

TECH JOURNEY, INC.

**Audited Financial Statements
(Modified Cash Basis)
Year Ended December 31, 2021**

10550 New York Ave, Ste 200
Des Moines, IA 50322
(515) 270-8080
F. (515) 276-8329

160 Adventureland Dr, Ste H
Altoona, IA 50009
(515) 967-7174
F. (515) 967-7632

112 W Madison St
Mount Ayr, IA 50854
(641) 464-0527

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Tech Journey, Inc.

Opinion

We have audited the accompanying financial statements of Tech Journey, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets— modified cash basis as of December 31, 2021, and the related statements of support, revenue, and expenses— modified cash basis and functional expenses – modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Tech Journey, Inc. as of December 31, 2021, and its support, revenue, and expenses for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Tech Journey, Inc. 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.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Tech Journey, 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Journey, Inc.'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.

Tommino, Jacobson & Straubhaar, LLP

Des Moines, Iowa
July 6, 2022

TECH JOURNEY, INC.

Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis
December 31, 2021

	2021
ASSETS	
Current assets	
Cash and cash equivalents	\$ 25,746
Total assets	<u>\$ 25,746</u>
LIABILITIES AND NET ASSETS	
Net assets	
Net assets - without donor restrictions	\$ 23,374
Net assets - with donor restrictions	<u>2,372</u>
Total net assets	<u>25,746</u>
Total liabilities and net assets	<u>\$ 25,746</u>

See accompanying notes to financial statements.

TECH JOURNEY, INC.

**Statement of Support, Revenue, and Expenses - Modified Cash Basis
For the Year Ended December 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Cash donations	\$ 19,455	\$ 41,000	\$ 60,455
Revenue from fundraising events, net of expenses	-	2,581	2,581
Total support and revenue	19,455	43,581	63,036
Satisfaction of program restrictions	58,144	(58,144)	-
Total support, revenue and reclassifications	77,599	(14,563)	63,036
Expenses			
Program services	72,131		72,131
Supporting services:			
Administrative	23,046	-	23,046
Fundraising	3,428	-	3,428
Total expenses	98,605	-	98,605
Change in net assets	(21,006)	(14,563)	(35,569)
Net assets - beginning of year	44,380	16,935	61,315
Net assets - end of year	\$ 23,374	\$ 2,372	\$ 25,746

See accompanying notes to financial statements.

TECH JOURNEY, INC.

**Statement of Functional Expenses - Modified Cash Basis
For the Year Ended December 31, 2021**

	Program Services	Supporting Services		Total Expenses
		Administrative	Fundraising	
Bank fee	\$ -	\$ -	\$ -	\$ -
Facility rent	1,500			1,500
Classroom equipment	5,578			5,578
Board insurance	-	1,799	-	1,799
Board shirts/polos	-	515	-	515
Board trainings	-	60	-	60
Marketing	670	616	-	1,286
Miscellaneous	75	435	-	510
PO box	-	148	-	148
Payroll	15,000	12,000	3,000	30,000
Payroll taxes	1,311	1,048	261	2,620
Payroll ADP fees	836	668	167	1,671
Professional fees- accounting	-	5,300	-	5,300
Supplies	10,123	457		10,580
Registration fees	664			664
Laptops	12,172	-	-	12,172
Laptop licenses	-	-	-	-
Camper scholarships	14,000			14,000
Camp facility rent	3,500			3,500
Camp shirts	2,322	-	-	2,322
Camp food	3,322	-	-	3,322
Camp supplies	988			988
Camp website fees	70	-	-	70
Total functional expenses	\$ 72,131	\$ 23,046	\$ 3,428	\$ 98,605

See accompanying notes to financial statements.

TECH JOURNEY, INC.

Notes to Financial Statements December 31, 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Organization – Tech Journey, Inc. (the Organization or Tech Journey) is a non-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization was formed in 2013 and its mission is to inspire youth to increase their knowledge and interest in technology by providing engaging learning opportunities led by technology professionals.

The Organization's target group is Des Moines metro area students in grades 8 to 12. Students are invited to participate in an annual technology camp and mentoring sessions. Students are selected based upon a set of criterion including aptitude, gender, economic status, and race. Selection using this criterion allows Tech Journey to focus on students who may be underrepresented in the STEM fields.

The Organization makes a five year commitment to each of its students. Each student gets a new laptop as part of joining the program. The Organization hosts an annual four day camp at Franklin Junior High. Each summer, students from the previous year's camp are invited back along with a group of new students. The new students learn basic coding principles and computer programming skills. Returning students build on what they have already learned and focus on more advanced skills. Tech Journey also provides mentoring opportunities to the students throughout the year. Periodic mentoring sessions are held to help reinforce the students' knowledge and skills acquired at the camp.

Financial statement presentation - The financial statements of the Organization have been prepared on a modified cash basis of accounting. The modified cash basis of accounting differs from generally accepted accounting principles because certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

Basis of Presentation - The Organization follows the policy of recording revenues received as without donor restrictions or with donor restrictions depending on the existence and/or nature of any restrictions. A description of the two net asset categories follows:

Without donor restrictions – Net assets that are not subject to donor-imposed restrictions. The Organization's board has no designated amounts set aside for a particular purpose.

With donor restrictions – Net assets whose use by the Organization are subject to donor-imposed restrictions.

Use of Estimates - The preparation of financial statements requires the Board to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Expenses – Expenses are charged to program or supporting function based on direct expenditures incurred. Any expenditures not directly chargeable are allocated based on estimates of time and effort or estimated benefit by the function. Payroll expense are not directly attributable to program or supporting function and are allocated 40% to administrative expense, 10% to fundraising expense and 50% to program expense.

TECH JOURNEY, INC.

Notes to Financial Statements December 31, 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Contributions and net assets – Contributions are recorded when received as with or without donor restrictions depending on whether there is a time or purpose restriction associated with the contribution.

Fundraising events – Revenue from fundraising events is presented net of direct expenses.

In-Kind Contributions –

Donated Services- The organization receives donated services from unpaid volunteers who assist with Tech Journey's annual camp by teaching curriculum (specialized skill) or performing administrative duties (non-specialized skill). The value of these services is not recognized in these statements.

Use of Building- The organization uses certain school buildings for activities each year. School cafeteria and classrooms are used for activities. The value of this donation is not recognized in these statements.

Income taxes - The Organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for income taxes recorded. The Organization files Form 990-EZ with the U.S. Internal Revenue Service. The Organization's policy is to annually consider the positions reflected on its exempt information return with code, rules, and regulations and evaluate the potential for unrelated business income that may be subject to income tax. The Organization has evaluated its tax positions taken on the years open to examination (years 2018-2021) and has determined that there is no significant uncertainty regarding the tax positions taken. If the Organization had determined uncertainty any related potential tax, interest expense and penalties would be charged to operations when paid.

There were no income taxes paid for the year ended December 31, 2021. There is no statute of limitations on management positions until such time that activity within the Organization would require it to file a return to report unrelated business income.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization receives a combination of contributions with donor restrictions and without donor restrictions on an annual basis. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures and other obligations come due. Specifically, contributions are typically maintained in a bank deposit account to be readily accessible. Additionally, the Organization reviews monthly, internal financials to ensure financial assets available to meet general expenditures are at a level that represents at least one hundred percent of annual expenses for administrative and general costs and budgeted programming costs.

Resources available to meet cash needs for general expenditures within the next year were \$23,374 at December 31, 2021.

TECH JOURNEY, INC.

**Notes to Financial Statements
December 31, 2021**

NOTE 3 - CONCENTRATION OF REVENUES

For the year ended December 31, 2021, the Organization had two contributors who accounted for more than 10% of the Organization's total revenue.

- Contributor A – 28.73%
- Contributor B – 23.80%

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

\$1,372 of Net Assets with Donor Restrictions are available for Tech Camp at December 31, 2021. \$1,000 of Net Assets with Donor Restrictions are available for Tech Camp scholarships at December 31, 2021. These restricted funds are held in the Organization's checking account and included in Cash on the Statement of Assets, Liabilities, and Net Assets- Modified Cash Basis at December 31, 2021.

NOTE 5 – SUBSEQUENT EVENTS

Subsequent events were evaluated through July 6, 2022, which is also the date the financial statements were available to be issued.