



Just Zero

Financial Statements

June 30, 2023

EJ CALLAHAN
& ASSOCIATES, LLC

JUST ZERO

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CERTIFIED PUBLIC ACCOUNTANTS – BUSINESS CONSULTANTS

Independent Auditor's Report

To the Board of Directors of
Just Zero
Sturbridge, Massachusetts

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Just Zero (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statement of activities, schedule of functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Just Zero as of June 30, 2023 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Just Zero and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Just Zero'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Just Zero's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

E. J. Callahan & Associates, L.L.C.

Wakefield, Massachusetts
October 17, 2023

JUST ZERO

STATEMENT OF FINANCIAL POSITION

June 30, 2023

ASSETS

Current Assets:

Cash and cash equivalents	\$ 242,254
Total Current Assets	<u>242,254</u>

Total Assets	<u><u>\$ 242,254</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 2,000
Total Current Liabilities	<u>2,000</u>

Total Liabilities	<u>2,000</u>
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Net Assets:

Without donor restrictions	240,254
With donor restrictions	<u>-</u>

Total Net Assets	<u>240,254</u>
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Total Liabilities and Net Assets	<u><u>\$ 242,254</u></u>
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See accompanying notes to financial statements.

JUST ZERO

STATEMENT OF ACTIVITIES

For the year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Donations	\$ 634,289	-	\$ 634,289
Grants	100,000	\$ -	100,000
Total revenues and other support	734,289	-	734,289
Expenses:			
Program	332,490	-	332,490
Administrative	74,385	-	74,385
Fundraising	73,888	-	73,888
Total expenses	480,763	-	480,763
Change in net assets from operations	253,526	-	253,526
Change in net assets	253,526	-	253,526
Net assets, beginning of year	(13,272)	-	(13,272)
Net assets, end of year	\$ 240,254	\$ -	\$ 240,254

See accompanying notes to financial statements.

JUST ZERO

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2023

	<u>Program</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, payroll taxes and benefits	\$ 243,217	\$ 58,161	\$ 68,735	\$ 370,113
Contract services software fees	43,104	-	-	43,104
Insurance	16,630	3,977	4,700	25,307
Professional fees	10,238	6,923	453	17,614
Computer & internet expense	6,774	-	-	6,774
Travel	6,671	-	-	6,671
Business registration & software fees	5,856	-	-	5,856
Merchant service fees	-	1,613	-	1,613
Subscriptions & dues	-	1,194	-	1,194
Office supplies	-	1,117	-	1,117
Events	-	1,105	-	1,105
Professional development	-	142	-	142
Postage	-	81	-	81
Bank service fees	-	72	-	72
	<u>\$ 332,490</u>	<u>\$ 74,385</u>	<u>\$ 73,888</u>	<u>\$ 480,763</u>

See accompanying notes to financial statements.

JUST ZERO

STATEMENT OF CASH FLOWS

For the year ended June 30, 2023

Cash Flows from Operating Activities	
Change in net assets	\$ 253,526
Decrease in cash resulting from a change in:	
Accounts payable	<u>(11,372)</u>
Net Cash Provided by Operating Activities	<u>242,154</u>
Net Change in Cash and Cash Equivalents	242,154
Cash and Cash Equivalents — Beginning of Year	<u>100</u>
Cash and Cash Equivalents — End of Year	<u><u>\$ 242,254</u></u>

See accompanying notes to financial statements.

JUST ZERO

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

Note 1 – Nature of Operations and Significant Accounting Policies

Nature of Operations

Just Zero, (the "Organization") is a 501(c)(3) nonprofit organization, founded in 2022. The Organization works alongside communities, policy makers, scientists, educators, organizers, and others to implement just and equitable solutions to climate-damaging and toxic production, consumption, and waste disposal practices.

Summary of Significant Accounting Policies

A summary of the significant accounting policies followed by the Organization in the preparation of the accompanying financial statements is set forth below:

Basis of Accounting – The Organization prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

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 reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation – The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

JUST ZERO

NOTES TO FINANCIAL STATEMENTS – CONTINUED

June 30, 2023

Note 1 – Nature of Operations and Significant Accounting Policies – Continued

Cash and Cash Equivalents – For purposes of reporting cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less at acquisition as cash and cash equivalents in the accompanying balance sheet. The Organization has interest bearing deposits in financial institutions that maintained federal insurance in full for all accounts and limited coverage up to \$250,000 per financial institution. The portion of the deposits in excess of this amount is not subject to such insurance and represents a credit risk to the Organization. At times, balances held at each financial institution may exceed \$250,000, which represents a credit risk to the Organization. At June 30, 2023, deposits in excess of federally insured limits were \$0.

Contributions, Gifts, and Grants – Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met.

Contributions that are restricted by the donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

At June 30, 2023, there were no net assets with donor restrictions.

Functional Expenses – The cost of designing and implementing zero waste policies, and related costs for Just Zero have been summarized on a functional basis on the statement of functional expenses. Accordingly, certain costs have been allocated among the programs benefited.

Income Tax Status – The Organization is a nonprofit organization and is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the accompanying financial statements. There are currently no federal or state income tax examinations in progress.

Subsequent Events – Management evaluated events or transactions subsequent to the balance sheet date for potential recognition or disclosure in the financial statements through October 17, 2023, which is the date the financial statements were available for issue.

Note 2 – Assets Available for General Expenditure (Net)

The following represents the financial assets available for general expenditure within one year of June 30:

Cash and cash equivalents	<u>\$ 242,254</u>
Total assets available for general expenditure	<u><u>\$ 242,254</u></u>