NYAKA, INC.

REPORT ON FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

Maner Costerisan

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Maner Costerisan

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Nyaka, Inc.

Opinion

We have audited the accompanying financial statements of Nyaka, Inc. (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, 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 Nyaka, Inc. as of December 31, 2023 and 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 Unites 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 Nyaka, 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 these financial statements in accordance with accounting principles generally accepted in the Unites 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.

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 Nyaka, 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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 Nyaka, 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 Nyaka, 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.

Maner Costerisan PC

may 6, 2024

NYAKA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 182,432	$ 193,793
Contributions receivable	5,134	18,883
Note receivable	87,927	470,000
Accrued interest receivable	-	78,403
Investments	151,665	118,093
Prepaid expenses	10,988	10,493
Inventory	18,057	23,021
Total current assets	456,203	912,686
Long-term assets		
Property and equipment, net of accumulated depreciation	216,559	221,103
Beneficial interest in assets held by Capital Region Community Foundation	19,805	16,463
Total long-term assets	236,364	237,566
TOTAL ASSETS	$ 692,567	$ 1,150,252
LIABILITES AND NET ASSETS		
LIABILITIES		
Current liabilities		
Accounts payable	$ 10,316	$ 12,694
Accrued payroll	8,084	14,624
Current portion of long-term debt	4,979	4,733
Total current liabilities	23,379	32,051
Long term debt	154,403	159,382
TOTAL LIABILITIES	177,782	191,433
NET ASSETS		
Without donor restrictions		
Designated	38,686	16,468
Undesignated	273,570	843,638
With donor restrictions	202,529	98,713
TOTAL NET ASSETS	514,785	958,819
TOTAL LIABILITIES AND NET ASSETS	$ 692,567	$ 1,150,252

See notes to financial statements.

NYAKA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions of cash and other financial assets	$ 1,266,604	$ 287,106	$ 1,553,710
Contributions of nonfinancial assets	6,106	-	6,106
Investment return, net	57,581	-	57,581
Other revenue	25,039	-	25,039
Net assets released from restrictions	183,290	(183,290)	-
TOTAL REVENUE AND SUPPORT	1,538,620	103,816	1,642,436
EXPENSES			
Program services	1,659,021	-	1,659,021
Fundraising	245,468	-	245,468
Management and general	181,981	-	181,981
TOTAL EXPENSES	2,086,470	-	2,086,470
CHANGE IN NET ASSETS	(547,850)	103,816	(444,034)
NET ASSETS, beginning of year	860,106	98,713	958,819
NET ASSETS, end of year	$ 312,256	$ 202,529	$ 514,785

See notes to financial statements.

NYAKA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions of cash and other financial assets	$ 1,366,509	$ 376,244	$ 1,742,753
Contributions of nonfinancial assets	133,434	-	133,434
Investment return, net	47,940	-	47,940
Other revenue	13,472	-	13,472
Net assets released from restrictions	317,891	(317,891)	-
TOTAL REVENUE AND SUPPORT	1,879,246	58,353	1,937,599
EXPENSES			
Program services	1,727,459	-	1,727,459
Fundraising	334,704	-	334,704
Management and general	179,880	-	179,880
TOTAL EXPENSES	2,242,043	-	2,242,043
CHANGE IN NET ASSETS	(362,797)	58,353	(304,444)
NET ASSETS, beginning of year	1,222,903	40,360	1,263,263
NET ASSETS, end of year	$ 860,106	$ 98,713	$ 958,819

See notes to financial statements.

NYAKA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services	Supporting Services		
	Nyaka School	Fundraising	Management and General	Total Expenses
Program expenses	$ 1,095,880	$ -	$ -	$ 1,095,880
Salaries	381,179	79,500	69,324	530,003
Payroll taxes	31,171	6,494	5,628	43,293
Employee benefits	8,696	1,812	1,570	12,078
Professional fees	-	118,084	75,163	193,247
Travel and meals	29,786	11,583	-	41,369
Supplies	9,455	1,970	1,707	13,132
Insurance	53,897	11,229	9,731	74,857
Technology	31,827	6,631	5,746	44,204
Finance fees	-	4,595	4,595	9,190
Rent	454	95	81	630
Miscellaneous	2,490	519	449	3,458
Advertising	4,131	861	746	5,738
Telephone	2,867	597	518	3,982
Repairs and maintenance	7,188	1,498	1,298	9,984
Depreciation	-	-	5,425	5,425
TOTAL EXPENSES	$ 1,659,021	$ 245,468	$ 181,981	$ 2,086,470

See notes to financial statements.

NYAKA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services	Supporting Services		
	Nyaka School	Fundraising	Management and General	Total Expenses
Program expenses	$ 994,737	$ -	$ -	$ 994,737
Salaries	347,012	72,378	63,132	482,522
Payroll taxes	27,344	5,697	4,937	37,978
Employee benefits	12,595	2,624	2,274	17,493
Professional fees	-	191,356	69,397	260,753
Travel and meals	55,104	21,430	-	76,534
Supplies	24,650	5,135	4,451	34,236
Insurance	51,359	10,700	9,273	71,332
Technology	38,910	8,106	7,025	54,041
Finance fees	-	8,463	8,463	16,926
Rent	9,380	1,954	1,694	13,028
Miscellaneous	12,145	2,530	2,193	16,868
Contributions of non-financial assets	133,434	-	-	133,434
Advertising	12,526	2,610	2,261	17,397
Telephone	4,965	1,034	897	6,896
Repairs and maintenance	3,298	687	596	4,581
Depreciation	-	-	3,287	3,287
TOTAL EXPENSES	$ 1,727,459	$ 334,704	$ 179,880	$ 2,242,043

See notes to financial statements.

NYAKA, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities		
Change in net assets	$ (444,034)	$ (304,444)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	5,425	3,287
Forgiveness of promissory note	-	(1,000)
Realized and unrealized loss on investments	57	6,670
Contributions receivable	13,749	8,383
Grants receivable	-	36,509
Employee advances	-	10,000
Accrued interest receivable	78,403	(42,288)
Prepaid expenses	(495)	(10,493)
Inventory	4,964	18,277
Accounts payable	(2,378)	467
Accrued payroll	(6,540)	8,097
Total adjustments	93,185	37,909
Net cash used by operating activities	(350,849)	(266,535)
Cash flows from investing activities		
Purchase of property and equipment	(881)	(221,819)
Change in beneficial interest in assets held by community foundation	(3,342)	3,177
Proceeds from note receivable	382,073	30,000
Proceeds from sale of investments	-	29,093
Purchase of investments	(33,629)	(14,115)
Net cash provided (used) by investing activities	344,221	(173,664)
Cash flows from financing activities		
Proceeds from long-term debt	-	165,600
Payments on long-term debt	(4,733)	(1,485)
Net cash provided (used) by financing activities	(4,733)	164,115
NET CHANGE IN CASH AND CASH EQUIVALENTS	(11,361)	(276,084)
CASH AND CASH EQUIVALENTS		
Beginning of year	193,793	469,877
End of year	$ 182,432	$ 193,793

See notes to financial statements.

NYAKA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF ORGANIZATION, RISKS, AND UNCERTAINTIES

The Nyaka, Inc. is a not-for-profit corporation working on behalf of HIV/AIDS orphans in rural Uganda to end systemic deprivation, poverty and hunger through a holistic approach to community development, education, and healthcare. The Nyaka, Inc. is exempt from income tax under Section 501 (c)(3) of the Internal Revenue Code.

The Organization is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash, investments, and receivables. The Organization places its cash and investments with FDIC insured financial institutions. Although such investments and cash balances may exceed the federally insured limits at certain times during the year, they are, in the opinion of management, subject to minimal risk.

In addition, the Organization recognizes an allowance for credit losses at the time a receivable is recorded based on management's estimate of expected credit losses, historical write-off experience, and current account knowledge, and adjusts this estimate over the life of the receivable as needed. The Organization evaluates the aggregation and risk characteristics of a receivable pool and develops loss rates that reflect historical collections, current forecasts of future economic conditions over the time horizon. The Organization is exposed to credit risk, and payment terms or conditions that may materially affect future forecasts.

The Organization performs ongoing credit evaluations whenever deemed necessary. The Organization evaluates and maintains, if necessary, an allowance for credit losses based on the expected collectability of all receivables, which takes into consideration an analysis of historical credit losses, specific creditworthiness, and current economic trends. Management believes that the Organization's concentration of credit risk is limited because of the number of receivable balances, their credit quality, small account balances, and geographic diversification.

The Organization's revenue comes primarily from contributions from individuals and foundations. Individual entities contributing amounts in excess of 10% of total revenues are considered to be major contributors. In 2023, the Organization had two major contributors totaling approximately 45% of total contribution revenue. In 2022, the Organization had two major contributors totaling approximately 37% of total contribution revenue.

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and 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 programs and supporting services based on management estimates.

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state, and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

The Organization evaluates events and transactions that occur after year end for potential recognition or disclosure in the financial statements. These subsequent events have been considered through May 6, 2024, which is the date the financial statements were available to be issued.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Nyaka, Inc. ("Organization") are presented on the accrual basis of accounting.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents and liquid assets maturing no more than three months from the date of purchase are considered cash and cash equivalents.

Contributions Receivable

The Organization's contributions receivable are comprised primarily of contributions expected to be received from local sources and collected within one year. The Organization provides for probable uncollectible amounts through a provision for credit losses and an adjustment to a valuation allowance based on its assessment of the current status of receivable accounts. Based on management's estimate, no allowance for credit loss was necessary for the years ended December 31, 2023 and 2022.

Inventory

Inventory consists of baskets, handbags and books and is valued at the lower of cost (first-in, first-out) or net realizable value.

Investments

Investments consist of equity securities and money market funds incidental to the investing process. These investments are recorded at fair value. Gains and losses resulting from the sale of securities are determined on the average cost basis. Net investment return or loss is included in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses.

Property and Equipment

Purchased assets having a cost greater than $500 are capitalized at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Cost of repairs and maintenance are charged to expense when incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor or grantor restrictions. The Organization has designated, from net assets without donor restrictions, net assets for the endowment. Net assets without donor restrictions as of December 31 consist of the following:

	2022	2021
Undesignated	$ 273,570	$ 843,638
Designated for endowment	38,686	16,468
Total net assets without donor restrictions	$ 312,256	$ 860,106

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets (continued)

Net Assets with Donor Restrictions - Net assets subject to donor (or grantor) imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor restrictions are released when a restriction expires, that is, when the stipulation time has elapsed, or when the stipulated purpose has been accomplished.

Contribution Revenue

Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions of land, buildings, equipment, and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional contributions expected to be collected within one year are reported at their net realizable value. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue. Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

Reclassification

Certain prior year numbers have been reclassified to be in conformity with the current year presentation.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program service activities as well as conduct of services undertaken to support those activities to be general expenditures.

NOTE 3 - LIQUIDITY AND AVAILABILITY (continued)

The following reflects the Organization's financial assets as of December 31, 2023 and 2022 respectively, which are deemed available for general expenditures within one year of the date of the statement of financial position. Amounts not available include board designations set aside for scholarship, research, repairs and maintenance, capital improvement and other funds.

	2023	2022
Total current assets at year-end	$ 456,203	$ 912,686
Less non-liquid assets		
Inventory	(18,057)	(23,021)
Prepaid expenses	(10,988)	(10,493)
Less donor-restricted net assets	(202,529)	(98,713)
Less board-designated net assets		
Investments	(18,881)	(5)
Financial assets available to meet cash needs for general expenditures within one year	$ 205,748	$ 780,454

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general expenditures. While the Organization's governing board has designated a portion of its non-restricted resources as noted above, these funds remain available and may be spent at the discretion of the board.

NOTE 4 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Beneficial Interest in Assets Held by Capital Region Community Foundation: The Capital Region Community Foundation (CRCF) acts under an arrangement as a depository for gifts, conveyances, and other transfers intended to assist the Organization in achieving its goals and purposes. The beneficial interest held at CRCF was determined by CRCF based upon the Organization's allocable share in the market value of the underlying investments made by CRCF as reported to CRCF by a third-party trustee from published market quotes. The beneficial interest is considered a level 2 investment under current fair value measurement standards.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

Limited Partnership: The limited partnership currently operates in the real estate industry. This investment is valued based upon the Organization's ownership interest in the partnership's net assets. The value of net assets is based on the underlying assets and liabilities of the limited partnership. This investment seeks to generate capital appreciation. To the extent that the inputs are observable and timely, the value of this security is categorized as Level 2.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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 fair value measurement at the reporting date.

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

The following is a market value summary by the level of the inputs used in evaluating the Organization's assets carried at fair value at December 31, 2023 and 2022. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities.

	2023	2022
Level 1		
Mutual funds - Growth	$ 18,876	$ -
Level 2		
Limited partnership	132,784	118,088
Money market funds (recorded at cost)	5	5
Total investments	$ 151,665	$ 118,093
Level 2		
Beneficial interest in assets held by Capital Region Community Foundation	$ 19,805	$ 16,463

Investment return, net consists of the following for the years ended December 31:

	2023	2022
Interest and dividends, net	$ 24,445	$ 15,499
Realized and unrealized gain (loss)	(57)	(6,670)
Change in beneficial interest in assets held by community foundation	3,342	(3,177)
Note receivable interest	29,851	42,288
Total investment return, net	$ 57,581	$ 47,940

NOTE 5 - NOTE RECEIVABLE

The Organization is required to disclose the nature of credit risk inherent to financing receivables, its analysis and assessment in arriving at the allowance for credit losses (doubtful accounts), and the changes and reasons for those changes in the allowance for credit losses.

Notes receivables are carried at unpaid principal balances, less an allowance for credit losses. Management periodically evaluates the adequacy of the allowance based on past experience and potential adverse situations that may affect the borrower's ability to repay. It is management's policy to write off a loan only when they are deemed to be permanently uncollectible. As of December 31, 2023 and 2022, there were no amounts past due. Management believes that no allowance is considered necessary. The collection status of the note receivable at December 31, 2023 and 2022 is current.

NOTE 5 - NOTE RECEIVABLE (continued)

Financing receivables as of December 31, 2023 and 2022, consist of the following:

	2023	2022
Note receivable - Interest is accrued at a fixed rate of 8.5%. Payments of interest are due monthly. The note receivable was fully repaid with installments during the year ended 2024.	$ 87,927	$ 470,000
Less current portion	(87,927)	(470,000)
Long-term portion	$ -	$ -

NOTE 6 - PROPERTY AND EQUIPMENT

Major classes of property and equipment at December 31, 2023 and 2022, consist of the following:

	Estimated Useful Life	2023	2022
Computer equipment	5 years	$ 23,081	$ 22,200
Buildings	40 years	137,143	137,143
Land		79,400	79,400
		239,624	238,743
Less accumulated depreciation		(23,065)	(17,640)
		$ 216,559	$ 221,103

NOTE 7 - LONG-TERM DEBT

Long-term debt consist of the following at December 31, 2023 and 2022:

	2023	2022
Promissory note - originated August 2022 for $165,600 with Chase Bank, due in monthly installments of principal and interest equal to $1,147, interest is fixed at 5.5%, the note matures August 2032 and is secured by property of the Organization.	$ 159,382	$ 164,115
Less current portion	4,979	4,733
Long-term debt	$ 154,403	$ 159,382

NOTE 7 - LONG-TERM DEBT (continued)

Total maturities of long-term debt are as follows:

Year Ending December 31,		
2024	$	4,979
2025		5,289
2026		5,591
2027		5,911
2028		6,227
Thereafter		131,385
	$	159,382

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2023 were available for the following purposes:

	2022	Inflows	Outflows	2023
Education program	$ 58,353	$ 48,704	$ -	$ 107,057
General operations	10,770		10,770	-
Grandmother project	-	68,066	68,066	-
Sponsor a student	-	96,987	96,987	-
Sustainability project	8,140	-	-	8,140
Janet Kaguri Scholarship	7,850	-	-	7,850
SGBV	-	7,467	7,467	-
Solar lamps	-	250	-	250
Kitchen construction	-	640	-	640
Grandmother's housing	-	4,292	-	4,292
Computer technology project	-	50,000	-	50,000
Dental project	-	10,000	-	10,000
Microfinance	13,600	700	-	14,300
Total net assets with donor restrictions	$ 98,713	$ 287,106	$ 183,290	$ 202,529

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions as of December 31, 2022 were available for the following purposes:

	2021	Inflows	Outflows	2022
Education program	$ -	$ 58,353	$ -	$ 58,353
General operations	10,770	-	-	10,770
Grandmother project	-	225,091	225,091	-
Sponsor a student	-	88,768	88,768	-
Sustainability project	8,140	-	-	8,140
Janet Kaguri Scholarship	7,850	-	-	7,850
SGBV	-	4,032	4,032	-
Microfinance	13,600	-	-	13,600
Total net assets with donor restrictions	$ 40,360	$ 376,244	$ 317,891	$ 98,713

NOTE 9 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

For the years ended December 31, the Organization recognized the following:

	2023	2022
Supplies	$ 6,106	$ 133,434

The Organization recognized contributed nonfinancial assets within revenue. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Contributed supplies recognized were utilized for the operation of the Organization and its beneficiaries. In valuing the supplies, the Organization estimated the fair value of the contributions on the basis of estimates of wholesale values that would be received for selling similar products.

NOTE 10 - ENDOWMENTS

The Organization's endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, both donor-restricted and funds designated by the Board of Directors, are reported based on the existence or absence of donor-imposed restrictions. The endowment is classified for the following purpose at December 31:

	2023	2022
Board designated		
Investments	$ 18,881	$ 5
Community foundation	19,805	16,463
Total endowments	$ 38,686	$ 16,468

NOTE 10 - ENDOWMENTS (continued)

The Organization has interpreted the Michigan Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds (of which they currently have none) absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classified as permanently restricted net assets (a) the original value of initial gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

The Organization's investment and spending policies for endowment assets attempt to provide a predictable stream of funding to programs supported. The spending policy should allow for predictability of spendable fund for budgeting purposes and for steady growth in distributions in support of operations at least equal to the rate of inflation, without endangering the capital value of the fund.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation of equity securities, fixed income, and alternative investments with performance benchmarks on each asset class.

The Organization has a spending policy which shall allow for maximum annual distributions equal to 5% of the rolling average of the preceding twelve quarterly market values. In establishing this policy, the Organization considered the long-term expected return on its investments. Accordingly, the Organization expects the current spending policy to allow its net assets to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the investments and net assets, as well as to provide additional real growth through new gifts and investment return.

NOTE 10 - ENDOWMENTS (continued)

Changes in endowment net assets are as follows for the years ended December 31:

	2023	2022
Endowment net assets, at January 1	$ 16,468	$ 55,408
Contributions	18,933	-
Redemptions	-	(29,108)
Interest and dividends, net	-	15
Realized and unrealized loss on investments	(57)	(6,670)
Change in beneficial interest in assets held by Community Foundation	3,342	(3,177)
Endowment net assets, at December 31	$ 38,686	$ 16,468

NOTE 11 - BENEFICIAL INTEREST IN ASSETS HELD AT COMMUNITY FOUNDATION

The Organization established an endowment at the Capital Region Community Foundation (CRCF) during 2013 with an initial deposit of $10,000 and named itself as the beneficiary. This amount in addition to net earnings and additional transfers is presented on the statement of financial position as, "Beneficial Interest in Assets Held at Community Foundation", in the amount of $19,805 and $16,463 as of December 31, 2023 and 2022, respectively. Although this amount has been recorded as an asset, the Organization has granted variance power to CRCF. Change in the Organization's beneficial interest is as follows for the year ended December 31:

	2023	2022
Beneficial interest, beginning of year	$ 16,463	$ 19,640
Change in value of beneficial interest	3,342	(3,177)
Beneficial interest, end of year	$ 19,805	$ 16,463

NOTE 12 - SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest for the year ended December 31, 2023 and 2022 was $8,299 and $3,045, respectively.

NOTE 13 - ADOPTION OF A NEW ACCOUNTING STANDARD

For the year ended December 31, 2023, the Organization implemented the following new pronouncement: Financial Accounting Standards Board Accounting Standard Update ("ASU") No. 2016-13, *Financial Instruments - Credit Losses* (Topic 326). The objective of the ASU 2016-13 is to provide more decision-useful information about current expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The Organization adopted the new standard using the modified-retrospective approach and determined that the adoption did not have a material impact on net assets, assets, or liabilities as of the date of adoption and primarily resulted in enhanced disclosures.