

THE OYATE GROUP, INC.

**Financial Statements
for year ended
DECEMBER 31, 2021**

THE OYATE GROUP, INC.

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Certified Public Accountants

Lucas, Tucker & Co.

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Independent Auditors' Report

To the Board of Directors of
The Oyate Group, Inc
New York, New York

We have audited the accompanying financial statements of The Oyate Group, Inc., which comprise the statements of financial position as of December 31, 2021 and the related statements of activities, statements of functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of The Oyate Group, Inc 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.

Lucas, Tucker & Company

Mount Vernon
September 6 , 2022

THE OYATE GROUP, INC
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

<u>Assets</u>	-
Current Assets	
Cash and cash equivalents (Note 5)	\$ 1,293,765
Property, Plant and Equipment-net (Note 6)	22,418
	<hr/>
Total Assets	<u>\$ 1,316,183</u>
<u>Liabilities and Net Assets</u>	
Liabilities	
Accounts Payable and Accrued Expenses	\$ 7,728
	<hr/>
Total Liabilities	7,728
Net Assets	
Without Donor Restrictions	1,308,455
	<hr/>
Total Net Assets	<u>1,308,455</u>
	<hr/>
Total Liabilities and Net Assets	<u><u>\$ 1,316,183</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

THE OYATE GROUP, INC
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2021</u>
<u>REVENUES:</u>			
Donations	\$ 3,379,011	\$ -	\$ 3,379,011
Other Revenue	10,126		10,126
Net assets released from restriction	-	-	
	<hr/>	<hr/>	<hr/>
Total Public Support and Revenue	3,389,137	-	3,389,137
<u>EXPENSES:</u>			
Program Services (Note 7)	2,543,344		2,543,344
Management and General (Note 7)	139,074		139,074
	<hr/>	<hr/>	<hr/>
Total Expenses	2,682,418	-	2,682,418
Change in Net Assets	706,719	-	706,719
Net Assets at Beginning of Year	601,736	-	601,736
	<hr/>	<hr/>	<hr/>
Net Assets at End of Year	\$ 1,308,455	\$ -	\$ 1,308,455
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The attached notes and auditor's report are an integral part of these financial statements.

THE OYATE GROUP, INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>
Cash Flows from Operating Activities	
Change in Net assets	\$ 706,719
Adjustments to reconcile change in net assets to net cash used for operating activities:	
Accounts receivable	2,504
Depreciation	6,501
Accounts payable and accrued expenses	3,743
Total adjustments	<u>12,748</u>
Net cash provided/(used for) operating activities	<u>719,467</u>
Cash flows from investing activities:	
Purchase of property, plant and equipmer	(20,137)
Net cash flows provided/(used) by investing activities	<u>(20,137)</u>
Cash flows from financing activities:	
Proceeds from loans to employees	
Net cash flows provided by financing activities	<u>-</u>
Increase/Decrease in Cash	699,330
Cash at beginning of year	<u>594,435</u>
Cash at end of year	<u><u>\$ 1,293,765</u></u>
Supplemental Information :	
Interest Paid	\$ -

The attached notes and auditor's report are an integral part of these financial statements

THE OYATE GROUP, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Programs Services</u>	<u>Management and General</u>	<u>Total Expenses 2021</u>
Salaries	\$ 394,414	\$ 69,603	\$ 464,017
Payroll Taxes	23,123	4,081	27,204
Employee Benefits	15,956	2,816	18,772
Direct Assistance-Organizations	49,520		49,520
Direct Assistance-Scholarships	51,000		51,000
Direct Assistance-Gift Cards	290,282		290,282
Direct Assistance-Meals	22,027		22,027
Grants and Awards-Vaccine Program	1,253,400		1,253,400
Grants and Awards-Other	50,505		50,505
Advertising	1,868	330	2,198
Professional Fees-Accounting	62,372	11,007	73,379
Professional Fees-Legal	34,363	6,064	40,427
Professional Fees-Consultants	182,849	32,267	215,116
Professional Fees-Other	6,091	1,075	7,166
Office Expense	3,981	703	4,684
Workers' Compensation	1,251	221	1,472
Subscriptions	4,881	861	5,742
Liability Insurance	6,951	1,227	8,178
Travel	6,665	1,176	7,841
Conferences	22,333	3,941	26,274
Rent	2,836	500	3,336
Utilities	2,802	495	3,297
Program Expenses	38,533		38,533
Supplies and materials	9,016	1,591	10,607
Bank Charges	799	141	940
Depreciation	5,526	975	6,501
	<hr/>	<hr/>	<hr/>
Total expenses	\$ 2,543,344	\$ 139,074	\$ 2,682,418

The attached notes and auditor's report are an integral part of these financial statements

THE OYATE GROUP, INC.
Notes to Financial Statements
December 31, 2021

Note 1 – Nature of organization

The Oyate Group, Inc is a New York State not-for-profit organization which was established to provide a variety of services to members of the community. The origin of the word “Oyate,” meaning “people,” is derived from the Dakota language. The mission of the Oyate Group is to serve “the people.” The organization is dedicated to alleviating poverty through a three-prong strategy: first is to educate and inform, the second is to provide resources and services, and the last is to create sustainable and holistic structures to empower our underdeveloped communities all across New York City.

Note 2 – Summary of significant accounting policies

Net assets

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions can be spent at the discretion of the organization.

Net assets with donor restrictions: Net assets that are subject to donor-imposed restrictions would consist of revenues that are restricted for a specific purpose or relate to future periods.

Cash equivalents

The Oyate Group, Inc, considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Investments

The Oyate Group, Inc records investments (if they exist) at fair value in the statements of financial position. The fair value of the investments is based on publicly quoted prices. The cost of investments sold is determined on an average cost basis. Interest, dividends, realized and unrealized gains and losses are included in the statements of activities.

Fair value measurements

For assets measured at fair value on a recurring basis as of December 31, 2020 accounting standards require quantitative disclosures about the fair value measurements separately for each major class of assets.

THE OYATE GROUP, INC.
Notes to Financial Statements
December 31, 2021

Note 2 – Summary of significant accounting policies (continued)

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting and supporting programs benefited .

Concentration of credit risk

The Oyate Group's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The organization places its cash and cash equivalents with what it believes to be quality financial institutions. At times during the year, its cash and cash equivalents were in excess of the FDIC insurance limit; however, the organization has not experienced any losses in these accounts to date. The Oyate Group, Inc receivables consist primarily of revenues from donations and believes that no significant concentration of credit risk exists with respect to its cash and cash equivalents and accounts receivable.

Property and equipment

Property and equipment are recorded at cost. The organization capitalizes property and equipment expenditures for items above a nominal amount with a useful life greater than one year. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

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 the amounts reported in the financial statements. Actual results could differ from these estimates.

Subsequent events

The Oyate Group has evaluated events and transactions for potential recognition or disclosure through August 9, 2022, which is the date the financial statements were available to be issued .

THE OYATE GROUP, INC.

Notes to Financial Statements

December 31, 2021

Note 4 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, CABS has been determined by the Internal Revenue Service to be a publicly supported organization and not a private foundation within the meaning of Section 509(a)(2) of the Code. As of December 31, 2021, no amounts were recognized for uncertain income.

Note 5 - Cash

The total cash of \$ 1,293,765 is held in a checking account at Citibank, which is covered by FDIC insurance up to the maximum allowed by law (currently \$250,000 per depositor in each bank). At December 31, 2021, cash in bank fully insured by the FDIC was \$250,000 and the amount uninsured was \$ 1,043,765.

Note 6-Property, Plant and Equipment

Property, Plant and Equipment consists of the following;

Equipment	\$ 29,436
	\$ 9,436
Accumulated Depreciation	(7,155)
Net	<u>\$ 22,418</u>

Note 7-Functional Expenses

Expenses are classified as “Program Expenses” or “ Management and General Expenses.” “Program Expenses include all expenses grouped as “Expenditures-Direct” .” Management and General Expenses consist of “Expenditures-Indirect” and “General

THE OYATE GROUP, INC.
Notes to Financial Statements
December 31, 2021

Note 8 – Availability and Liquidity of Resources and Financial Assets

New reporting requirements call for qualitative and quantitative information on how The Oyate Group, Inc manages its liquid available resources and risks associated with those resources and the availability of financial assets to meet its cash needs for the payment of general expenditures for the next year.

The following reflects The Oyate Group Inc,'s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual restrictions and amounts due after one year of the balance sheet date. Amounts not available include assets that are long term in nature or already designated for use such as prepaid expenses and fixed assets.

Financial assets available to meet cash needs for general expenditures within one year	
Cash and Cash equivalents	\$ 1,293,765
Accounts receivable	<u> - 0-</u>
	1,293,765
Current Liabilities	<u>(7,728)</u>
	<u>\$ 1,286,037</u>

The Organization is substantially supported by grants received from various entities and individuals . As part of The Oyate Group, Inc'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.