Accounts receivable	(2,091)	64
Loans receivable	(470)	(1,000)
Net cash provided by operating activities	<u>96,811</u>	<u>119,808</u>
Cash flows from investing activities:		
Purchase of property	(40,668)	(11,809)
Net cash (used for) investing activities	<u>(40,668)</u>	<u>(11,809)</u>
Net increase in cash	56,143	107,999
Cash - beginning of year	<u>210,255</u>	<u>102,256</u>
Cash - end of year	<u>\$ 266,398</u>	<u>\$ 210,255</u>

- The accompanying notes are an integral part of the financial statements -

Uncommon.org, Inc.

Statements of Functional Expenses

For the Years Ended December 31, 2022 and 2021

	Program Services	Management and General	Fund Raising	Total 2022	Total 2021
Advertising	\$ -	\$ 907	\$ -	\$ 907	\$ 2,751
Bad debt expense	-	5,000	-	5,000	-
Bank charges	-	5,904	-	5,904	3,142
Dues and subscriptions	1,225	-	-	1,225	-
Equipment and containers	23,982	-	-	23,982	23,985
Insurance	-	1,298	-	1,298	-
Internet	6,499	-	-	6,499	5,176
Licenses and fees	-	75	-	75	75
Meals and entertainment	-	-	-	-	362
Miscellaneous	11,060	2,049	-	13,109	6,194
Office expenses	-	3,500	-	3,500	-
Operating costs	11,852	-	-	11,852	15,072
Postage and shipping	8,059	-	-	8,059	150
Professional services	-	9,625	-	9,625	2,636
Rent	15,025	-	-	15,025	7,950
Repairs and maintenance	4,255	-	-	4,255	-
Salaries	150,346	76,000	-	226,346	116,169
Security	4,040	-	-	4,040	1,386
Special event expenses	-	-	22,860	22,860	360
Staffing services	-	-	-	-	15,108
Stipends	2,580	-	-	2,580	-
Supplies	12,069	-	-	12,069	5,972
Technology expenses	23,298	-	-	23,298	-
Travel and transportation	7,665	4,366	-	12,031	6,964
	<u>\$ 281,955</u>	<u>\$ 108,724</u>	<u>\$ 22,860</u>	<u>\$ 413,539</u>	<u>\$ 213,452</u>

- The accompanying notes are an integral part of the financial statements -

UNCOMMON.ORG, INC.
Statement of Functional Expenses
For The Year Ended December 31, 2021

	Program Services	Management and General	Fund Raising	Total 2021
Advertising	\$ 310	\$ 2,441	\$ -	\$ 2,751
Bank charges	-	3,142	-	3,142
Equipment and containers	23,985	-	-	23,985
Internet	5,176	-	-	5,176
Licenses and fees	-	75	-	75
Meals and entertainment	-	362	-	362
Miscellaneous	5,697	497	-	6,194
Operating costs	15,072	-	-	15,072
Postage and shipping	150	-	-	150
Professional services	-	2,636	-	2,636
Rent	7,950	-	-	7,950
Salaries	76,169	40,000	-	116,169
Security	1,386	-	-	1,386
Special event expenses	-	-	360	360
Staffing services	15,108	-	-	15,108
Supplies	5,972	-	-	5,972
Travel and transportation	2,837	4,127	-	6,964
	<u>\$ 159,812</u>	<u>\$ 53,280</u>	<u>\$ 360</u>	<u>\$ 213,452</u>

- The accompanying notes are an integral part of the financial statements -

Uncommon.org, Inc.

Notes To Financial Statements

December 31, 2022 and 2021

NATURE OF ORGANIZATION

Uncommon.org, Inc. (the "Company"), a not-for-profit organization, was established to help unemployed young adults from low income communities launch their careers in the technology industry. The Company operates in Africa providing instructional workshops and seminars at no charge to those who attend. The Company's charter and by-laws provide that the Company be managed and controlled by its own Board of Directors.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The ASU makes significant changes in seven areas: net asset classes, liquidity and availability of resources, classification and disclosure of underwater endowment funds, expense reporting, statement of cash flows, investment return, and release of restrictions on capital assets.

Net assets previously designated as temporarily restricted and permanently restricted are combined in the statements of financial position and the statements of activities to become a single class, net assets with donor restrictions. Unrestricted net assets are now referred to as net assets without donor restrictions.

The financial statements of the Company have been prepared on the accrual basis of accounting. The Company's net assets, revenue and expenses and investment gains and losses are classified based on the existence or absence of donor imposed restrictions in accordance with FASB ASU No. 2016-14. It requires that the amounts for each of two classes of net assets, without donor restrictions and with donor restrictions, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

Cash and Cash Equivalents

The Company considers all cash and highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Uncommon.org, Inc.

Notes To Financial Statements

December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Exempt Status

The Company is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

Revenues and Support

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Gifts of property and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets are to be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Company reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated services that create or enhance non-financial assets or that require specialized skills, are provided by those individuals possessing those skills, and would typically need to be purchased if not provided by donation are reported as contributed support.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount 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. Estimates consist of foreign currency conversions.

Uncommon.org, Inc.

Notes To Financial Statements

December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation. The reclassifications have no effect on the change in net assets for the year ended December 31, 2021.

Property, Plant and Equipment

Property, plant and equipment are reported at cost or, if donated, at fair value on the date of the gift. Expenditures for maintenance and repairs are charged to operations as incurred; significant renewals and betterments are capitalized.

Depreciation is computed using the straight-line method over the estimated useful life of the asset beginning in the year of acquisition. Estimated useful lives range from five to seven years.

When assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the operations for the period.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment, at cost, consist of the following:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 41,543	\$ 10,640
Furniture	10,934	1,169
Total property and equipment	<u>52,477</u>	<u>11,809</u>
Less: accumulated depreciation	<u>(7,231)</u>	<u>(1,148)</u>
Property and equipment, less accumulated depreciation	<u>\$ 45,246</u>	<u>\$ 10,661</u>

Depreciation expense was \$6,083 and \$1,148 for the years ended December 31, 2022 and 2021, respectively.

Uncommon.org, Inc.

Notes To Financial Statements

December 31, 2022 and 2021

NOTE 3 – CONCENTRATIONS OF RISK

Four donors comprised 53% of all donations in the year ended December 31, 2022. The same four donors plus one more comprised 74% of all donations and grant income in the year ended December 31, 2021.

NOTE 4 – LIQUIDITY AND AVAILABILITY

The Company has adequate financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of cash and current receivables. None of these financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the December 31, 2022 statement of financial position.

NOTE 5 – SPECIAL EVENT REVENUE

Net special event revenue for the year ended December 31, 2022 consisted of:

	<u>2022</u>			
	<u>Contributions</u>	<u>Revenue</u>	<u>Total Special Event Revenue</u>	<u>Special Event Expenses</u>
Uncommon NYC Fundraiser	\$ 28,660	\$ 15,075	\$ 43,735	\$ (21,890)
Uncommon Summer Party	25,479	19,703	45,182	(970)
	<u>\$ 54,139</u>	<u>\$ 34,778</u>	<u>\$ 88,917</u>	<u>\$ (22,860)</u>

Neither of these fundraising events were held during the year ended December 31, 2021.

Uncommon.org, Inc.

Notes To Financial Statements

December 31, 2022 and 2021

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes.

Subject to expenditure for specified purpose:

	<u>December 31, 2021</u>	<u>Revenues</u>	<u>Expenses</u>	<u>December 31, 2022</u>
Capital Assets	\$ -	\$ 20,000	\$ -	\$ 20,000
	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>

NOTE 7 – SUBSEQUENT EVENTS

In accordance with ASC 855, the Company evaluated subsequent events through November 3, 2023, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.