

CORPORATE AMERICA SUPPORTS YOU

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2021**

**(With Summarized Comparative Financial Information
for the Year Ended December 31, 2020)**

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INDEPENDENT AUDITORS' REPORT

To the Members of
Corporate America Supports You
St. Louis, Missouri

Opinion

We have audited the financial statements of Corporate America Supports You, which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Corporate America Supports You as of December 31, 2021, and the changes in its net assets and its cash flows for the year 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 (GAAS). 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 Corporate America Supports You 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.

Adjustments to Prior Period Financial Statements

The financial statements of Corporate America Supports You as of December 31, 2020 were audited by BWTP P.C., whose practice was combined with Marcum LLP as of December 1, 2021, and whose report dated June 8, 2021, expressed an unmodified opinion on those statements. As more fully described in Note 10, the Organization has restated its 2020 financial statements during the current year to reclassify revenues, in accordance with accounting principles generally accepted in the United States of America. BWTP P.C. reported on the 2020 financial statements before the restatement.

As part of our audit of the 2021 financial statements, we also audited adjustments described in Note 10 that were applied to restate the 2020 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the Organization other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

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 Corporate America Supports You's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Corporate America Supports You'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 Corporate America Supports You's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on 2020 Summarized Comparative Financial Information

The 2020 financial statements of Corporate America Supports You as of and for the year ended December 31, 2020, were audited by BWTP, P.C., whose practice was combined with Marcum LLP as of December 1, 2021, and whose report dated June 8, 2021, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative financial information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Chesterfield, Missouri
September XX, 2022

CORPORATE AMERICA SUPPORTS YOU

STATEMENT OF FINANCIAL POSITION**DECEMBER 31, 2021****(With Summarized Comparative Financial Information for the Year Ended December 31, 2020)****ASSETS**

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 194,791	\$ 542,197
Grant receivable	156,500	-
Pledge receivable	-	25,000
Other assets	47	129,151
Total Current Assets	<u>351,338</u>	<u>696,348</u>
OTHER ASSETS		
Investments	6,835,363	5,349,047
Intangibles - net of amortization	-	83,334
TOTAL ASSETS	<u>\$ 7,186,701</u>	<u>\$ 6,128,729</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 148,305	\$ 154,935
Accrued expenses	9,954	4,514
Total Liabilities	<u>158,259</u>	<u>159,449</u>
NET ASSETS		
Net assets without donor restrictions	6,688,409	5,581,457
Net assets with donor restrictions	340,033	387,823
Total Net Assets	<u>7,028,442</u>	<u>5,969,280</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,186,701</u>	<u>\$ 6,128,729</u>

CORPORATE AMERICA SUPPORTS YOU

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

(With Summarized Comparative Financial Information for the Year Ended December 31, 2020)

	Without Donor Restrictions	With Donor Restrictions	Total			
			2021		2020	
			Amount	%	Amount	%
SUPPORT AND REVENUES						
Contributions	\$ 4,290,397	\$ 313,000	\$ 4,603,397		\$ 2,980,073	
Program service fees	375,000	-	375,000		375,000	
Investment return, net	(13,965)	-	(13,965)		35,131	
Net assets released from restrictions	360,790	(360,790)	-		-	
Total Support and Revenues	<u>5,012,222</u>	<u>(47,790)</u>	<u>4,964,432</u>		<u>3,390,204</u>	
EXPENSES						
Program Services						
Amortization	83,334	-	83,334		83,333	
Information technology	25,270	-	25,270		10,505	
Payroll expense	159,487	-	159,487		103,818	
Subcontract labor	3,350,708	-	3,350,708		2,478,659	
Training	130,623	-	130,623		156	
Travel	40,059	-	40,059		18,309	
Other expenses	17,063	-	17,063		15,544	
Total Program Services	<u>\$ 3,806,544</u>	<u>\$ -</u>	<u>\$ 3,806,544</u>	<u>97.6</u>	<u>\$ 2,710,324</u>	<u>97.2</u>

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STATEMENT OF ACTIVITIES (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

(With Summarized Comparative Financial Information for the Year Ended December 31, 2020)

	Without Donor Restrictions	With Donor Restrictions	Total			
			2021		2020	
			Amount	%	Amount	%
Management and General						
Information technology	\$ 2,147	\$ -	\$ 2,147		\$ 5,290	
Payroll expense	10,214	-	10,214		-	
Subcontract labor	16,464	-	16,464		14,701	
Other expenses	19,492	-	19,492		16,636	
Travel	2,120	-	2,120		936	
Insurance	3,369	-	3,369		5,974	
Total Management and General	<u>53,806</u>	<u>-</u>	<u>53,806</u>	<u>1.4</u>	<u>43,537</u>	<u>1.6</u>
Fundraising						
Payroll expense	14,789	-	14,789		12,558	
Subcontract labor	28,799	-	28,799		21,711	
Other expenses	1,094	-	1,094		-	
Travel	238	-	238		-	
Total Fundraising	<u>44,920</u>	<u>-</u>	<u>44,920</u>	<u>1.2</u>	<u>34,269</u>	<u>1.2</u>
Total Expenses	<u>3,905,270</u>	<u>-</u>	<u>3,905,270</u>	<u>100.0</u>	<u>2,788,130</u>	<u>100.0</u>
CHANGE IN NET ASSETS	1,106,952	(47,790)	1,059,162		602,074	
NET ASSETS - BEGINNING	<u>5,581,457</u>	<u>387,823</u>	<u>5,969,280</u>		<u>5,367,206</u>	
NET ASSETS - ENDING	<u>\$ 6,688,409</u>	<u>\$ 340,033</u>	<u>\$ 7,028,442</u>		<u>\$ 5,969,280</u>	

See independent auditors' report and notes to financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

(With Summarized Comparative Financial Information for the Year Ended December 31, 2020)

	<u>2021</u>	<u>2020</u>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	\$ 1,059,162	\$ 602,074
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Net realized/unrealized loss on investments	58,317	24,930
Amortization	83,334	83,333
Decrease (increase) in current assets:		
Grant receivable	(156,500)	-
Pledge receivable	25,000	(25,000)
Other assets	129,104	(109,104)
Increase (decrease) in current liabilities:		
Accounts payable	(6,630)	30,275
Accrued expenses	5,440	(2,093)
Net Cash Provided by Operating Activities	<u>1,197,227</u>	<u>604,415</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from sale of investments	24,000,000	30,565,000
Purchase of investments	(25,544,633)	(32,777,842)
Net Cash Used in Investing Activities	<u>(1,544,633)</u>	<u>(2,212,842)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(347,406)	(1,608,427)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>542,197</u>	<u>2,150,624</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 194,791</u>	<u>\$ 542,197</u>

CORPORATE AMERICA SUPPORTS YOU

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 – Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

Corporate America Supports You (“CASY”, “Organization”) is a not-for-profit entity formed in the state of Texas in 2004. CASY provides employment referral and job placement solutions to the military and war wounded at no cost. CASY operates with a user-friendly Internet Gateway available to job seekers and partnered employers. The Organization is supported through public grants, contributions, and investment income.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under the accrual basis, revenues and gains are recognized when earned and expenses and losses when the related liability for goods and services is incurred, regardless of the timing of related cash flows.

Concentrations of Credit Risks

The Organization maintains its cash in accounts which from time to time exceed the amount insured by the Federal Deposit Insurance Corporation (“FDIC”), which is \$250,000 per depositor per institution. There were no cash balances above the FDIC limits for the year ended December 31, 2021. The Organization has not experienced any losses in such accounts. In management’s opinion, risk pertaining to such concentrations is minimal.

Approximately 70% of CASY’s revenue was earned under grants from two donors during the year ended December 31, 2021.

Grants and Pledges Receivable

The Organization uses the allowance method to account for uncollectible contribution receivable balances. Under the allowance method, if needed, an estimate of uncollectible donor balances is made based upon expected actual write-offs. Management has determined no allowance for doubtful accounts was necessary at December 31, 2021.

Investments

The Organization’s investments consist of mutual funds – money market and U.S. treasuries. These investments are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Fair Value Measurements

In determining the fair value, the Organization principally uses the market approach which generally utilizes market transaction data for the same or similar instruments. A hierarchy was established for inputs used in determining fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (continued)

Financial assets recorded on the statements of financial position at fair value as of December 31, 2021, are categorized in the fair value hierarchy based on the observable inputs to the valuation techniques as follows:

Level 1: Financial assets whose values are based on unadjusted quoted prices for identical assets in an active market that the Organization can access as of the measurement date.

Level 2: Financial assets whose values are based on the following:

- A) Quoted prices for similar assets or liabilities in active markets;
- B) Quoted prices for identical or similar assets in non-active markets; or
- C) Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset.

Level 3: Financial assets whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

These inputs reflect the Organization's estimates of the assumptions that market participants would use in valuing the financial assets.

Intangibles

In January 2019, Organization purchased a website from Vetjobs.com, Inc. in the amount of \$250,000. This website has been amortized on a straight-line basis over a 36 month useful life.

Contributions and Grants

All contributions received are recorded at fair value and are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions. When a restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, 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. Contributions that are subject to donor-imposed restrictions that are met in the same year as the contributions are made are recognized and reported as unrestricted support and included in changes in unrestricted net assets.

CORPORATE AMERICA SUPPORTS YOU

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets without Donor Restrictions represent those net assets whose use is not restricted by donors. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Net assets without donor restrictions were \$6,688,409 at December 31, 2021.

Net Assets with Donor Restrictions represents those net assets whose use has been limited by donor-imposed restrictions, related to time or purpose uses of the contributions. Upon satisfaction of time or purpose restrictions, these donor restricted net assets are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. Net assets with donor restrictions were \$340,033 at December 31, 2021.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to various programs, fundraising and supporting functions of the Organization. Most expenses are functionalized based on actual expenses incurred. Payroll expenses are categorized based on actual hours. Expenses are charged directly to program, management and general, and fundraising categories based on specific identification.

Estimates and Assumptions

The preparation of financial statements in conformity with GAAP 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 vary from those estimates.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, has made no provision for income taxes in the accompanying financial statements for the Organization's Federal Form 990. There also is revenue of \$375,000 in unrelated business income for the year ended December 31, 2021, which triggers the requirement for the Organization to file Federal Form 990-T.

The Organization accounts for any potential interest or penalties related to the possible future liabilities for unrecognized income tax benefits as interest expense or income tax expense, respectively, in the financial statements. The Organization has determined it does not have any income tax liability for the year ended December 31, 2021.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

Income Taxes (continued)

The Organization's income tax returns are subject to examination by the appropriate taxing jurisdictions. The Organization's income tax returns generally remain open for examination for three years from the date filed with each taxing jurisdiction and there are currently no examinations pending or in progress.

Prior Year Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Subsequent Events

The Organization has evaluated all significant events or transactions that occurred through September XX, 2022, the date on which the financial statements were available to be issued. Except as disclosed in Note 11, there were no additional matters requiring recognition or disclosure in the financial statements.

Note 2 – Cash and Cash Equivalents

The Organization considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased. The balance in cash and cash equivalents at December 31, 2021 includes:

Bank of America – checking	\$	193,102
Krilogy Financial		15
Other cash and cash equivalents		1,674
Total cash and cash equivalents	\$	<u>194,791</u>

Note 3 – Investments

Investments are reported on the basis of quoted market prices and consist of the following at December 31, 2021:

		Fair Value		Cost
Mutual fund – money market	\$	4,832,863	\$	4,832,863
U.S. treasuries		2,002,500		2,008,120
Total Investments	\$	<u>6,835,363</u>	\$	<u>6,840,983</u>

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NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Note 4 – Fair Value Measurements

The following tables summarize the Organization's investments measured at fair value on a recurring basis as of December 31, 2021.

	Level One	Level Two	Level Three	Total
Mutual fund – money market	\$ 4,832,863	\$ -	\$ -	\$ 4,832,863
U.S. treasuries	2,002,500	-	-	2,002,500
Total	<u>\$ 6,835,363</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,835,363</u>

Note 5 – Intangible Assets

Intangible assets are carried at cost less accumulated amortization. Amortization expense for the year ended December 31, 2021, was \$83,334. Intangibles are amortized as follows:

Website	\$ 250,000
Less: accumulated amortization	<u>(250,000)</u>
Intangible assets, net	<u>\$ -</u>

Note 6 – Non-Cash Donations

The Organization did not receive any non-cash donations during the year ended December 31, 2021.

Note 7 – Related Party Transactions

The Organization shares the same corporate officers and directors as Military Spouse Corporate Career Network ("MSCCN"), both organizations have a common purpose goal. No significant transactions between the two organizations occurred during the year ended December 31, 2021.

CASY shares corporate officers with DK Consulting, LLC and DLK Consulting, LLC which provides subcontractor labor to CASY. For the year ended December 31, 2021, DK Consulting, LLC was paid nonemployee compensation amounting to \$65,815. For the year ended December 31, 2021, DLK Consulting, LLC was paid nonemployee compensation amounting to \$91,000.

Note 8 – Liquidity

At December 31, 2021, the Organization has \$7,186,701 of assets, of which \$7,030,154 consists of cash and investments available to meet needs for general expenditures. Financial assets subject to donor or contractual restrictions totaled \$340,033 for the year ended December 31, 2021. Accordingly, \$6,690,121 of the funds are available to meet the cash needs of the Organization in the next twelve months.

CORPORATE AMERICA SUPPORTS YOU

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Note 8 – Liquidity (Continued)

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Organization are expected to be met on a monthly basis from grants, corporate and individual contributions. In general, the Organization maintains sufficient financial assets for its normal operating expenses.

Note 9 – COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may adversely impact the local, regional, national and global economies. The extent to which COVID-19 impacts the Organization's operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Potential impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, potential shortages of supplies, delays, loss of, or reduction to sales. Management believes the Organization is taking appropriate actions to respond to the pandemic; however, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available for issuance.

Note 10 – Restatement of Prior Year

The financial statements for the year ended December 31, 2020 are being restated due to an error in the classification of revenues. The Organization determined that a portion of the prior year restricted contributions received were incorrectly classified as restricted. Instead, this funding is considered to be program service fee revenue. This resulted in a decrease in net assets with donor restrictions and an increase in support and contributions without donor restrictions of \$375,000. There was no change to total net assets for the year ended December 31, 2020.

Note 11 – Subsequent Event – Merger

Prior to the issuance of this report, the Organization is in negotiations for a potential merger with another non-profit organization. Details of the potential transaction are not available at this time, and the financial statements for the year ended December 31, 2021 do not reflect transactions that pertain to this potential merger.