CNY ARTS, INC.

SYRACUSE, NEW YORK

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

DISCLAIMER

Per the IRS Website on Exempt Organizations Annual Reporting Requirements – Form 990, Schedule R: Related Organization Activities Reported as Filing Organization Activities

“Except for reporting of disregarded entities in Schedule R, Part I, disregarded entities are treated as part of the organization rather than as separate entities for Form 990 reporting purposes. Accordingly, all activities of a disregarded entity of which the filing organization is the sole member are to be reported in the filing organization’s Form 990. See Appendix F, Form 990 instructions, for more information on how activities of disregarded entities are to be reported on certain lines.”

https://www.irs.gov/charities-non-profits/exempt-organizations-annual-reporting requirements-form-990-schedule-r-related-organization-activities-reported-as-filingorganization-activities

April 28, 2023

CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
CNY Arts, Inc.
Syracuse, New York

Opinion

We have audited the accompanying financial statements of CNY Arts, Inc., which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activity, the consolidated statement of functional expenses and consolidated 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 June 30, 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 CNY Arts, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting 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 CNY Art 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CNY Art Inc.'s internal control. Accordingly, no such opinion expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about CNY Art 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.

Report on Summarized Comparative Information

We have previously audited the CNY Arts, Inc. 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 1, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Evans and Bennett LLP
Certified Public Accountants
Syracuse, New York

September 22, 2022

CNY ARTS, INC.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30,

ASSETS

	2022	2021
Current assets:		
Cash	$ 408,382	$ 173,717
Restricted cash and cash equivalents	1,962,524	1,388,544
Grants receivable	281,396	99,318
Prepaid expenses	3,253	3,083
Total current assets	2,655,555	1,664,662
Property and equipment - net	64,537	66,441
Intangible assets - net	27,489	31,416
Investments	892,409	1,028,973
	$ 3,639,990	$ 2,791,492

LIABILITIES AND NET ASSETS

	2022	2021
Current liabilities:		
Accounts payable	$ 207,776	$ 66,648
Custodial account liabilities	113,116	129,673
Refundable advances	2,078,051	1,160,111
Accrued expenses	30,561	79,437
Loan payable- current portion	-	35,184
Total current liabilities	2,429,504	1,471,053
Long-term debt	133,600	130,999
Total liabilities	2,563,104	1,602,052
Net assets:		
Net assets without donor restrictions	1,017,978	1,124,352
Net assets with donor restrictions	58,908	65,088
Total net assets	1,076,886	1,189,440
	$ 3,639,990	$ 2,791,492

The accompanying notes are an integral part of these financial statements

CNY ARTS, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2022

WITH SUMMARIZED TOTALS FOR YEAR ENDED JUNE 30, 2021

	Without donor restrictions	With donor restrictions	2022 Totals	2021 Totals
Revenues and Other Support				
Government contract income	$ 3,966,235	$ -	$ 3,966,235	$ 1,610,275
Program income	173,117	-	173,117	278,631
Foundation support, program contributions	30,448	-	30,448	12,368
Investment income (Loss)	(118,120)	-	(118,120)	232,669
PPP grant, Employee retention credit	79,798	-	79,798	148,101
In-kind contribution income	65,762	-	65,762	197,002
Net assets released from restriction	6,180	(6,180)	-	-
Total revenues and other support	4,203,420	(6,180)	4,197,240	2,479,046
Expenses:				
Program services	4,147,525	-	4,147,525	2,106,603
General and administrative	128,680	-	128,680	102,310
Fundraising	33,589	-	33,589	23,758
Total expenses	4,309,794	-	4,309,794	2,232,671
Increase (decrease) in net assets	(106,374)	(6,180)	(112,554)	246,375
Net assets - beginning of year	1,124,352	65,088	1,189,440	943,065
Net assets - end of year	$ 1,017,978	$ 58,908	$ 1,076,886	$ 1,189,440

The accompanying notes are an integral part of these financial statements

CNY ARTS, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

WITH SUMMARIZED TOTALS FOR YEAR ENDED JUNE 30, 2021

	Program Services	General and Administrative	Fundraising	2022 Totals	2021 Totals
Salaries	$ 240,494	$ 88,417	$ 24,757	$ 353,668	$ 264,489
Employee benefits	31,936	11,741	3,287	46,964	23,425
Payroll taxes	20,039	7,367	2,063	29,469	20,326
Regrants	3,729,246	-	-	3,729,246	1,622,295
Artists, project expense	28,910	-	-	28,910	198,517
Insurance	4,549	1,213	303	6,065	6,051
Conferences & meetings	2,782	-	-	2,782	250
Depreciation expense	6,021	1,075	72	7,168	8,248
Printing and publications	2,329	416	28	2,773	2,557
Equipment and office rent	22,500	4,500	3,000	30,000	30,000
Accounting	-	8,500	-	8,500	8,500
Professional	48,295	-	-	48,295	28,336
Miscellaneous	3,793	-	-	3,793	3,682
Office expense	-	575	-	575	891
Interest expense	-	3,692	-	3,692	7,213
Telephone	6,631	1,184	79	7,894	7,891
Total functional expenses	$ 4,147,525	$ 128,680	$ 33,589	$ 4,309,794	$ 2,232,671

The accompanying notes are an integral part of these financial statements

CNY ARTS, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEARS ENDED JUNE 30,

	2022	2021
Cash flows from operating activities:		
Increase (decrease) in net assets	$ (112,554)	$ 246,375
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used for) operating activities:		
Depreciation and amortization	11,095	12,175
PPP loan funds spent	(32,583)	(36,399)
Gains on investments	128,657	(223,116)
Changes in operating assets and liabilities:		
Grants receivable	(182,070)	123,999
Prepaid expenses	(170)	598
Accounts payable	141,128	4,188
Refundable advances, Custodial liabilities	901,383	(605,638)
Accrued expenses	(48,876)	39,005
Net cash provided by (used for) operating activities	806,010	(438,813)
Cash flows from investing activities:		
Purchase of property and equipment	(5,264)	-
Purchase of investments	248,463	(304,876)
Sale of investments	(240,564)	1,435,615
Net cash provided by investing activities	2,635	1,130,739
Cash flows from financing activities:		
Proceeds from loans payable	-	202,582
Payments on loans payable	-	(131,231)
Net cash provided by financing activities	-	71,351
Net increase in cash and cash equivalents and restricted cash and cash equivalents	808,645	763,277
Cash and cash equivalents and restricted cash and cash equivalents - beginning of year	1,562,261	798,984
Cash and cash equivalents and restricted cash and cash equivalents - end of year	$ 2,370,906	$ 1,562,261
Supplemental cash flow disclosures:		
Cash paid during the year:		
Interest	$ 3,692	$ 7,213

The accompanying notes are an integral part of these financial statements

Note 1. Summary of Significant Accounting Policies

Nature of Operations

CNY Arts, Inc. is a not-for-profit IRC 501(c)(3) Corporation organized to provide services to individuals, organizations and the general public that ensure the vitality and diversity of culture in Central New York. Toward this end, the Organization shall provide leadership through advocacy, collaborative ventures, communications, development and distribution of grants, education and training, management of cultural resources, presentation of cultural forums otherwise unavailable, research, referral and consultation, and technical assistance. Revenue sources available to accomplish the Organization's mission include mainly grant revenues, but also consist of program fees and outside contributions.

Principles of Consolidation

The consolidated financial statements include the accounts of CNY Arts, Inc and its affiliate. The affiliate (Innovation Group of CNY Arts, LLC) is consolidated since CNY Arts has both an economic interest in the affiliate and control of the affiliate through a majority voting interest in its governing board. All material intra-entity transactions have been eliminated.

Basis of Presentation and Net Assets

Assets and liabilities are accounted for on the accrual basis of accounting.

The Organization follows the Generally Accepted Accounting Principles (GAAP) standard, Accounting for Contributions Received and Contributions Made Financial Statements of Not-For-Profit Corporations. In accordance with this standard, contributions and grants receivable are recognized as revenue and assets in the year the Organization receives notification that they have been given an irrevocable interest in the contributions. All grants receivable are expected to be realized in the next fiscal year. The Organization records grants as income without donor restrictions if the restrictions expire in the same period.

Net Assets

Net assets, revenues and expenses are classified based on the existence or absence of donor imposed restrictions. The Organization reports information regarding their financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions - These net assets are available for general obligations of the Organization.

Note 1. Summary of Significant Accounting Policies (continued)

Net Assets - continued

Net assets with donor restrictions - Assets subject to donor-imposed stipulations that may, or will, be met either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reported in the consolidated statement of activities as net assets released from restrictions. The donor restricted net assets are from a Syracuse based symphony. Net assets with donor restrictions totaled $58,908 and $65,088 at June 30, 2022 and 2021, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

In-Kind Donations

The value of donated unspecialized volunteer services is not reflected in the accompanying financial statements. The Organization does record donated services if specialized skills are required and the service would have to be purchased if not donated.

Donations of property and services are recorded as support at their estimated fair value at the date of the donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are recorded as support with donor restrictions.

Functional Allocation of Expenses

The costs of providing the various activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs based on management's estimate of time spent, occupancy or utilization. Costs specifically identified to an activity are charged directly to that program. Employee wages and related costs are allocated by managements' estimated time.

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Note 1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The Organization considers all short-term investments with a maturity of three months or less and money market funds to be cash equivalents.

Restricted Cash

Restricted cash are funds required by the grantors to be segregated in separate bank accounts.

Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. This information should be read in conjunction with the Organization's financial statements for the year ended June 30 of the prior year, from which the summarized information was derived.

Grants Receivable

The Organization considers all the grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made. The Organization did not incur bad debt expense for the years ended June 30, 2022 and 2021.

Investments

Investments are reported at their fair market value which is in accordance with generally accepted accounting principles (GAAP) for financial statement purposes or in the case of cash equivalents and money market funds, at cost which approximates market value. All securities valuations are from quoted market prices (unadjusted) and are considered Level 1 inputs in the fair value hierarchy established under GAAP. Realized and unrealized gains and losses are included in the consolidated statement of activities as revenue without donor restrictions.

Reclassification

Certain amounts from the prior year have been reclassified to conform to the current year's presentation.

Custodial account liabilities

The custodial account liability represents assets transferred to CNY Arts with an agreement to disburse those assets for specified beneficiaries or purposes. CNY Arts does not own these assets, but rather serves as custodian for the funds and has no discretion in determining the use of assets.

Note 1. Summary of Significant Accounting Policies (continued)

Advertising

The Organization expenses advertising costs as they are incurred and they are included in project expenses. Advertising expenses were $14,417 and $164,648 for the years ended June 30, 2022 and 2021, respectively.

Compensated Absences

The Organization has not accrued for compensated absences. The Organization recognizes the compensation expense when it is paid to the employees.

Property and Accumulated Depreciation

Property and equipment are recorded at cost or fair market value, if donated. Renewals and betterments of property are accounted for as additions to asset accounts. Repairs and maintenance charges are expensed as incurred. Depreciation is computed using the straight-line method for financial reporting and income tax purposes. The estimated useful life is 3 to 5 years for office equipment and 10 to 30 years for instruments. It is the Organization's policy to capitalize expenditures for those items in excess of $500.

Income Taxes

U.S. generally accepted accounting principles require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed its filing positions in all jurisdictions where it is required to file tax returns and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Intangible assets - net

The Organization designed and developed a holiday production called Dasher's Magical Gift. The $58,879 of intangible assets include the costs of writing the choreography and blocking of the production. As of June 30, 2022 the balance of accumulated amortization was $31,389. These assets will be amortized over their estimated life of 15 years. Amortization expense for 2022 and the next five years will be $3,927 and is included in project expenses.

Refundable advances

Refundable advances are funds paid in advance for grants or services not yet paid or performed.

	2022	2021
A schedule of refundable advances is as follows:		
Innovation Group film grant	$ 1,087,412	$ 354,087
Onondaga County grants	192,305	323,827
City of Syracuse	635,880	-
New York State and misc grants	162,454	482,197
	$ 2,078,051	$ 1,160,111

Note 1. Summary of Significant Accounting Policies (continued)

Accounting pronouncement ASU 2014-09 Revenue Recognition

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), effective January 1, 2019 using the full retrospective method. This standard implements a single framework for recognition of all revenue earned from customers ensuring that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied.

The adoption of this ASU did not have a significant impact on the Organization's financial statements. The majority of the Organization's revenue arrangements are accounted for under ASU 2018-08. The revenue accounted for under ASU 2014-09 (Dasher) consists of a single performance obligation to transfer promised goods or services. Based on the Organization's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of this accounting policy.

Revenue Recognition Policy - Practical Expedients

As part of the adoption of the ASU, CNY Arts elected to use the following practical expedients: completed contracts that begin and end in the same annual reporting period have not been restated; CNY Arts used the known transaction price for completed contracts; Costs incurred to obtain a contract are expensed as incurred when the amortization period is less than a year.

Receivables and Contract Balances

Contract assets represents CNY Art's right to goods expected to be returned. Contract liabilities include payments received in advance of performance obligations and refund liabilities. CNY Arts had no receivables, contract assets and liabilities as of June 30, 2022, 2021 and 2020 for which ASU 606 applied.

Contributions revenue recognition

Contributions are recognized when the donor makes a promise to give the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period. All other donor restricted contributions are reported as increases in net assets with donor restrictions.

Note 2. Risks and Uncertainties

An outbreak of a novel strain of coronavirus (COVID-19) occurred in the U.S. which was characterized as a pandemic. Future potential impacts may include continued disruptions or restrictions on our employees' ability to work and impairment of our ability to perform services. The future effects of these issues are unknown.

The pandemic has reduced the ability of local, state and national government agencies to fund art organizations. The future effects of this issue on CNY Arts is unknown.

Note 3. Concentration of Grant Income

The Organization receives the majority of its grant income from the New York State agencies and Onondaga County. The loss or reduction of these grants would materially affect the operations and programs of the Organization.

Onondaga County significantly reduced the calendar 2021 grants funds available for granting to local art organizations.

Note 4. Investments

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at June 30:

	2022		2021	
	Level 1	Total	Level 1	Total
Stocks				
Common stocks	$ 678,985	$ 678,985	$ 762,002	$ 762,002
Bonds				
Corporate bonds	77,783	77,783	102,354	102,354
Government and agency	120,342	120,342	114,977	114,977
Mutual funds				
Exchange traded funds	15,299	15,299	49,640	49,640
Total investments	$ 892,409	$ 892,409	$ 1,028,973	$ 1,028,973

The Government money market funds listed above are restricted to be used solely for film grants in the Innovation LLC.

The following schedule summarizes the investment return and its classification in the consolidated statement of activities for the years ended June 30:

	2022	2021
Without donor restrictions		
Interest and dividend income	18,442	16,927
Net investment gain (loss)	(128,657)	223,116
Investment expenses	(7,905)	(7,374)
Total net investment income	$ (118,120)	$ 232,669

Note 5. Property and Equipment - Net

A schedule of property and equipment at June 30, is as follows:

	2022	2021
Furniture and office equipment	$ 24,382	$ 19,118
Musical instruments and related equipment (restricted use)	123,797	123,797
	148,179	142,915
Accumulated depreciation	(83,642)	(76,474)
Property and equipment - net	$ 64,537	$ 66,441

Depreciation expense was $7,168 and $8,248 for the years ended June 30, 2022 and 2021, respectively. The instruments were donated to the Organization with permanent donor restrictions as to their use.

Note 6. Lines of Credit

The Organization has a $100,000 line of credit with M & T Bank. This loan is secured by the Organization's assets and interest is charged at 5.5 %. The balance on this line was $0 at June 30, 2022 and 2021.

The Organization has a $100,000 line of credit with NBT Bank. This loan is secured by the Organization's assets and interest is charged at prime rate, currently 4 %. The balance on this line was $0 at June 30, 2022 and 2021.

Note 7. In-Kind Donations

A schedule of the in-kind donations received for the years ended June 30, are as follows:

	2022	2021
Marketing/Advertising	$ 10,322	$ 131,051
Equipment/Office rent	30,000	30,000
Consultants	-	9,950
Administrative employees	19,200	19,200
Telephone	6,240	6,240
Printing/Misc	-	561
Total	$ 65,762	$ 197,002

Note 7. In-Kind Donations (continued)

The Organization has a 3 year lease ending in May 2024 for its office location with Onondaga County. The agreement includes office space, furniture, utilities and maintenance for a yearly rent of $1. The Organization includes the donated rent in income annually.

Note 8. Stewardship of Symphony's Instruments and Mailing List

The Organization was given the instruments and mailing list of a local Symphony. These items were then loaned to an unrelated entity at no cost on an annual basis. This entity will provide for the insurance and upkeep of the instruments. These assets make up all of the donor restricted net assets.

Note 9. Liquidity and Availability of Resources

The following represents CNY Arts, Inc. financial assets available within one year of the statement of financial position, June 30,

	2022	2021
Financial assets at year end:		
Cash and cash equivalents	$ 408,382	$ 173,717
Restricted cash	1,962,524	1,388,544
Grants and Accounts receivable - net	281,396	99,318
Total financial assets	$ 2,652,302	$ 1,661,579
Less amounts not available to be used for general expenditures:		
Restricted cash and cash equivalents	(1,962,524)	(1,388,544)
Financial assets available to meet general expenditures over the next twelve months	$ 689,778	$ 273,035

Liquidity Management

The Organization maintains a policy of structuring its financial assets to be available as it general expenditures, liabilities and other obligations come due. The Organization's management and Board of Directors monitors liquidity on a frequent basis and determines the effect of capital expenditures on the Organization's financial position.

Note 10. Note Payable - Paycheck Protection Program

The Organization applied for and was approved for a $68,982 loan in the 2021 fiscal year under the Paycheck Protection Program created as part of the relief efforts related to COVID-19. This loans accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. This forgivable loan is being recorded as revenue ($32,583 and $36,399 in fiscal 2022 and 2021 respectively) as the funds are spent. Management has stated that the amounts recorded as revenue were spent on expenses that were classified as forgivable.

Note 11. Loans Payable

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

	2022	2021
Note payable to the SBA (EIDL) in monthly installments of $571 (starting 2021), including interest at 2.75% through 2050, secured by business assets. The SBA deferred payments on this loan until 2023	$ 133,600	$ 133,600
Paycheck protection loan- M&T Bank	-	32,583
	-	-
Total	133,600	166,183
Less: current portion	-	(35,184)
Long-term debt	$ 133,600	$ 130,999

Maturities of long-term debt are as follows:

2023	$ -
2024	-
2025	-
2026	1,299
2027	3,254
Thereafter	129,047
Total	$ 133,600

Interest expense was $3,692 and $7,213 for the years ended June 30, 2022 and 2021, respectively. The SBA loan is paying accrued interest from the deferral period until 2026.

Note 12. Cash and Cash Equivalents

The following provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents reported within the statement of financial position that sum to the total of the same such amounts shown in the statement of cash flows.

	2022	2021
Cash and cash equivalents	$ 408,382	$ 173,717
Restricted cash and cash equivalents	1,962,524	1,388,544
Cash and cash equivalents and restricted cash and cash equivalents shown in the statement of cash flows	$ 2,370,906	$ 1,562,261

Note 13. Retirement Plan

The Organization has a retirement plan for all eligible employees. The Organization's retirement expense was $10,850 and $5,836 for the years ended June 30, 2022 and 2021, respectively.

Note 14. Subsequent Events

Management has evaluated subsequent events through September 22, 2022 the date which the financial statements were available to be issued.