LEFTHAND WATERSHED OVERSIGHT GROUP

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

LEFTHAND WATERSHED OVERSIGHT GROUP
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	**4**
STATEMENT OF ACTIVITIES	**5**
STATEMENT OF FUNCTIONAL EXPENSES	**6**
STATEMENT OF CASH FLOWS	**7**
NOTES TO FINANCIAL STATEMENTS	**8**
SUPPLEMENTARY INFORMATION	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**14**
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	**16**

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lefthand Watershed Oversight Group
Longmont, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Lefthand Watershed Oversight Group (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows 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 financial position of Lefthand Watershed Oversight Group, as of December 31, 2022, 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lefthand Watershed Oversight Group 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 Lefthand Watershed Oversight Group's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

Auditors' 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 auditors' 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 and *Government 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 GAAS and *Government 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 Lefthand Watershed Oversight Group'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.

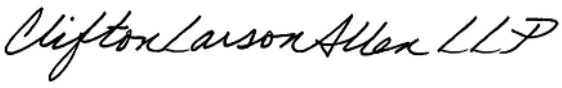
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lefthand Watershed Oversight Group's ability to continue as a going concern for a reasonable period of time.

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.

Board of Directors
Lefthand Watershed Oversight Group

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2023, on our consideration of Lefthand Watershed Oversight Group's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lefthand Watershed Oversight Group's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lefthand Watershed Oversight Group's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Broomfield, Colorado
May 12, 2023

LEFTHAND WATERSHED OVERSIGHT GROUP
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

Cash	$	673,860
Grant Receivables		82,780
Other Receivables		68,196
Capital Assets		44,647
Total Assets	$	869,483

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts Payable	$	4,860
Accrued Liabilities		13,430
Total Liabilities - All Current		18,290
NET ASSETS		
Without Donor Restrictions:		
Undesignated		727,047
Board Designated		120,000
With Donor Restrictions		4,146
Total Net Assets		851,193
Total Liabilities and Net Assets	$	869,483

See accompanying Notes to Financial Statements.

LEFTHAND WATERSHED OVERSIGHT GROUP
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Federal Grants	$ -	$ 41,163	$ 41,163
State Grants	-	277,865	277,865
Local Grants	615,970	-	615,970
Grant Revenue	615,970	319,028	934,998
Donated Goods and Services	32,108	-	32,108
Donated Goods and Services	32,108	-	32,108
Net Revenue	648,078	319,028	967,106
Net Assets Released From Restrictions	319,028	(319,028)	-
Total Revenues	967,106	-	967,106
EXPENSES			
Federal Grant Expenses	41,163	-	41,163
State and Local Grant Expenses	655,869	-	655,869
Donations	32,108	-	32,108
Fundraising	10,372	-	10,372
Total Expenses	739,512	-	739,512
INCREASE IN NET ASSETS	227,594	-	227,594
Net Assets - Beginning of Year	619,453	4,146	623,599
NET ASSETS - END OF YEAR	$ 847,047	$ 4,146	$ 851,193

See accompanying Notes to Financial Statements.

LEFTHAND WATERSHED OVERSIGHT GROUP
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services	Management and General	Fundraising and Development	Total
Professional Services	$ 230,996	$ -	$ -	$ 230,996
Salaries and Wages	378,395	20,029	-	398,424
Benefits	-	7,076	-	7,076
Audit	-	10,925	-	10,925
Legal	-	466	-	466
Bookkeeper	-	14,490	-	14,490
Office and Administration	-	25,082	-	25,082
Insurance	-	3,876	-	3,876
Postage	-	460	-	460
Training	-	5,237	-	5,237
Fundraising	-	-	10,372	10,372
Donated Rent	-	32,108	-	32,108
Total Expenses by Function	$ 609,391	$ 119,749	$ 10,372	$ 739,512

See accompanying Notes to Financial Statements.

LEFTHAND WATERSHED OVERSIGHT GROUP
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$	227,594
Reconciliation of Change in Net Assets to		
Net Cash Provided by Operating Activities		
Decrease in Current Assets:		
Grant Receivables		83,298
Other Receivables		(68,196)
Increase (Decrease) in Current Liabilities:		
Accounts Payable		4,858
Accrued Liabilities		(950)
Net Cash Provided by Operating Activities		246,604
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Capital Assets		(44,647)
Net Cash Used by Investing Activities		(44,647)
INCREASE IN CASH AND CASH EQUIVALENTS		201,957
Cash and Cash Equivalents - Beginning		471,903
CASH AND CASH EQUIVALENTS - ENDING	$	673,860

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Lefthand Watershed Oversight Group (LWOG) is a nonprofit, tax-exempt corporation formed on May 7, 2004, in the State of Colorado. LWOG was organized to assess and protect the quality of water in the Lefthand Creek watershed, to serve as a hub of communication about watershed issues, to foster collaboration in promoting education about watershed issues, and to facilitate the development of watershed health assessments, prioritization of protection measures, and development of remediation plans and practices that protect the Lefthand Creek watershed.

LWOG is an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended; and accordingly, a provision for income taxes has not been made. The Internal Revenue Service has determined LWOG is not a private foundation.

Basis of Accounting

LWOG maintains its accounting records on the full accrual basis of accounting in accordance with the accounting principles generally accepted in the United States.

Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. 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.

Functional Allocation of Expense

The costs of LWOG activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses. Expenses are allocated based on job descriptions and the best estimates of management. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting service, are allocated based on the best estimates of management.

Property and Equipment

Property and equipment purchased is recorded at cost or fair market value in the case of donated items. In prior years, there has been no property and equipment recorded by LWOG. In fiscal year 2022, LWOG purchased one fixed asset in late December. Accordingly, there has not been depreciation incurred on the useful life of this asset. Management assesses the carrying value of long-lived assets for impairment when circumstances indicate such amounts may not be recoverable from future operations. Generally, assets to be held and used in operations are considered impaired if the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. If impairment is indicated, the loss is measured based on the amount by which the carrying value exceeds its fair market value. Management does not believe that any indicators of impairment existed. Therefore, no impairment losses were incurred during the year ended December 31, 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

All financial transactions have been recorded and reported as net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor- (or certain grantor-) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions represent those amounts, which are donor restricted for specific purposes. 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. 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.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities, are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of time restrictions on net assets, (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

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 disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash only consists of cash held in checking and savings accounts at one financial institution. LWOG's cash balance did not exceed the federally insured limit during the fiscal year.

Receivables and Credit Policies

Accounts receivable consists of federal grant balances and local grant balances for expenses incurred, but not received as of December 31, 2022. No allowance has been made as all receivable balances are expected to be received from the related federal or local grant agency.

Income Tax Status

LWOG is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Uncertain Tax Positions

LWOG has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Accounting for Uncertainty in Income Tax*. That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken is required to meet before being recognized in financial statement. It also provides guidance for de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Management has analyzed the tax positions taken by LWOG and has concluded that as of December 31, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Donor-Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the Donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated Services

LWOG reports the fair value of donated rent as donated goods and services, without donor restrictions, and immediately thereafter, as expense when donated to LWOG. During the year ended December 31, 2022, LWOG received $32,108 in donated rent.

At times, LWOG may receive donated services from unpaid volunteers; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America.

Subsequent Events

In preparing this financial statement, LWOG has evaluated events and transactions for potential recognition or disclosure through, May 12, 2023, the date the financial statement was available to be issued. No subsequent events were identified.

Accrued Vacation Payable

At LWOG, annual leave with pay is granted to every permanent full-time and part-time employee, beginning with the first full month of employment. Annual leave is accrued at 10 days per year for employees in their first and second year of employment, 15 days for years 3-9, and 20 days for employees who have been employed 10 or more years. Earned annual leave is calculated and accrued monthly and must be approved by the Executive Director or by the designated supervisor. Generally, no payments in lieu of annual leave will be made, except when an employee terminates employment, in which case, he or she will receive payment for that annual leave time which has accrued up to the date of termination.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Vacation Payable (Continued)

Accrued health leave may not be taken as pay upon termination of employment. Lefthand Watershed Oversight Group began recording accrued vacation in 2021 and the accrued vacation liability as of December 31, 2022, totals $13,430.

Changes in Accounting Principles

Donated Goods and Services: In fiscal year 2022, LWOG adopted Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the financial statements, with the exception of increased disclosure.

Leases: In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (ASC 842)*. The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statements of financial position. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

LWOG adopted the requirements of the guidance effective January 1, 2022. LWOG has not elected to adopt the package of practical expedients available in the year of adoption. LWOG has not elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of LWOG's ROU assets. As of December 31, 2022, LWOG has not been a party to any lease agreements. The standard had no impact on the statement of financial position, the statement of activities, nor the statement of cash flows.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial Assets at Year-End:		
Cash and Cash Equivalents	$	673,860
Grants Receivable		82,780
Other Receivables		68,196
Total Current Assets		824,836
Less: Net Assets With Donor Restrictions		(4,146)
Less: Board Operating Reserves		(120,000)
Less: Grant Payables		(4,860)
Financial Assets Available to Meet General Expenses Within One Year	$	695,830

In 2022, an additional $60,000 was transferred from unrestricted net assets to the operating reserve fund to continue saving to reach a goal of 3 months of operating funds per a reserve fund policy that was passed in the prior year. As of 12/31/22, the balance of the operating reserve fund is $120,000.

NOTE 3 CASH AND CASH EQUIVALENTS

LWOG maintains all of its cash with one financial institution. The carrying amount of the deposits was $673,860 and the bank balance was $813,619 at December 31, 2022. At times, cash balances may be in excess of FDIC insurance limits.

NOTE 4 CONCENTRATIONS

LWOG receives a substantial amount of its support from federal and state government agencies. If the federal or state agencies significantly reduced the level of support provided to LWOG, it would have a material effect on LWOG's operations. Management is aware of the concentration and its potential impact. If any reduction did occur, management would take action as appropriate to limit the effect of its programs.

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Subject to Expenditure for Specified Purpose:	
Community Science Program	$ 4,146
Total	$ 4,146

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose for the year ended December 31, 2022:

Satisfaction of Purpose Restrictions:	
General Use - Federal Grants	$ 41,163
General Use - State Grants	277,865
Total	$ 319,028

NOTE 6 EMPLOYEE BENEFITS

LWOG has adopted a savings incentive match plan (SIMPLE) which is an arrangement that provides for LWOG and its employees to make contributions to provide employee retirement income. All employees are eligible to participate in the plan. The maximum employee contribution for 2022 was $14,000. The District matches employee contributions up to 3% of the employee's annual salary. This contribution rate and other provisions of the plan are established and may be amended by the Board of Directors. During the year ended December 31, 2022, LWOG contributed $10,802.

NOTE 7 DONATED GOODS AND SERVICES

Donated goods and services for the fiscal year ended December 31, 2022, included in the financial statements, was as follows:

	2022
Rent	$ 32,108
	$ 32,108

In valuing the contributed rent, which is for office space located in Longmont, LWOG estimated the fair value on the basis of comparable sales prices in Longmont's real estate market. Unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Lefthand Watershed Oversight Group
Longmont, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Lefthand Watershed Oversight Group (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 12, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lefthand Watershed Oversight Group's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lefthand Watershed Oversight Group's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lefthand Watershed Oversight Group's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lefthand Watershed Oversight Group's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

LWOG's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on LWOG's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. LWOG's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
May 12, 2023

LEFTHAND WATERSHED OVERSIGHT GROUP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022

2022-001: Internal Controls – Accruals

Type of Finding:

Significant Deficiency in Internal Control

Criteria or Specific Requirement: *Government Auditing Standards* (GAS)

Condition: We noted that the accrual for vacation was misstated as of December 31, 2022.

Cause: Due to bookkeeping error and internal controls over accruals not being maintained, the prior year's accrual balance was included in the year-end balance as of December 31, 2022.

Effect: The accrual was overstated by $11,523 as of December 31, 2022. Accordingly, total liabilities and total expenses were both overstated by the aforementioned amount at year-end.

Repeat Finding: No

Recommendation: We recommend internal controls over the accrual process be maintained to reduce the risk of material misstatement.

Views of Management: LWOG corrected the balance as of December 31, 2022, and will maintain controls over the recording of accruals in future years.

Global
INDEPENDENT
NETWORK MEMBER

CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAglobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.