

**HOPE CHOICE, INC.  
& SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
of Hope Choice, Inc.

**Opinion**

I have audited the accompanying combined financial statements of Hope Choice, Inc. (a nonprofit organization) and subsidiary, which comprise the combined statement of financial position as of December 31, 2021 and 2020, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Hope Choice, Inc. and subsidiary as of December 31, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Hope Choice, Inc. and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hope Choice, Inc.'s ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the combined 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 my 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 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 combined financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 Hope Choice, 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 combined financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hope Choice, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

*Victor B. Glenn*

Amarillo, TX  
December 31, 2022

HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash	\$ 1,369,520	\$ 1,398,556
Unconditional promises to give, net	5,671	18,007
Prepaid expenses	32,502	33,744
Cash restricted for building renovation	397,888	-
Property and equipment, net	2,431,816	1,970,285
Intangible assets, net	<u>9,900</u>	<u>13,500</u>
Total assets	<u>\$ 4,247,297</u>	<u>\$ 3,434,092</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 168,924	\$ 32,673
Line of credit	<u>189,498</u>	<u>-</u>
Total liabilities	358,422	32,673
<b>NET ASSETS</b>		
Without donor restrictions	3,365,299	3,283,512
With donor restrictions	<u>523,576</u>	<u>117,907</u>
Total net assets	<u>3,888,875</u>	<u>3,401,419</u>
Total liabilities and net assets	<u>\$ 4,247,297</u>	<u>\$ 3,434,092</u>

See accompanying notes

HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
Years ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>WITHOUT DONOR RESTRICTIONS</b>		
Support and revenues		
Contributions and grants	\$ 1,462,046	\$ 1,187,117
Donated services and materials	117,210	410,691
Direct benefit to donors	(18,544)	(45,044)
Program/publication revenue	20,611	16,147
Investment income	1,628	8,187
Gain on forgiveness of loan	-	163,318
	<u>1,582,951</u>	<u>1,740,416</u>
Net assets released from restrictions	153,143	162,790
Total support and revenues	<u>1,736,094</u>	<u>1,903,206</u>
Expenses and Losses		
Expenses		
Program services	1,260,698	1,184,957
Management and general	219,364	206,677
Fundraising	17,245	188,917
Total expenses	<u>1,497,307</u>	<u>1,580,551</u>
Loss on disposal of assets	-	5,661
Total expenses and losses	<u>1,497,307</u>	<u>1,586,212</u>
Increase in net assets without donor restrictions	<u>238,787</u>	<u>316,994</u>
<b>WITH DONOR RESTRICTIONS</b>		
Contributions and grants	558,812	215,870
Net assets released from restrictions	<u>(153,143)</u>	<u>(162,790)</u>
Increase in net assets with donor restrictions	<u>405,669</u>	<u>53,080</u>
Increase in total net assets	644,456	370,074
Net assets at beginning of year	<u>3,401,419</u>	<u>3,031,345</u>
Net assets at end of year	<u>\$ 4,045,875</u>	<u>\$ 3,401,419</u>

See accompanying notes

HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year ended December 31, 2021

	<u>Program</u>	<u>Management &amp; General</u>	<u>Fund- Raising</u>	<u>Total</u>
Compensation	701,164	109,360	95,841	\$ 906,365
Payroll taxes	54,132	8,443	7,399	69,974
	<u>755,296</u>	<u>117,803</u>	<u>103,240</u>	<u>976,339</u>
Advertising	30,704	-	154	30,858
Assistance to individuals	64,589	-	-	64,589
Conferences and meetings	8,695	416	5,261	14,372
Depreciation and amoritization	63,257	1,291	1,546	66,094
Dues	1,342	21,907	77	23,326
Honorariums	50,305	-	900	51,205
Insurance	36,767	1,761	2,109	40,637
Maintenance	34,928	14,874	1,773	51,575
Occupancy	61,869	1,481	14,992	78,342
Postage	4,706	225	649	5,580
Printing	5,759	78	19,561	25,398
Professional fees	-	10,330	-	10,330
Supplies	108,995	8,849	13,581	131,425
Telephone	21,080	1,010	1,209	23,299
Travel	11,845	-	6,312	18,157
Losses for uncollectible promises to give	-	24,244	-	24,244
Interest expense	-	2,221	-	2,221
Other	561	12,874	2,881	16,316
	<u>\$ 1,260,698</u>	<u>\$ 219,364</u>	<u>\$ 174,245</u>	<u>\$ 1,654,307</u>

See accompanying notes

HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year ended December 31, 2020

	Program	Management & General	Fund- Raising	Total
Compensation	625,243	114,038	124,588	\$ 863,869
Payroll taxes	48,113	8,454	9,236	65,803
	<u>673,356</u>	<u>122,492</u>	<u>133,824</u>	<u>929,672</u>
Advertising	27,790	-	-	27,790
Assistance to individuals	67,103	-	-	67,103
Conferences and meetings	4,065	195	5,141	9,401
Depreciation and amortization	57,149	1,068	1,280	59,497
Dues	-	16,395	-	16,395
Honorariums	94,191	-	-	94,191
Insurance	31,825	1,524	1,825	35,174
Maintenance	21,473	7,130	1,215	29,818
Occupancy	49,488	6,858	7,167	63,513
Postage	7,844	376	450	8,670
Printing	7,090	140	22,283	29,513
Professional fees	-	11,854	-	11,854
Supplies	114,346	6,179	9,009	129,534
Telephone	12,417	595	712	13,724
Travel	13,950	-	5,695	19,645
Losses for uncollectible promises to give	-	13,328	-	13,328
Interest expense	-	3,240	-	3,240
Other	2,870	15,303	316	18,489
	<u>\$ 1,184,957</u>	<u>\$ 206,677</u>	<u>\$ 188,917</u>	<u>\$ 1,580,551</u>

See accompanying notes



HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years ended December 31, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities		
Support collected	\$ 1,635,306	\$ 1,409,246
Revenue collected	22,239	18,287
Payments for expenses	(1,357,055)	(1,508,126)
Net cash provided (used) by operating activities	300,490	(80,593)
 Cash Flows From Investing Activities		
Payments for property, equipment, and intangibles	(519,024)	(8,730)
Short-term investments-net	-	106,150
Net cash provided (used) by investing activities	(519,024)	97,420
 Cash Flows From Financing Activities		
Collection of contributions restricted for long-term purposes	397,888	-
Proceeds from long-term debt	189,498	162,300
Payments on long-term debt	-	(77,778)
Net cash provided by financing activities	587,386	84,522
 Net increase in cash and restricted cash	368,852	101,349
 Beginning cash and restricted cash	1,398,556	1,297,207
 Ending cash and restricted cash	\$ 1,767,408	\$ 1,398,556

See accompanying notes

HOPE CHOICE, INC. & SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years ended December 31, 2021 and 2020

	2021	2020
Reconciliation of Changes in Net Assets to Net Cash Provided (Used) by Operating Activities		
Increase in total net assets	\$ 487,456	\$ 370,074
Adjustments to reconcile increase in total net assets to net cash provided by operating activities		
Depreciation and amortization	66,093	59,498
Gain on sale of investment	-	(6,048)
Loss on disposal of assets	-	5,661
Contributions with donor restrictions	(397,888)	-
Effect of changes in		
Unconditional promises to give	12,336	6,260
Prepaid expenses	1,242	(17,487)
Accounts payable and accrued liabilities	136,251	(1,291)
Non-cash donations of fixed assets and securities	(5,000)	(334,960)
Non-cash forgiveness of Paycheck Protection Program loan	-	(162,300)
Net cash provided (used) by operating activities	\$ 300,490	\$ (80,593)
Supplemental disclosure		
Noncash investing and financing activities:		
Property and equipment	\$ 5,000	\$ 334,960
Paycheck Protection Program loan and accrued interest forgiveness	-	163,318

See accompanying notes

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Hope Choice, Inc. (the Organization) was incorporated on September 11, 1987 for the purpose of assisting women with crisis pregnancies in the Amarillo, Texas area through counseling, information, emotional support, and practical assistance. In February 2019, the Organization's name was formally changed to Hope Choice, Inc. The name change reflected the Organization's emphasis on impacting families who are facing the pressures of the culture and are seeking solid answers. The Organization strives to equip, mentor, and strengthen future generations. All services are provided free of charge at three locations in Amarillo and Canyon, Texas and one location in Pinedale, Wyoming. The Organization's operations are funded through community support.

Principles of Consolidation

The consolidated financial statements include the accounts of the Organization and its wholly owned subsidiary, 1501 Taylor Properties, LLC. All material intercompany transactions have been eliminated.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization has qualified for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

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.

*Net Assets With Donor Restrictions* – Net assets subject to donor or grantor-imposed restrictions.

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2021 and 2020

Some donor-imposed 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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be 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-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

*Contributions and Grants*

Unconditional promises to give are recognized as revenue in the period the promise was made. Conditional promises are recorded as revenue when the conditions are substantially met. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The portion of sponsorship revenue that relates to the commensurate value the sponsor received in return is recognized when the related events are held and performance obligations are met.

*Program/Publication Revenue*

Revenue is recognized when there is a transfer of goods to customers in an amount that the Organization expects to be entitled in exchange for the goods. The portion of program fees that relates to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met.

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulation regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. Volunteers also provided various services throughout the year that are not recognized as contributions in the consolidated financial statements since the criteria for recognition was not met.

Use of Estimates

The preparation of consolidated 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 those estimates.

Property and Equipment

All expenditures for or donations of property and equipment in excess of \$1,000 are capitalized. Property and equipment are carried at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Directly identifiable expenses are charged to programs and supporting services of management and general and fundraising. Expenses related to more than one function are charged to programs and supporting services on the basis of time and expense studies. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy, depreciation, salaries, payroll taxes, insurance, and office expenses.

Reclassifications

Certain accounts in the prior-year consolidated financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year consolidated financial statements.

Advertising

The Organization uses advertising to promote its program services. The costs of advertising are expensed as incurred.

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2021 and 2020

NOTE 2 – CASH AND RESTRICTED CASH

Cash as of December 31, 2021 and 2020 consists of the following:

	2021	2020
Cash	\$ 1,369,520	\$ 1,398,556
Cash restricted for remodel	397,888	-
Cash and restricted cash shown in the statement of cash flows	\$ 1,767,408	\$ 1,398,556

NOTE 3 – LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2021	2020
Cash and Restricted Cash	\$ 1,767,408	\$ 1,398,556
Contributions Receivable	5,671	18,007
Total Financial Assets	1,773,079	1,416,563
Less:		
Donor Restricted for Period Beyond One Year	(397,888)	-
Board Designated (Not Appropriated for Next Year)	(30,496)	(31,878)
Total Financial Assets Available Within One Year	\$ 1,344,695	\$1,384,685

The above reflects the Organization's financial assets as of the statement of financial position date. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2021 and 2020

NOTE 4 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give as of 2021 and 2020 are as follows:

	2021	2020
Amounts due in less than one year	\$ 29,915	\$ 32,197
Less allowance for uncollectible amounts	(24,244)	(14,190)
	\$ 5,671	\$ 18,007

NOTE 5 – CONCENTRATIONS

The Organization receives approximately 5% of its annual support from an annual walk-a-thon fundraiser and approximately 19% to 22% from its annual fundraising banquet.

The Organization maintains its cash in several financial institutions. At December 31, 2021, the Organization's cash exceeded federally insured limits by \$230,789.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2021	2020
Land	\$ 72,481	\$ 72,481
Buildings	2,239,729	2,237,229
Furniture and fixtures	97,158	43,769
Vehicles	13,325	13,325
Equipment	140,465	49,770
Construction in progress	377,440	-
	2,940,598	2,416,574
Less accumulated depreciation	(508,781)	(446,289)
	\$ 2,431,817	\$ 1,970,285

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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NOTE 7 – INTANGIBLE ASSETS

Intangible assets consisted of the following at December 31:

	2021	2020
“Chosen” curriculum	\$ 55,511	\$ 55,511
Web page development	18,000	18,000
	73,511	73,511
Less accumulated amortization	(63,611)	(60,011)
	\$ 9,900	\$ 13,500

NOTE 8 – NOTES PAYABLE

The Organization had an interest-free unsecured note in the amount of \$400,000 from an individual that is payable in monthly installments of \$5,000 beginning in January 2016 through April 2021.

To reflect the time value of money, the liability recorded in the consolidated financial statements reflects future payments discounted at an imputed interest rate of 4.0%, which was the prevailing rate for similar transactions at the October 2015 inception of the note.

In 2020, the Organization paid off the remaining balance of the loan.

NOTE 9 – LINE OF CREDIT AND COMMITMENT

In December 2020, the Organization was deeded a building on the campus of West Texas A&M University, which was in need of major renovation before it could be suitable for program activities. To finance the estimated \$2,500,000 cost of renovation, the Organization opened a \$2,100,000 construction line of credit in 2021 secured by the Organization’s buildings at 1501 Taylor and 201 26<sup>th</sup> St. \$189,798 of the line was used as of December 31, 2021. Bank advances on the credit line are payable on demand and carry an interest rate of 3.95% per annum. Interest paid in the year ended December 31, 2021 was \$1,505.

NOTE 10 – PAYCHECK PROTECTION PROGRAM LOANS

On April 7, 2020, the Organization received loan proceeds in the amount of \$162,300 under the Paycheck Protection Program (“PPP”). Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business’s average monthly payroll expenses. PPP loans and accrued



HOPE CHOICE, INC.  
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December 31, 2021 and 2020

interest are forgivable after a “covered period” (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities.

The Organization initially recorded a note payable and subsequently recorded forgiveness when the loan obligation was legally released. The Organization recognized \$162,300 of loan forgiveness income and \$1,018 of interest forgiveness income for the year ended December 31, 2020.

NOTE 11 – LEASES

The Organization leases certain buildings and equipment under operating leases with related expenses of \$12,009 and \$15,871 for 2021 and 2020, respectively. Future minimum lease payments under operating leases that have remaining terms in excess of one year as of 2021 are:

Year Ending December 31:

2022	4,771
2023	2,277
2024	1,188
2025	<u>1,188</u>
	<u>\$ 9,424</u>

NOTE 12 – NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization’s governing Board of Directors has designated net assets without donor restrictions for the building repairs in the amount of \$30,496 and \$31,848 as of December 31, 2021 and 2020, respectively.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes and periods as of 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Programs	59,589	\$ 46,303
Assistance to individuals	17,479	12,983
Repairs	-	10,000
West Texas A&M University building renovations	397,888	-
Time restriction: Wyoming operations	48,621	48,621
	<u>523,577</u>	<u>\$ 117,907</u>

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2021 and 2020

NOTE 14 – DONATED MATERIALS

The fair value of donated materials included as contributions in the financial statements and the corresponding expense or asset categories for the years ended December 31, 2021 and 2020 are as follows:

	2021	2020
Supplies	\$ 65,506	\$ 52,719
Furniture and equipment	5,000	6,336
Building repairs and improvements	-	5,400
Building	-	323,224
Facility use	3,600	3,600
	\$ 74,106	\$ 391,279

NOTE 15 – ACQUISITION OF THE FAMILY TREE, INC.

In April 2020, the Organization acquired all of the assets of The Family Tree, Inc., a pregnancy resource center that is a Wyoming nonprofit corporation located in Pinedale, Wyoming for no consideration. No liabilities were assumed or consideration given. The following table summarizes the assets acquired that were recognized at the acquisition date:

Cash	\$ 50,316
Equipment	6,336

NOTE 16 – SUBSEQUENT EVENTS

Management has reviewed events occurring subsequent to December 31, 2021 through December 31, 2022 (the date which the consolidated financial statements were available for issue) for potential impact on the accompanying consolidated financial statements and disclosures herein.

In September 2022, the West Texas A & M University building renovation discussed in Note 9 was completed. In July 2022, this line of credit was converted to a traditional loan at another financial institution with an initial balance of \$1,700,000 due June 2029 paid in monthly installments of \$10,267.

The Organization’s Pinedale, WY location closed in May 2022.

HOPE CHOICE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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NOTE 17 – COVID-19 FINANCIAL STATEMENT IMPACTS

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Organization is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization's customers, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position and changes in net assets and cash flows is uncertain and the accompanying consolidated financial statements include no adjustments relating to the effects of this pandemic.