

ISKCON NEW VRINDABAN, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2021

Ram Associates, CPAs

Hamilton Office

3240 East State Street Ext.

Hamilton, NJ 08619

Tel: 609 631 9552/9553

Fax: 888 319 8898

ISKCON NEW VRINDABAN, INC.

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-2
Financial Statements:	
Statement of Financial Position as of December 31, 2021.....	3
Statement of Activities and Change in Net Assets for the year ended December 31, 2021.....	4
Statement of Functional Expenses for the year ended December 31, 2021.....	5
Statement of Cash Flow for the year ended December 31, 2021.....	6
Notes to Financial Statements for the year ended December 31, 2021.....	7-16



Independent Auditor's Report

To the Board of Directors
ISKCON-New Vrindaban Inc
New Vrindaban, WV

We have audited the accompanying financial statements of ISKCON-New Vrindaban Inc (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, 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 on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 ISKCON-New Vrindaban 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.

Ram Associates

Ram Associates
Hamilton, NJ
July 14, 2022

ISKCON NEW VRINDABAN, INC.

Statement of Financial Position

December 31, 2021

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,512,583
Certificate of deposits	775,131
Inventory	544,516
Loans and advances	15,447
Land	866,033
Property and equipment-net	5,883,075
Total Assets	\$ 9,596,785

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued expenses	\$ 22,964
Current portion of term loan	13,858
Other current liabilities	363,836
Total current liabilities	400,658

Long-Term liabilities:

Term loan-net of current portion	1,435,954
Total long-term liabilities	1,435,954
Total current and long-term liabilities	1,836,612

Net assets:

With donor restrictions:

Purpose restricted	-
--------------------	---

Without donor restrictions:

Undesignated	7,760,173
Total Net assets	7,760,173
Total Liabilities and Net assets	\$ 9,596,785

ISKCON NEW VRINDABAN, INC.

Statement of Activities and Change in Net Assets

For the year ended December 31, 2021

	Without donor restriction	With donor restriction	Total
Operating revenue			
Puja services/general contributions	\$ 1,663,634	\$ -	\$ 1,663,634
Book sales	22,467	-	22,467
Lodge income	644,813	-	644,813
Palace donations	129,894	-	129,894
Festival donations	2,332	-	2,332
Hundi donations	84,492	-	84,492
Restricted Donation	-	353,719	353,719
Restaurant	340,699	-	340,699
Rental income	191,154	-	191,154
credit Cards Cash back	5,449	-	5,449
Gift shop sales	1,065,840	-	1,065,840
Net transfers from donor restrictions	353,719	(353,719)	-
Total operating revenue	4,504,493	-	4,504,493
Operating expenses			
Program services	2,230,461	-	2,230,461
Total program services	2,230,461	-	2,230,461
Supporting activities:			
General and administrative expenses	1,312,895	-	1,312,895
Total supporting services	1,312,895	-	1,312,895
Total operating expenses	3,543,356	-	3,543,356
Nonoperating activities			
Royalties and signage fee	17,139	-	17,139
Forgiven PPP Loan	541,665	-	541,665
Interest income	4,169	-	4,169
Miscellaneous income	75,490	-	75,490
Interest expense	(29,005)	-	(29,005)
Total nonoperating activities	609,458	-	609,458
Change in net assets before depreciation	1,570,595	-	1,570,595
Depreciation	(410,275)	-	(410,275)
Change in net assets	1,160,320	-	1,160,320
Net assets at beginning of the year	6,599,853	-	6,599,853
Net assets at end of the year	\$ 7,760,173	\$ -	\$ 7,760,173

- See accompanying notes and independent accountant's audit report-

ISKCON NEW VRINDABAN, INC.

Statement of Functional Expenses

For the year ended December 31, 2021

	Program Services	Supporting Services	
	Program Activities	Management and General	Total
Cost of Goods Sold	\$ 491,801	\$ -	\$ 491,801
Automobile Expense	26,003	53,723	79,726
Books for Distribution	89,069	1,550	90,619
Building and Property Security	45,471	62,063	107,534
Contract Labor	19,074	8,670	27,744
Deity Department	97,265	2,341	99,606
Devotees	245,022	31,230	276,252
Fees Paypal	7,498	304	7,802
Festivals	14,869	-	14,869
Fireworks	2,345	-	2,345
Gifts for Donors	30,964	3,425	34,389
Legal Expense	6,456	48,156	54,612
Office Expenses	111,324	60,820	172,144
Operating Expenses	152,123	128,606	280,729
Outside Services	50,069	57,096	107,165
Payroll Expenses	713,968	499,414	1,213,382
Rent Expense	280	1,765	2,045
Small Tools & Equipment	20,115	22,778	42,893
Supplies	93,835	41,550	135,385
Utilities	12,909	281,617	294,526
VrindaVille	-	7,786	7,786
Total Expenses	\$ 2,230,461	\$ 1,312,895	\$ 3,543,356

- See accompanying notes and independent accountant's audit report-

ISKCON NEW VRINDABAN, INC.

Statement of Cash Flows

Year ended December 31, 2021

Cash flows from operating activities:

Change in net assets	\$ 1,160,320
Adjustment to reconcile, change in net assets to net cash provided (used) by operating activities:	
Depreciation	410,275

Changes in operating assets and liabilities

(Increase) / Decrease in certificate of deposits	(256,159)
(Increase) / Decrease in inventory	(306,175)
(Increase) / Decrease in loans and advances	1,090
Increase / (Decrease) in accounts payable and accrued liabilities	(31,541)
Increase / (Decrease) in current portion of long term liabilities	613
Increase / (Decrease) in other current liabilities	284,919
Total adjustments	103,022

Net cash provided by operating activities

1,263,342

Cash flows from investing activities:

Increase in fixed assets	(1,397,217)
Net cash used in investing activities	(1,397,217)

Cash flows from financing activities:

Increase / (Decrease) in long term liabilities	(28,071)
Net cash used in financing activities	(28,071)

Net increase in cash and cash equivalents

(161,946)

Cash at the beginning of the year

1,674,529

Cash at the end of the year

\$ 1,512,583

Supplementary disclosure of cash flows information

Cash paid during the year for

Interest	\$ 29,005
Income taxes paid	-

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

1. ORGANIZATION

ISKCON NEW VRINDABAN, INC., (INV) is a West Virginia non-profit corporation. The organization is exempted from income tax under section 501C(3) of the Internal Revenue Code. INV was formed for the purpose of organizing, operating, and maintaining as a place of worship and for the mutual and spiritual benefit of its members, as it may be constituted from time to time. Originally incorporated as ISKCON New Mathura Vrindaban, Inc. there was a change in name to ISKCON New Vrindaban Inc on December 13, 2012.

ISKCON New Vrindaban Inc. is the first farm community founded in 1968 by disciples of the Founder Acharya of ISKCON, A.C. Bhaktivedanta Swami Prabhupada. Srila Prabhupada envisioned that New Vrindaban would focus on cow protection, sustainable agriculture, a simple village lifestyle, a place of pilgrimage in the West, a place of higher learning as well as a place where people develop their love for Krishna. New Vrindaban currently hosts about 250 community members. The Organization is governed by an independent, volunteer Board of Trustees/Directors who oversees the Organization's operations.

GENERAL ACTIVITIES:

Worship

Planning and conducting activities of worship and providing service to our local and global communities to address needs of the body, mind, and spirit.

Spiritual Growth

To help organization members grow in faith and Krishna consciousness.

Pilgrims and Visitors' Services:

Apart from spiritual services, temple is also providing accommodation and feeding facilities to Pilgrims and visitors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

These financial statements are prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

b. Financial Statement Presentation

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets and changes therein are classified and reported as follows:

- Without donor restrictions – net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. As reflected in the accompanying financial statements, the Organization's Board of Trustees has designated a portion of these net assets as an endowment fund to perpetually protect the Organizations aims and objectives.
- With donor restrictions – net assets that are subject to donor-imposed restrictions. These include net assets that are subject to time or purpose restrictions and donor restricted endowments. Assets with time or purpose restrictions are satisfied either by the passage of time or by actions of the Organization. Donor restricted endowments must be maintained permanently by the Organization and only the income may be used as specified by the donor.

Revenue is reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. If an expense is incurred for a purpose for which net assets with donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a donor restriction expires, 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 as release from restrictions in the consolidated statement of activities. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law.

c. Contributions

Contributions of cash and cash equivalents are recorded at actual amount. Revenue is reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. If an expense is incurred for a purpose for which net assets with donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a donor restriction expires, 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 as release from restrictions in the consolidated statement of activities. Gains and losses

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law.

d. Gas Royalty Income

Royalty income received from Oil & Gas Companies is recorded in line with Paid-Up Oil and Gas Lease agreement entered by the organization. The organization has leased the land for exploration purposes and has right to receive royalty equal to 18.75 % of the gross proceeds realized by Lessee for all Oil and Gas produced and sold from the leased premises or a unit in which all or any portion of the leased premises is a part.

e. Pledges

The members and devotees promise to contribute to the Organization; however, such promises and pledges are not recognized as revenue unless such pledges are reasonably estimated, and ultimate collection is reasonable assured. Unconditional promises to give, are recognized as revenue at fair value when received or pledged.

f. Donated Services

A substantial number of individuals have volunteered significant amounts of their time to program and supporting functions; however, these services do not meet the criteria for recognition in accordance with U.S. generally accepted accounting principles and, therefore, are not recorded in the accompanying financial statements.

g. Functional Expenses

The Organization allocates expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program or supporting service are reported accordingly. Other expenses that are common to several functions are allocated by various statistical bases which attribute the cost to functional categories. Statistical bases utilized include square footage occupied by business units and estimated time and effort supporting other functions. Operating expenses represents the aggregate of various other program service costs and items not individually classified in the accompanying statement of functional expenses due to their varying nature and amount from year to year.

h. Measure of Operations

The Organization includes in its measure of operations all revenues and expenses that are integral to its program services and supporting services. The measure of operations

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

for the year ended December 31, 2021, includes investment return appropriated for operations.

i. Inventory

Inventory consists of goods in the gift shop which were unsold as of December 31, 2021. Inventory is recorded at cost on purchase, while contributed inventory is recorded at fair value. Inventory is deducted and expensed when used and distributed.

j. Investments

Investments are classified as available for sale securities and are reported at fair market value and included as a component of net assets. The specific identification method is used to determine realized gains and losses. Interest earned on the investments for the year ended December 31, 2021, was \$4,169. Unrealized gains and losses are reported in "Appreciation (depreciation)" in investment on the statement of activities and change in net assets.

Information pertaining to investment strategies is as follows:

- Cash equivalents provide short term liquidity and serve as a funding source for distributions and rebalancing.
- The fixed income category comprises strategies that invest principally in debt instruments issued by governments or companies or through the securitization of certain types of collateral. Fixed income provides stability and protection in deflationary environments.
- The public equity category comprises investment strategies that invest principally in publicly traded equity securities. These strategies are generally designed with reference to a benchmark that itself comprises equity securities that are traded on a recognized exchange. Public equities may include hedge funds whose investment objectives are benchmarked to equity markets.
- The private equity category comprises investment strategies that invest principally in privately issued equity-related securities. This category includes strategies that participate in venture capital, leveraged buyouts and control-oriented distressed situations.

The above asset categories are managed to create a portfolio effect to balance risk and return to meet investment objectives.

k. Cash and Cash Equivalents

The Organization considers all cash and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

equivalents include all moneys deposited in banks, money market funds in brokerage accounts and demand deposits held at the Organization. From time to time during the year, the Organization's cash balance in the financials has exceeded the FDIC insurance limits. The Organization maintains various operating accounts and savings accounts through which all receipts and disbursement flow. The balance at year end is the current balance of these accounts.

l. 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 the reported amounts of income and expenses during the reported period. Accordingly, actual results could differ from those estimates.

m. Advertising Costs

The Organization expenses advertising and promotional cost as and when incurred. Advertising and promotional expenses for the year ended December 31, 2021 was \$24,321.

n. Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provisions have been made for income taxes in the accompanying financial statements.

3. PROPERTY AND EQUIPEMENT

Property and equipment valued at \$1,000 or greater are recorded at cost or if donated at the approximate fair value at the date of donation. Fixed assets are depreciated on a straight- line basis over their estimated useful lives as follows:

Building	40 years
Parsonage	25 years
Building Improvements	20 years
Furniture, pianos, and organ	7 years
Equipment and vehicles	3-7 years

Property and equipment consist of:

Non-depreciable assets:

Land	\$ 866,033
------	------------

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

Depreciable Assets:

Temple building	\$ 1,008,601
Old Vrindaban buildings	112,751
Visnu's Workshop	168,180
Other buildings, roads, and parking lots	6,914,272
Sewage plant	209,640
Trucks and tractors	207,837
Autos and vans	105,233
Equipment and tools	299,999
Cows	47,700
Palace gift shop	13,486
Gas tank	13,364
Furniture and fixtures	217,456
Machinery and other equipment	282,294
Software	10,995
Palace project	714,778
Lodge 9 rooms	210,291
Children playground	34,923
Yoga platform	254,751
Building improvements	1,249,722
Lake Aerator	15,591
Tulsi House	317,405
New Gift Shop	95,876
Guest wing and 3 rd floor	370,681
Giftshop Warehouse	234,480
Govindas Express	23,500
Swan Boat House and Chattras	176,222
Mineral rights	66,160
Total Depreciable Assets	14,242,221
Less: Accumulated depreciation	<u>(7,493,113)</u>
Net Assets	<u>\$ 6,749,108</u>

The depreciation expense for the year ended December 31, 2021 was \$410,275.

Depletion of Natural Resources:

Natural gas properties, including related pipelines, are depreciated using a unit-of-production method. The cost of producing wells is amortized over proved developed reserves. License acquisition, common facilities and future decommissioning costs are amortized over total proved reserves. The unit of-production rate for the amortization of common facilities costs considers expenditures incurred to date, together with the future capital expenditure expected

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

to be incurred in relation to these common facilities and excluding future drilling costs.

In accordance with the IRS regulations listed under Publication 535 chapter 9, the organization can't claim percentage depletion for an oil or gas well unless at least one of the following applies; the organization is either an independent producer or a royalty owner or the well produces natural gas that is either sold under a fixed contract or produced from geo-pressured brine. Since the organization is leasing the land, the natural resources are not owned by the organization and no depletion is accounted for.

4. CERTIFICATE OF DEPOSITS

The organization has investments in certificate of deposits and the balances as of December 31, 2021, are as follows:

- a. First Internet bank - \$263,336 carrying an interest rate of 2.77% per annum
- b. Unified bank - \$257,372 carrying an interest rate of 0.31% per annum.
- c. Live Oak bank - \$254,443 carrying an interest rate of 1% per annum.

5. LONG-TERM DEBT

The organization has received from ECO-Vrindaban Inc. long-term loans (including current portion) which is outstanding and payable to as of December 31, 2021. The loan has been received for various projects currently undertaken by the organization and below is a summary of the various loans.

- a) ISKCON New Vrindaban Apartment construction loan. Total loan sanctioned, and disbursed amount was \$655,000 with an annual interest rate of 4.50% on outstanding balance. The Organization continues to repay the loan and the balance outstanding as of December 31, 2021, is \$599,105.
- b) Royalty sharing loan of \$532,127. The loan carries no interest and must be repaid when ISKCON Vrindaban has 117 net mineral acres under royalty production. There is no commencement of production, and the organization expects production to begin in 2023, accordingly the first repayment may happen from 2024 onwards. The payback of loan is based on 25% of the royalties received from royalties greater than 117 net mineral acres.
- c) ECO-V Bahulaban loan of \$142,115 repayable after 5 years.

Loan repayment schedule for the loans is as follows:

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

<u>Year</u>	<u>Amount</u>
2022	\$ 13,853
2023	14,489
2024	15,155
2025 and thereafter	<u>1,406,316</u>
	<u><u>\$1,449,813</u></u>

Payroll Protection Program (PPP) Loan

The organization has received a loan of \$541,665 from the Small Business Administration (SBA) under the PPP of the Coronavirus Aid, Relief, and Economic Security Act (Cares Act). The entire loan amount has been forgiven by the SBA and accordingly the organization has recorded the amount as income during the year.

6. FAIR VALUE MEASUREMENTS

The Organization applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1— inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 — inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The following table presents assets that are measured at fair value on a recurring basis at December 31, 2021:

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

	Level 1	Level 2	Level 3
Money Market Funds	\$ -	\$ -	\$ -
Equities	-	-	-
Fixed Income	-	775,131	-
Total	\$ -	\$ 775,131	\$ -

7. SIGNIFICANT FUNDERS AND CONCENTRATION OF CREDIT RISK

The Organization does not have any significant funders and all programs are conducted based on contributions from members, devotees, and public.

8. LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs and other financial commitments, while also striving to maximize the investment of its available funds. The Organization maintains a financial resources policy that outlines acceptable investment vehicles for working capital, which includes reserves to be spent in the short-term on current activities, donor restricted funds meant to be spent down over a relatively short period of time to fund programs, and operating cash, which includes gifts without donor restrictions and with restriction or funds for operating needs. The Organization invests available cash needed for its general expenditures, liabilities, and other obligations in short-term investments, specifically interest-bearing checking accounts, money market funds, and money market mutual funds.

Financial assets for general expenditures available within one year from December 31, 2021, are as follows:

Cash and cash equivalents	\$ 1,512,583
Certificate of deposits	<u>775,131</u>
Total	<u>\$ 2,287,714</u>

9. LEGAL MATTERS

The Organization is involved in an employment case filed in the West Virginia Civil Court. The plaintiff filed a case for wrongful and retaliatory discharge. This case is in early litigation development phase and is contesting it vigorously. The Management expects a favorable outcome since no demand has been made in this matter and plaintiff left the employment without reason or justification. Based on these facts, contingent liability is not being recorded.

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2021

10. RECENT ACCOUNTING PRONOUNCEMENTS

- During 2019, the Organization adopted Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14). ASU 2016-14 reduces the number of net assets from three to two: net assets without donor restrictions, previously reported as unrestricted net assets, and net assets with donor restrictions, previously reported as temporarily restricted net assets and permanently restricted net assets.
- The FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606) – This ASU clarifies the principles for recognizing revenue and creates a common revenue standard for U.S. GAAP and International Financial Reporting Standards. This ASU is effective for the year ending December 31, 2019.
- The FASB issued ASU No. 2016-02, Leases (Topic 842) – This guidance is designed to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing agreements. This ASU is effective for the year ending December 31, 2020.
- The FASB issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made – This ASU is intended to clarify and improve the scope and accounting guidance for contributions received and contributions made. The ASU is effective for the year ending December 31, 2019.

11. SUBSEQUENT EVENTS

The Organization has evaluated other subsequent events through July 14, 2022, the date which the financial statements were available to be issued. No reportable subsequent events have occurred through the issue date which would have a significant effect on the financial statements as of December 31, 2021, except as otherwise disclosed.