

Audited Financial Statements



June 30, 2021

Quigley & Miron

Amazon Watch
Audited Financial Statements
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Independent Auditor's Report

Board of Directors
Amazon Watch
Oakland, California

We have audited the accompanying financial statements of Amazon Watch, a nonprofit organization, which comprise the statements of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

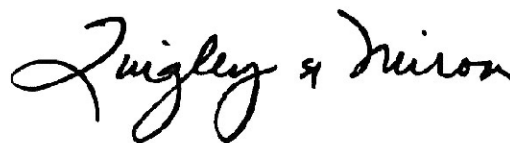
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amazon Watch as of June 30, 2021, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the financial statements of the Amazon Watch as of June 30, 2020, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived

Los Angeles, California
November 17, 2021

A handwritten signature in black ink, reading "Quigley & Miron", enclosed in a thin black rectangular border.

Amazon Watch
Statement of Financial Position
June 30, 2021
(with comparative totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Assets				
Cash and cash equivalents	\$ 6,350,463	\$ 357,378	\$ 6,707,841	\$ 5,822,156
Grants and contributions receivable— Note 3	9,109	109,055	118,164	730,103
Prepaid expenses				1,038
Other assets	21,819		21,819	15,308
Total Assets	<u>\$ 6,381,391</u>	<u>\$ 466,433</u>	<u>\$ 6,847,824</u>	<u>\$ 6,568,605</u>
Liabilities and Net Assets				
Liabilities				
Current Liabilities				
Accounts payable and accrued expenses	\$ 68,834	\$	\$ 68,834	\$ 42,910
Employee-related accrued expenses	144,822		144,822	114,859
Deferred lease incentive— Note 5	23,602		23,602	21,433
Total Liabilities	237,258		237,258	179,202
Commitments— Note 5				
Net Assets				
Without donor restrictions	6,144,133		6,144,133	5,525,024
With donor restrictions— Note 7		466,433	466,433	864,379
Total Net Assets	<u>6,144,133</u>	<u>466,433</u>	<u>6,610,566</u>	<u>6,389,403</u>
Total Liabilities and Net Assets	<u>\$ 6,381,391</u>	<u>\$ 466,433</u>	<u>\$ 6,847,824</u>	<u>\$ 6,568,605</u>

See notes to financial statements.

Amazon Watch
Statement of Activities
Year Ended June 30, 2021
(with comparative totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Public Support and Revenue				
Grants	\$ 1,949,745	\$ 1,532,486	\$ 3,482,231	\$ 3,779,267
Contributions	1,777,725		1,777,725	6,400,299
Rental income				4,293
Interest and investment income	6,944		6,944	5,572
Total Public Support and Revenue	3,734,414	1,532,486	5,266,900	10,189,431
Net assets released from restrictions	1,930,432	(1,930,432)		
Total Public Support, Revenue, and Net Assets Released from Restrictions	5,664,846	(397,946)	5,266,900	10,189,431
Expenses				
Environmental and Indigenous rights advocacy services	4,508,181		4,508,181	3,607,142
Management and general	215,185		215,185	283,486
Fundraising	322,371		322,371	204,213
Total Expenses	5,045,737		5,045,737	4,094,841
Change in Net Assets	619,109	(397,946)	221,163	6,094,590
Net Assets at Beginning of Year	5,525,024	864,379	6,389,403	294,813
Net Assets at End of Year	\$ 6,144,133	\$ 466,433	\$ 6,610,566	\$ 6,389,403

See notes to financial statements.

Amazon Watch
Statement of Functional Expenses
Year Ended June 30, 2021
(with comparative totals for 2020)

	Environmental and Indigenous Rights Advocacy Services	Management and General	Fundraising	2021 Total	2020 Total
Salaries and wages	\$ 1,247,280	\$ 102,259	\$ 234,274	\$ 1,583,813	\$ 1,158,826
Employee benefits	231,055	18,902	43,901	293,858	209,491
Payroll taxes	102,280	8,370	19,196	129,846	97,861
Total Personnel	1,580,615	129,531	297,371	2,007,517	1,466,178
Accounting and audit fees		74,000		74,000	53,500
Bank and finance charges	53,990	1,795	4,022	59,807	111,912
Communications and publicity	8,677			8,677	33,829
Equipment	14,466	36	50	14,552	26,603
Grants awarded	1,943,627			1,943,627	1,399,612
Insurance	30,591	1,753	2,662	35,006	20,878
Interest expense					
Miscellaneous	10,604	232	406	11,242	12,089
Occupancy	125,408	7,086	10,709	143,203	142,313
Outside services	676,335	119	5,452	681,906	678,108
Postage and delivery	2,499			2,499	1,154
Printing and copying	16,690			16,690	7,027
Supplies	4,665	19	1,041	5,725	5,447
Telephone and internet	24,503	596	628	25,727	6,390
Travel and meetings					
Conferences and meetings	6,284			6,284	57,974
Delegations					12,960
Organization travel	6,652	18	30	6,700	51,662
Partner organizations	2,575			2,575	7,203
Total Non-Personnel	2,927,566	85,654	25,000	3,038,220	2,628,661
Total Expenses	\$ 4,508,181	\$ 215,185	\$ 322,371	\$ 5,045,737	\$ 4,094,839

See notes to financial statements.

Amazon Watch
Statement of Cash Flows
Year Ended June 30, 2021
(with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 221,163	\$ 6,094,590
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Grants and contributions receivable	611,939	(698,993)
Prepaid expenses	1,038	3,787
Other assets	(6,511)	(151)
Accounts payable and accrued expenses	25,924	(9,440)
Employee-related accrued expenses	29,963	24,851
Deferred lease incentive	2,169	5,985
	<u>885,685</u>	<u>5,420,629</u>
Net Cash Provided by Operating Activities	885,685	5,420,629
Net Increase in Cash and Cash Equivalents	885,685	5,420,629
Cash and Cash Equivalents at Beginning of Year	<u>5,822,156</u>	<u>401,527</u>
Cash and Cash Equivalents at End of Year	<u>\$ 6,707,841</u>	<u>\$ 5,822,156</u>
Supplementary Disclosures		
Cash paid during the year for:		
Income taxes	<u>\$</u>	<u>\$</u>
Interest	<u>\$</u>	<u>\$</u>

See notes to financial statements.

Amazon Watch
Notes to Financial Statements
June 30, 2021
(with comparative totals for 2019)

Note 1—Nature of Activities and Significant Accounting Policies

Nature of Activities— Amazon Watch (Organization) is a California nonprofit corporation, established in 1996 for the purpose of protecting the rainforest and advancing the rights of Indigenous peoples in the Amazon Basin. The Organization partners with Indigenous and environmental organizations in campaigns for human rights, corporate accountability, and the preservation of the Amazon’s ecological systems. With global deforestation contributing 20-25 percent of all greenhouse gas emissions, the Organization works for Indigenous self-determination as a critical component toward a successful conservation strategy for the Amazon. The Organization receives grants from foundations, as well as contributions from individuals and corporations. Through the growth of the number of these contributors, the Organization has increased its unrestricted public support.

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization’s net assets are classified based on the existence or absence of donor-imposed restrictions. As such, the net assets of the Organization and changes therein are presented and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that 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. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of the Organization and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization’s ongoing environmental and Indigenous rights advocacy services and interest and dividends earned investments. Nonoperating activities are limited to activities considered to be of a more unusual or nonrecurring nature.

Income Taxes—The Organization is a California nonprofit public benefit corporation that serves charitable and educational purposes and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) and from California franchise tax under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for federal or state income taxes is included in the financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered *‘more likely than not’* to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for tax liability is not necessary for the years ended June 30, 2021 and 2020. Generally, the Organization’s information returns remain open for examination for a period of three (federal) or four (state of California) years from the date of filing.

Amazon Watch
Notes to Financial Statements—Continued

Note 1—Nature of Activities and Significant Accounting Policies—Continued

Cash and Cash Equivalents—The Organization considers highly liquid investments with a maturity of less than three months when purchased to be cash equivalents.

Investments—Investments in securities are initially recorded at cost, if purchased, or fair market value, if received as a contribution. Subsequent to acquisition, investments in securities are reported at fair value. Investment income, gains, and losses are reported as unrestricted income unless use of the earnings is restricted by the donor. As part of the Organization’s advocacy efforts, it holds five shares or less of common stock in five different energy-related, publicly-traded corporations. These small amounts of stock holdings allow the Organization to attend shareholder meetings and to receive information as to the business activities of these energy companies. At June 30, 2021 and 2020, common stock shareholdings totaled, respectively, \$4,709 and \$2,953, and are included in “other assets” on the statement of financial position.

Fair Value Measurements—Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity’s assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

These levels are:

Level 1—Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2—Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3—Unobservable inputs that cannot be corroborated by observable market data.

The Organization’s Level 1 assets consist of common stocks for the years ended June 30, 2021 and 2020. The Organization had no Level 2 assets or liabilities for the years ended June 30, 2021 and 2020. The Organization had no Level 3 assets or liabilities for the years ended June 30, 2021 and 2020.

Property and Equipment—Property and equipment is stated at cost when purchased, or at estimated fair market value at the date of bequest or gift. Depreciation is provided using the straight-line method over the estimated useful life of the related asset, principally 5 years. Amortization of equipment purchased under capital lease obligations is included in depreciation expense. It is the Organization’s policy to expense items purchased or donated with values less than \$2,000. As of June 30, 2021, the Organization did not have any property or equipment obtained pursuant to gifts or capital leases.

Concentrations of Credit Risk—Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, and grants and contributions receivable.

Amazon Watch
Notes to Financial Statements—Continued

Note 1—Nature of Activities and Significant Accounting Policies—Continued

The Organization places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At times, such balances of cash and cash equivalents are in excess of the FDIC coverage limits. Management regularly reviews the financial stability of its cash depositories and deems the risk of loss due to these concentrations to be minimal.

Grants and contributions receivable are due from a variety of foundations, corporations and individuals well-known to the Organization, with favorable past payment histories. The Organization's management has assessed the credit risk associated with these contributions and grants receivable and has determined that an allowance for potentially uncollectible amounts is not necessary.

Accrued Sabbatical Leave—Full-time employees are entitled to five weeks of paid sabbatical leave every five years. Sabbatical leave is not a vested benefit and is not payable to employees upon termination of employment. It is the Organization's policy to accrue salary-related sabbatical leave expense. The salary-related accrued sabbatical leave expense for the years ended June 30, 2021 and 2020 amounted to \$60,205 and \$48,896, respectively.

Donated Goods and Services—Donated services are not reflected in the accompanying financial statements as they do not meet the criteria for recognition under current accounting standards. In order to expand the reach of its programs, the Organization utilizes the services of a substantial number of volunteers who have donated a significant number of hours to the Organization's program services, management, and fundraising activities. Contributed goods are recorded at fair value at the date of donation. There were no contributions of such goods received during the years ended June 30, 2021 and 2020.

Recently Adopted Accounting Principle—In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU No. 2018-08 clarifies and improves the scope of the accounting guidance for contributions received and contributions made. The clarifications and improved scope assist entities in 1) evaluating whether transactions should be accounted for as contributions (nonreciprocal) or as exchange (reciprocal) transactions, and 2) determining whether a contribution is conditional. The clarified guidance applies to all entities that receive or make contributions (grants). ASU No. 2018-08 has been adopted by the Organization for the year ended June 30, 2020, however, the retrospective approach requires that organizations reflect the effect of the new guidance in the earliest year presented in the financial statements. The Organization has determined that adopting ASU No. 2018-08 has had no material effect on the financial statements.

Revenue and Revenue Recognition—Revenue is recognized when earned. Contributions are recognized when cash, securities, or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Functional Expenses—The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, certain expenses require allocation on a reasonable basis that is consistently applied. Such expenses include occupancy which is allocated on a square footage basis, as well as personnel expenses (consisting of salaries and wages, employee benefits, and payroll taxes) and insurance, which are allocated on the basis of estimates of time and effort.

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.

Reclassifications—Certain amounts in 2020 have been reclassified to conform with the 2021 financial statement presentation.

Amazon Watch

Notes to Financial Statements—Continued

Note 2—Availability and Liquidity

The Organization's goal is generally to maintain financial assets to meet six-months of operating expenses (approximately \$2.35 million). The Organization operates within a prudent range of financial soundness and stability to support the ongoing fulfillment of its mission.

The following represents the availability and liquidity of the Organization's financial assets at June 30, 2021 to cover operating expenses for the next fiscal year:

Financial assets		
Cash and cash equivalents	\$	6,707,841
Grants and contributions receivable		118,164
		<hr/>
	Total Financial Assets	6,826,005
Less amounts not available to be used within one year:		
Net assets with donor restrictions		
Restricted due to purpose		
Environmental and Indigenous rights		
advocacy services in the countries of:		
Climate Finance Program		(144,164)
Ecuador		(140,364)
Peru		(72,850)
Restricted due to timing		(109,055)
		<hr/>
	Total Net Assets with Donor Restrictions	(466,433)
Less net assets with time restrictions to be met within one year		69,055
		<hr/>
	Total Amounts Not Available to be Used Within One Year	(397,378)
		<hr/>
	Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 6,428,627

Note 3—Grants and Contributions Receivable

Grants and contributions receivable at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Grants from foundations		
Without donor restrictions	\$ 8,354	\$
With donor restrictions	109,055	730,000
Contributions from individuals		
Without donor restrictions	755	
With donor restrictions		103
	<hr/>	<hr/>
Totals	\$ 118,164	\$ 730,103

For detail on the composition of net assets with donor restrictions, see Note 7.

Amazon Watch
Notes to Financial Statements—Continued

Note 4—Line of Credit

During the year ended June 30, 2020, the Organization renegotiated its bank line of credit with Amalgamated Bank, increasing the maximum borrowing amount from \$200,000 to \$250,000. The line of credit carried a variable rate of interest at the Prime Rate, as published by the Wall Street Journal, plus 3% with a minimum per annum rate of no less than 7.75%. Interest was payable monthly. The Organization did not use the line during the years ended June 30, 2021 and 2020. The line of credit matured on October 25, 2020 and was not renewed. No interest was paid during the years ended June 30, 2021 and 2020.

Note 5—Commitments

The Organization rents its Oakland office under a non-cancelable operating lease which expires on December 31, 2024. The office lease offers the Organization the option of extending the agreement for an additional five-year period from January 1, 2025 to December 31, 2029. Future minimum rental payments due on these operating leases are as follows:

<u>Year Ending June 30,</u>	
2022	\$ 134,958
2023	139,006
2024	143,177
2025	72,646
	<hr/>
Total	\$ <u>489,787</u>

Rent expense is recognized on a straight-line basis over the office lease terms based on the total payments required under the lease. The deferred lease incentive amounts of \$23,602 and \$21,433 at June 30, 2021 and 2020, respectively, represents the cumulative difference between the amounts paid and amounts expensed under the leases. Rent expense totaled \$133,196 each of the years ended June 30, 2021 and 2020.

Note 6—Contingencies

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. Although that is a possibility, the Board deems the contingency remote since, by accepting the gifts and their terms, the Board is acknowledging the requirements of the grantor at the time of receipt of the grant.

Amazon Watch
Notes to Financial Statements—Continued

Note 7—Net Assets with Donor Restrictions

Net assets with donor restrictions for the years ended June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Environmental and Indigenous rights advocacy services:		
Brazil	\$	\$ 41,662
Climate Finance Program	144,164	
Ecuador	140,364	75,951
Peru	72,850	16,663
Promises to give, the proceeds from which have been restricted by donors:		
Environmental and Indigenous rights advocacy services:		
Brazil		314,166
Climate Finance Program	40,000	
Ecuador		245,417
Peru		170,417
Support for future periods	69,055	103
Total Net Assets with Donor Restrictions	\$ 466,433	\$ 864,379

Net assets released from donor restrictions for the year ended June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restrictions:		
Environmental and Indigenous rights advocacy services:		
Brazil	\$ 439,667	\$ 474,064
Climate Finance Program	220,818	
Colombia		17,460
Ecuador	1,146,027	611,561
Peru	123,817	164,579
Satisfaction of timing restrictions	103	21,110
Total Net Assets Released from Donor Restrictions	\$ 1,930,432	\$ 1,288,774

Note 8—Employee Benefit Plan

Under the Organization's SIMPLE IRA retirement plan (Plan), the Organization matches 100% of employee contributions to the Plan, up to 3% of annual salary. All employees are eligible to participate in the Plan after 90 days of employment. Each participant may elect to contribute up to the maximum limit by federal law. Participants are vested immediately upon entering the Plan with 100% non-forfeitability of all employer-matched contributions. The Organization's matching contributions totaled \$39,123 and \$9,326 during the years ended June 30, 2021 and 2020 respectively.

Note 9—Risks and Uncertainties

In early March 2020, the COVID-19 virus was declared a global pandemic. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, has been, and continues to be, severely impacted, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. The Organization has continued to conduct its environmental and Indigenous rights advocacy services, on a remote basis, and to monitor the ongoing impact of the pandemic response on its overall operations. At the time of this reporting, the cumulative financial impact of the pandemic on the Organization, if any, cannot be fully determined, therefore no related adjustment has been made to these financial statements.

Note 10—Recent Accounting Pronouncements

Leases—In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for nonprofit organizations with fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact that the adoption of ASU No. 2016-02 will have on its financial statements.

Gifts-in-Kind—In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires increased transparency around the use and valuation of contributed nonfinancial assets (also known as gifts-in-kind) received by not-for-profit entities. Under the updated guidance, gifts-in-kind are required to be presented as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, and to be disaggregated in the notes to the financial statements by the category that depicts the type of contributed nonfinancial assets. There are additional required disclosures regarding qualitative information denoting whether the gifts-in-kind were monetized or utilized during the reporting period; the entity's policy, if any, about monetizing rather than utilizing contributed nonfinancial assets; and the valuation techniques and inputs used to arrive at a fair value measure. ASU No. 2020-07 is to be applied retrospectively and is effective for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of ASU 2020-07 will have on its financial statements.

Note 11—Subsequent Events

Management has evaluated subsequent events through November 17, 2021, the date the financial statements were available to be issued, and concluded that no material subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.