



**DNS-OARC**

Domain Name System Operations Analysis and Research Center

# **OARC, INC.**

## **Audited Financial Statements**

**For the years ended  
December 31, 2019 and 2018**

*With Independent Auditors' Report Thereon*

**OARC, INC.**

(A Delaware Not-for-Profit Corporation)

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
OARC, Inc.

We have audited the accompanying financial statements of OARC, Inc. (a California nonprofit organization) which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years 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 on 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 OARC, Inc. as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Danville, California  
September 18, 2020

**Statements of Financial Position  
December 31, 2019 and 2018**

**ASSETS**

	2019	2018
Current assets:		
Cash and cash equivalents	\$ 331,897	\$ 312,701
Accounts receivable	77,200	34,500
Prepaid expenses and other current assets	5,000	-
Total current assets	414,097	347,201
Property and equipment, net	31,466	25,748
	\$ 445,563	\$ 372,949

**LIABILITIES AND NET ASSETS**

Current liabilities:		
Accounts payable and other accruals	\$ 73,234	\$ 65,780
Deferred revenue	374,844	287,778
Total current liabilities	448,078	353,558
Net assets:		
Without donor restrictions	(7,490)	19,391
With donor restrictions	4,975	-
Total net assets	(2,515)	19,391
	\$ 445,563	\$ 372,949

**Statements of Activities and Changes in Net Assets**  
**Years Ended December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<i>Changes in net assets without donor restrictions:</i>		
Revenue and support:		
Membership fees	\$ 599,109	\$ 594,334
Registration fees	59,790	58,361
Donations and grants	62,005	85,200
In kind donations	-	8,300
Other revenue	4,150	7,870
Net assets released from restrictions	2,525	20,000
Total revenue and support	<u>727,579</u>	<u>774,065</u>
Operating expenses:		
Program	543,644	538,912
General and administrative	210,816	211,419
Fundraising	-	-
Total operating expenses	<u>754,460</u>	<u>750,331</u>
Increase (decrease) in net assets without donor restrictions	<u>(26,881)</u>	23,734
<i>Changes in net assets with donor restrictions:</i>		
Grants and contributions	7,500	-
Net assets released from restrictions	(2,525)	(20,000)
Increase (decrease) in net assets with donor restrictions	<u>4,975</u>	<u>(20,000)</u>
Increase (decrease) in net assets	(21,906)	3,734
Net assets at beginning of year	<u>19,391</u>	15,657
Net assets (deficit) at end of year	<u>\$ (2,515)</u>	<u>\$ 19,391</u>

**Statements of Cash Flows**  
**Years Ended December 31, 2019 and 2018**

	2019	2018
<i>Operating activities:</i>		
Increase (decrease) in net assets	\$ (21,906)	\$ 3,734
Adjustments to reconcile to cash provided by (used for) operating activities:		
Depreciation and amortization	14,818	22,082
Changes in:		
Accounts receivable	(42,700)	(22,500)
Prepaid expenses and other current assets	(5,000)	-
Accounts payable and other accruals	7,454	(17,061)
Deferred revenue	87,066	6,166
Cash provided by (used for) operating activities	39,732	(7,579)
 <i>Investing activities:</i>		
Acquisition of property and equipment	(20,536)	(20,938)
Cash used for investing activities	(20,536)	(20,938)
 Increase (decrease) in cash and cash equivalents	 19,196	 (28,517)
 Cash and cash equivalents at beginning of year	 312,701	 341,218
 Cash and cash equivalents at end of year	 \$ 331,897	 \$ 312,701
 <i>Additional cash flow information:</i>		
Interest paid	\$ -	\$ -
Tax registration fees	\$ 100	\$ 100

**OARC, INC.****Statement of Functional Expenses  
Year Ended December 31, 2019**

	<b>Programs</b>	<b>General &amp; Admin- istrative</b>	<b>Fund Raising</b>	<b>Totals</b>
Bank charges and other fees	\$ -	\$ 999	\$ -	\$ 999
Conferences and meetings	77,269	-	-	77,269
Connectivity	21,520	-	-	21,520
Depreciation and amortization	12,595	2,223	-	14,818
Office and other	7,435	4,065	-	11,500
Postage and shipping	53	29	-	82
Printing	43	24	-	67
Professional and consulting	341,029	186,438	-	527,467
Occupancy	5,430	2,968	-	8,398
Telephone and telecommunications	698	381	-	1,079
Travel and related expenses	77,572	13,689	-	91,261
<b>Totals</b>	<b>\$ 543,644</b>	<b>\$ 210,816</b>	<b>\$ -</b>	<b>\$ 754,460</b>

**Statement of Functional Expenses  
Year Ended December 31, 2018**

	<b>General &amp; Admin- istrative Programs</b>	<b>Fund Raising</b>	<b>2018 Totals</b>
Bank charges and other fees	\$ -	\$ 957	\$ -
Conferences and meetings	94,911	-	-
Connectivity	24,515	-	-
Depreciation and amortization	18,770	3,312	-
Office and other	7,651	3,724	-
Postage and shipping	-	289	-
Professional and consulting	330,268	187,063	-
Occupancy	3,370	5,056	-
Telephone and telecommunications	401	602	-
Travel and related expenses	59,026	10,416	-
<b>Totals</b>	<b>\$ 538,912</b>	<b>\$ 211,419</b>	<b>\$ -</b>
			<b>\$ 750,331</b>



Notes to Financial Statements  
December 31, 2019 and 2018

1. **Organization**

OARC, Inc. (OARC) is a 501(c)(3) nonprofit public benefit corporation incorporated in the state of Delaware, with offices in California and Indiana. OARC was conceived in 2004 and then incorporated in late 2008 as part of a joint research proposal with CAIDA to the National Science Foundation. OARC was conceived as a membership organization where DNS operators, network researchers, software implementers, and others could participate to share data, common problems, and solutions in a secure environment.

OARC provides and develops direct real-time assistance and information from TLD and other root server operations in the event of denial-of-service attacks against members' infrastructure. OARC's mission is to build trust among its members through forums where information can be shared in confidence; to enable knowledge transfer by organizing semiannual workshops; to promote research through data collection, analysis, and simulation; and to increase awareness with publicly available tools and services.

2. **Summary of Significant Accounting Policies**

**Basis of Presentation** – The financial statements of OARC have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("US GAAP").

**Measure of Operations** – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to OARC's ongoing operations which include a variety of programmatic activities. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

**Cash and Cash Equivalents** – OARC's cash consists of cash on deposit with banks. Cash equivalents, when applicable, represent savings, cash deposits and money market accounts with maturity dates of three months or less from the date of inception.

**Concentrations of Credit Risk** – Financial instruments that potentially subject OARC to concentrations of credit risk consist principally of cash and cash equivalents and deposits. OARC maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. OARC manages deposit concentration risk by placing cash and money market accounts with financial institutions believed to be creditworthy.

To date, OARC has not experienced losses in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from reputable organizations and foundations supportive of OARC's mission.

**Accounts and Contributions Receivable** – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization, if applicable, is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

(continued)

Notes to Financial Statements  
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (*continued*)

**Receivable and Credit Policies** – OARC determined that no allowance for doubtful uncollectible accounts receivable is needed based on historical experience, an assessment of economic conditions, and a review of subsequent collections. It is the policy of the organization to periodically assess receivables to determine proper carrying value.

**Property and Equipment** – OARC's policy is to record acquisitions of property and equipment at cost or, if donated, at fair market value on the date of donation. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets.

Costs of maintenance and repairs are expensed currently. OARC reviews the carrying values of all assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated economic utility and/or future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. OARC has determined that no long-lived assets were impaired during the year ended December 31, 2019.

**Fair Value Measurements** – Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions.

The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). OARC groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1

Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2

Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3

Unobservable inputs that cannot be corroborated by observable market data.

(*continued*)

Notes to Financial Statements  
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (*continued*)

**Fair Value Measurements** (*continued*) – In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing model of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

**Net Assets** - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Thus, 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 certain grantor) restrictions. The governing board has the ability to designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment, but has opted not to do so as of December 31, 2019 and 2018.

Net Assets with Donor Restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions. 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 can be 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.

**Income Taxes** – OARC is organized as a California nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. OARC is required to annually file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purpose. OARC files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income, if any.

OARC has received notification from the Internal Revenue Service and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management is confident that OARC continues to satisfy all federal and state statutes in order to qualify for continued tax exemption status.

(*continued*)

Notes to Financial Statements  
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (*continued*)

**Revenue and Revenue Recognition** – Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Revenue earned under a contractual arrangement (an “exchange transaction”) is recognized when earned and therefore measured as services are provided.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

**Functional Allocation of Expenses** – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among services and supporting services benefited. Such allocations are determined by management on an equitable basis. A majority of expenses (such as professional and consulting, occupancy, and other overhead) have been allocated based on time and effort. Other direct costs have been allocated in accordance with the specific services received from vendors.

**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 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 reported period. Accordingly, actual results could differ from those estimates.

**Donated Services and In-Kind Contributions** – Contributed services and costs are reflected at the fair value of the contribution received. The contributions of services and costs are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. OARC received in-kind donations of \$8,300 for the year ended December 31, 2018. There were no in-kind donations received during the year ended December 31, 2019. Such amounts, which are based upon information provided by third-party providers, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and related expenses on the accompanying statement of activities and statements of functional expenses.

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria under *ASC 958.605.30-11, Revenue Recognition of Not-For-Profit Entities*.

(*continued*)

Notes to Financial Statements  
December 31, 2019 and 2018

**2. Summary of Significant Accounting Policies** (*continued*)

***Recent and Relevant Accounting Pronouncements*** – The following recent pronouncements are relevant to OARC:

In August 2016, the FASB issued *ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. OARC has adjusted the presentation of these statements accordingly.

In February 2016, the FASB issued *ASU 2016-02, Leases (Topic 842) – Accounting for Leases*. The ASU increases transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing key information about leasing arrangements. The ASU is effective for fiscal years beginning after December 15, 2021, and early adoption is permitted. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach includes a number of optional practical expedients that entities may elect to apply. OARC is currently assessing the impact that adoption of this ASU will have on its financial statements.

In June 2018, the FASB issued *ASU 2018-08, Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The FASB issued this update to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this Update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. Accordingly, OARC has incorporated these clarifying standards within the audited financial statements.

**3. Cash and Cash Equivalents**

Cash and cash equivalents of \$331,897 and \$312,701 at December 31, 2019 and 2018, respectively, consist of funds on deposit in non-interest bearing checking accounts. OARC maintains its cash balances in high quality financial institutions, which at times may exceed federally insured limits. OARC has not experienced any losses in such accounts.

**4. Accounts Receivable**

Accounts receivable of \$77,200 and \$34,500 at December 31, 2019 and 2018, respectively, are due within one year from various third parties. OARC uses the direct write-off method with regards to receivables deemed uncollectible. During the years ended December 31, 2019 and 2018, OARC recognized no bad debts. Management has evaluated the receivables as of December 31, 2019 and determined that such amounts are fully collectible based on the financial strength of the parties involved.

Notes to Financial Statements  
December 31, 2019 and 2018

**5. Property and Equipment**

A summary of property and equipment is as follows at December 31:

	2019	2018
Computers and related equipment	\$ 242,241	\$ 221,705
Less accumulated depreciation	(210,775)	(195,957)
Total property and equipment, net	\$ 31,466	\$ 25,748

Total depreciation expense for the years ended December 31, 2019 and 2018 amounted to \$14,818 and \$22,082, respectively.

**6. Liquidity**

OARC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the safeguarding of its available funds. OARC has various sources of liquidity at its disposal, including cash and equivalents and the future collection of receivables.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, OARC considers all expenditures related to its ongoing member support and related activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, OARC operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of OARC's cash.

The following table shows the total financial assets held by OARC and the amounts of those financial assets readily available within one year of the balance sheet date to meet general expenditures:

	2019	2018
Cash and cash equivalents	\$ 331,897	\$ 312,701
Accounts receivable	77,200	34,500
Total financial assets	409,097	347,201
Less: amounts not available to be used for general expenditures within one year		
Net assets with donor restrictions	(4,975)	-
Financial assets available to meet general expenditures over the next twelve months	\$ 404,122	\$ 347,201

As part of OARC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. OARC's goal is generally to maintain financial assets to meet four to six months of operating expenses.

**Notes to Financial Statements  
December 31, 2019 and 2018**

**7. Deferred Revenue**

Deferred revenue of \$374,844 and \$287,778 at December 31, 2019 and 2018, respectively, consists of funds received in advance of services to be performed and are scheduled to be recognized in the following year. Such amounts have been reflected as short-term liabilities and will be reflected as revenue on the statements of activities and changes in net assets in the subsequent fiscal period.

**8. Occupancy**

During the years ended December 31, 2019 and 2018, OARC leased office space under a month-to-month operating agreement. Occupancy expense for the years ended December 31, 2019 and 2018 amounted to \$8,398 and \$8,426, respectively, and is reflected on the statements of functional expenses.

**9. Net Assets with Donor Restrictions**

OARC recognizes support from net assets with donor restrictions when the restrictions imposed by the donors have been satisfied or expired. At December 31, 2019, OARC had \$4,975 in net assets that were restricted for a future project. There were no net assets with donor restrictions at December 31, 2018. During the years ended December 31, 2019 and 2018, OARC released \$2,525 and \$20,000, respectively, from net assets with donor restrictions to net assets without donor restrictions.

**10. Commitments and Contingencies**

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into contracts and future funding agreements, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) Grant restrictions and donor conditions which obligate OARC to fulfill certain requirements as set forth in grant instruments, (b) Funding levels which vary based on factors beyond OARC's control, such as generosity of donors and general economic conditions, (c) Employment and service agreements with key management personnel, including executive officers of the organization, and (d) Financial risks associated with funds on deposit in accounts at financial institutions. Certain of the grants and contracts (including current and prior costs) are subject to adjustment upon review and final acceptance by the granting agencies. Management believes that such commitments, contingencies and risks will not have a material adverse effect on the financial statements.

Notes to Financial Statements  
December 31, 2019 and 2018

**11. Operating Deficits and Management's Plans**

*Operating Deficits*

OARC reflected a loss from operations of (\$21,906) for the year ended December 31, 2019 causing total net assets to decrease from \$19,391 at December 31, 2018 to a deficit of \$(2,515) at December 31, 2019. OARC's ability to continue its operating activities depends on it being able to satisfy ongoing cash flow requirements, which include fixed and variable overhead expenses.

*Management's Plans*

During the past year, management has focused its attention on expanding its revenue flows by seeking project grant and donation funding in addition to its regular membership and events revenue sources, and has been successful in bringing in approximately \$85,000 of such funding during 2020. Additionally, due to the coronavirus pandemic (see note 12), travel expenses have been targeted for reduction. These additional funds are being set aside for reserves to safeguard the organization's future operations in the event of any additional pandemic-triggered economic downturn in OARC's sector.

Management has prepared an operating budget which reflects total revenues and expenses estimated at \$960,000 and \$844,000, respectively, for the year ending December 31, 2020. These forecast figures result in an estimated net surplus of \$116,000.

Management believes these factors, among others, will contribute toward achieving and maintaining sufficient cash flows to cover operating expenditures and to satisfy its ongoing obligations. The attainment of positive cash flows is dependent upon the successful implementation of management's revenue enhancement and cost reduction programs.

**12. Subsequent Events**

In compliance with *ASC 855, Subsequent Events*, OARC has evaluated subsequent events through September 18, 2020, the date the financial statements were available to be issued. Subsequent to December 31, 2019 (the end of OARC's fiscal year), there was an outbreak of a novel strain of coronavirus (COVID-19) which the World Health Organization characterized as a pandemic on March 11, 2020. This novel coronavirus threat (which became widespread during February and March 2020) has (a) significantly impacted financial markets, (b) potentially diminished revenue streams, and (3) impacted private enterprises with which OARC conducts business. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. These financial statements do not contain any adjustments related to economic losses which may or may not be realized by OARC as a result of these events. In the opinion of management, there are no other subsequent events which are required to be disclosed.