DNS-OARC
Domain Name System Operations Analysis and Research Center

OARC, INC.

Audited
Financial Statements

For the years ended
December 31, 2020 and 2019
With Independent Auditors' Report Thereon

(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, 2020 and 2019, 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.

Auditors' 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 auditors' 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, 2020 and 2019, 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.

Regalia & Associates

Danville, California
October 12, 2021

Statements of Financial Position
December 31, 2020 and 2019

ASSETS

		2020		2019
Current assets:				
Cash and cash equivalents	**$**	**594,314**	$	331,897
Accounts receivable		**39,100**		77,200
Prepaid expenses and other current assets		**-**		5,000
Total current assets		**633,414**		414,097
Property and equipment, net		**121,109**		31,466
	$	**754,523**	$	445,563

LIABILITIES AND NET ASSETS

		2020		2019
Current liabilities:				
Accounts payable and other accruals	**$**	**92,828**	$	73,234
Deferred revenue		**330,524**		374,844
Total current liabilities		**423,352**		448,078
Net assets:				
Without donor restrictions		**320,338**		(7,490)
With donor restrictions		**10,833**		4,975
Total net assets		**331,171**		(2,515)
	$	**754,523**	$	445,563

Statements of Activities and Changes in Net Assets
Years Ended December 31, 2020 and 2019

	2020	2019
Changes in net assets without donor restrictions:		
Revenue and support:		
Membership fees	**$ 606,906**	$ 599,109
Registration fees	**39,776**	59,790
Donations and grants	**337,773**	62,005
Other revenue	**12,314**	4,150
Net assets released from restrictions	**9,142**	2,525
Total revenue and support	**1,005,911**	727,579
Operating expenses:		
Program	**473,902**	543,644
General and administrative	**204,181**	210,816
Fundraising	**-**	-
Total operating expenses	**678,083**	754,460
Increase (decrease) in net assets without donor restrictions	**327,828**	(26,881)
Changes in net assets with donor restrictions:		
Grants and contributions	**15,000**	7,500
Net assets released from restrictions	**(9,142)**	(2,525)
Increase in net assets with donor restrictions	**5,858**	4,975
Increase (decrease) in net assets	**333,686**	(21,906)
Net assets (deficit) at beginning of year	**(2,515)**	19,391
Net assets (deficit) at end of year	**$ 331,171**	$ (2,515)

Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
Operating activities:		
Increase (decrease) in net assets	**$ 333,686**	$ (21,906)
Adjustments to reconcile to cash provided by operating activities		
Depreciation and amortization	**21,262**	14,818
Changes in:		
Accounts receivable	**38,100**	(42,700)
Prepaid expenses and other current assets	**5,000**	(5,000)
Accounts payable and other accruals	**19,594**	7,454
Deferred revenue	**(44,320)**	87,066
Cash provided by operating activities	**373,322**	39,732
Investing activities:		
Acquisition of property and equipment	**(110,905)**	(20,536)
Cash used for investing activities	**(110,905)**	(20,536)
Increase in cash and cash equivalents	**262,417**	19,196
Cash and cash equivalents at beginning of year	**331,897**	312,701
Cash and cash equivalents at end of year	**$ 594,314**	$ 331,897
Additional cash flow information:		
Interest paid	**$ -**	$ -
Tax registration fees	**$ 75**	$ 75

Statement of Functional Expenses
Year Ended December 31, 2020

	Programs	General & Admin-istrative	Fund Raising	2020 Totals
Bank charges and other fees	$ -	$ 1,014	$ -	**$ 1,014**
Conferences and meetings	91,281	-	-	**91,281**
Connectivity	25,369	-	-	**25,369**
Depreciation and amortization	19,136	2,126	-	**21,262**
Office and other	10,911	5,438	-	**16,349**
Postage and shipping	-	268	-	**268**
Professional and consulting	318,722	191,913	-	**510,635**
Occupancy	5,614	2,798	-	**8,412**
Telephone and telecommunications	366	182	-	**548**
Travel and related expenses	2,503	442	-	**2,945**
Totals	$ 473,902	$ 204,181	$ -	**$ 678,083**

Statement of Functional Expenses
Year Ended December 31, 2019

	Programs	General & Admin-istrative	Fund Raising	Totals
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**
Totals	$ 543,644	$ 210,816	$ -	**$ 754,460**

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*)

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, 2020.

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*)

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 without donor restrictions represent funds 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 or for other board-designated endowment purposes, but has opted not to do so as of December 31, 2020 and 2019.

Net Assets with Donor Restrictions
Net assets with donor restrictions represent funds which are 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. OARC could be subject to income tax on net income derived from business activities which are unrelated to its exempt purpose. When applicable, OARC files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income.

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*)

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

Revenue and Revenue Recognition – Revenue is recognized in accordance with authoritative guidance, including *ASU 2018-08, Not-for-Profit Entities (Topic 605)* and *ASU 2014-09, Revenue from Contracts with Customers (Topic 606)*. Membership fees are comprised of an exchange element based on the value of the benefits provided, and a contribution element for the difference between the total fees paid and the contribution element. OARC recognizes the contribution portion immediately. Members receive a variety of benefits for their membership fees, including discount on registrations to OARC workshops. These registration discounts are recognized at the time of registration. The remaining exchange portion of the membership fees are recognized over the membership period.

OARC recognizes contributions 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. Consequently, at December 31, 2020, contributions of $22,500 have not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met. These contributions depend on OARC meeting milestones specified by the donor.

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 in accordance with *ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, which requires OARC to report expenses by their natural classification. 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.

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*)

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

Recent and Relevant Accounting Pronouncements – The following pronouncements represent relevant current accounting guidance applicable 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 May 2014, the FASB completed its Revenue Recognition project by issuing *ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606)*. This guidance establishes the principles to report useful information to users of financial statements about the nature, timing, and uncertainty of revenue from contracts with customers. The guidance (1) Removes inconsistencies and weaknesses in existing revenue requirements, (2) Provides a more robust framework for addressing revenue issues, (3) Improves comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets, (4) Provides more useful information to users of financial statements through improved disclosure requirements, and (5) Simplifies the preparation of financial statements by reducing the number of requirements to which an organization must refer.

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.

In August 2014, the FASB issued *ASU 2014-15, Presentation of Financial Statements—Going Concern (Subtopic 205-40) Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, which requires an organization's management to evaluate whether there are conditions and events, considered in the aggregate, that raise substantial doubt about an entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued, when applicable). As of October 12, 2021 (the date of the Independent Auditors' Report), OARC management has made this evaluation and has determined that OARC has the ability to continue as a going concern.

3. Cash and Cash Equivalents

Cash and cash equivalents of $594,314 and $331,897 at December 31, 2020 and 2019, 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 $39,100 and $77,200 at December 31, 2020 and 2019, 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, 2020 and 2019, OARC recognized no bad debts. Management has evaluated the receivables as of December 31, 2020 and determined that such amounts are fully collectible based on the financial strength of the parties involved.

5. Property and Equipment

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

	2020	2019
Computers and related equipment	**$ 353,146**	$ 242,241
Less accumulated depreciation	**(232,037)**	(210,775)
Total property and equipment, net	**$ 121,109**	$ 31,466

Total depreciation expense for the years ended December 31, 2020 and 2019 amounted to $21,262 and $14,818, 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.

(continued)

6. Liquidity *(continued)*

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:

	2020	2019
Cash and cash equivalents	**$ 594,314**	$ 331,897
Accounts receivable	**39,100**	77,200
Total financial assets	**633,414**	409,097
Less: amounts not available to be used for general expenditures within one year		
Net assets with donor restrictions	**(10,833)**	(4,975)
Financial assets available to meet general expenditures over the next twelve months	**$ 622,581**	$ 404,122

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.

7. Membership Fees and Deferred Revenue

OARC has adopted *Accounting Standards Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606)*, as amended, as management believes the standard improves the usefulness and understandability of OARC's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way OARC recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Deferred revenue of $330,524 and $374,844 at December 31, 2020 and 2019, respectively, consists of membership fees 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 on the statements of financial position and will be reflected as revenue on the statements of activities and changes in net assets when the related services are performed.

The following table provides information about significant changes in deferred revenue for the years ended December 31, 2020 and 2019:

	2020	2019
Deferred revenue, beginning of year	$ 374,844	$ 287,778
Revenue recognized from previously deferred revenue	(331,844)	(287,778)
Membership fees received in advance	287,524	374,844
Deferred revenue, end of year	$ 330,524	$ 374,844

8. Occupancy

During the years ended December 31, 2020 and 2019, OARC leased office space under a month-to-month operating agreement. Occupancy expense for the years ended December 31, 2020 and 2019 amounted to $8,412 and $8,398, 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, 2020 and 2019, OARC had $10,833 and $4,975 in net assets that were restricted for specific future projects. During the years ended December 31, 2020 and 2019, OARC released $9,142 and $2,525, respectively, from net assets with donor restrictions to net assets without donor restrictions.

10. Commitments and Contingencies

In the normal course of business, OARC could be subject to certain commitments and contingencies which might not be fully 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.

11. COVID-19

Although the COVID-19 threat has abated, the worldwide threat continues to (a) impact financial markets, (b) threaten revenue streams, and (c) impact private enterprises with which OARC conducts business. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, continues to present challenges. Management continues to monitor and evaluate its options. These financial statements do not contain any adjustments related to economic losses which may or may not be realized.

12. Subsequent Events

In compliance with *ASC 855, Subsequent Events*, OARC has evaluated subsequent events through October 12, 2021, the date the financial statements were available to be issued and, in the opinion of management, there are no subsequent events which are required to be disclosed.