

**FIELD READY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2023**  
**(With Comparative Totals for 2022)**  
**(With Independent Auditors' Report)**

**FIELD READY, INC. AND SUBSIDIARIES**

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**DECEMBER 31, 2023**

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Field Ready, Inc. and Subsidiaries  
Evanston, Illinois

### ***Opinion***

We have audited the accompanying consolidated financial statements of Field Ready, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Field Ready, Inc. and Subsidiaries as of December 31, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Field Ready, Inc. and Subsidiaries 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 Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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, including omissions, 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 consolidated 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 consolidated 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 consolidated 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 the organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the organization'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.

### **Report on Summarized Comparative Information**

We have previously audited the Organization's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 18, 2024. In our opinion, the summarized comparative information presented herein as of and for the year December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

ICL, LLC

ICL, LLC  
Chicago, IL

November 25, 2024

FIELD READY, INC. AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

(With Comparative Totals for 2022)

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Current Assets		
Cash and cash equivalents - Unrestricted	\$ 136,578	\$ 219,353
Cash and cash equivalents - Restricted	116,095	305,607
Grants and contracts receivable	5,100	47,287
Other assets	118,349	80,277
Total current assets	<u>376,122</u>	<u>652,524</u>
Property and Equipment		
Equipment	70,213	70,213
Less: accumulated amortization	<u>(10,714)</u>	<u>(7,707)</u>
Net property and equipment	<u>59,499</u>	<u>62,506</u>
Total Assets	<u>\$ 435,621</u>	<u>\$ 715,030</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	169,925	608,490
Refundable advances	<u>68,075</u>	<u>46,644</u>
Total current liabilities	<u>238,000</u>	<u>655,134</u>
Net Assets		
Net assets without donor restrictions	197,621	59,896
Net assets with donor restrictions	<u>-</u>	<u>-</u>
Total net assets	<u>197,621</u>	<u>59,896</u>
Total Liabilities and Net Assets	<u>\$ 435,621</u>	<u>\$ 715,030</u>

See accompanying notes to the financial statements.

FIELD READY, INC. AND SUBSIDIARIES

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2023	2022
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUE AND SUPPORT:</b>				
Contributions and grants	\$ 1,070,065	\$ -	\$ 1,070,065	\$ 2,821,226
Other income	9,180	-	9,180	48,661
Net assets released from restrictions	-	-	-	-
Total Revenue and Support	<u>1,079,245</u>	<u>-</u>	<u>1,079,245</u>	<u>2,869,887</u>
<b>EXPENSES:</b>				
Program services	888,745	-	888,745	2,792,946
Supporting services:				
Management and general	50,425	-	50,425	104,080
Fundraising	2,350	-	2,350	1,943
Total Expenses	<u>941,520</u>	<u>-</u>	<u>941,520</u>	<u>2,898,969</u>
 CHANGE IN NET ASSETS	 137,725	 -	 137,725	 (29,082)
 NET ASSETS, BEGINNING OF YEAR	 <u>59,896</u>	 <u>-</u>	 <u>59,896</u>	 <u>88,978</u>
 NET ASSETS (DEFICIT), END OF YEAR	 <u>\$ 197,621</u>	 <u>\$ -</u>	 <u>\$ 197,621</u>	 <u>\$ 59,896</u>

See accompanying notes to the financial statements.

FIELD READY, INC. AND SUBSIDIARIES

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total 2023</u>	<u>Total 2022</u>
Contractors	\$ 385,683	\$ -	\$ -	\$ 385,683	\$ 809,319
Professional services	133,075	22,674	-	155,749	140,250
Equipment and materials	142,369	-	-	142,369	383,411
Occupancy	33,120	1,333	-	34,453	51,289
Marketing and advertising	-	-	2,325	2,325	3,433
Information technology	7,268	-	-	7,268	26,084
Conference, meetings, training	2,618	-	-	2,618	158,530
Partnership payments	37,754	-	-	37,754	1,081,827
Travel	107,705	-	-	107,705	138,531
Insurance	6,238	7,421	-	13,659	38,874
Supplies and office	25,975	-	25	26,000	8,836
Bank and credit card fees	4,066	2,384	-	6,450	27,805
Printing	609	25	-	634	1,489
Depreciation	-	3,007	-	3,007	3,007
Miscellaneous	2,265	13,581	-	15,846	26,284
Total expenses	<u>\$ 888,745</u>	<u>\$ 50,425</u>	<u>\$ 2,350</u>	<u>\$ 941,520</u>	<u>\$ 2,898,969</u>

See accompanying notes to the financial statements.

FIELD READY, INC. AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 137,725	\$ (29,082)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,007	3,007
Change in assets and liabilities:		
Grants and contracts receivable	42,187	(26,741)
Other assets	(38,072)	86,484
Due to/from related party	-	-
Accounts payable	(438,565)	1,533
Refundable advance liability	21,431	(88,160)
Net cash used in operating activities	<u>(272,287)</u>	<u>(52,959)</u>
<b>Cash Flows From Investing Activities</b>	<u>-</u>	<u>-</u>
<b>Cash Flows From Financing Activities:</b>	<u>-</u>	<u>-</u>
<b>Net Decrease in cash and cash equivalents</b>	(272,287)	(52,959)
<b>Cash and cash equivalents, Beginning of Year</b>	<u>524,960</u>	<u>577,919</u>
<b>Cash and cash equivalents, End of Year</b>	<u>\$ 252,673</u>	<u>\$ 524,960</u>
<b>Supplemental Disclosure:</b>		
Cash and cash equivalents - Unrestricted	\$ 136,578	\$ 219,353
Cash and cash equivalents - Restricted	116,095	305,607
	<u>\$ 252,673</u>	<u>\$ 524,960</u>

See accompanying notes to the financial statements.



FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 1 – NATURE OF ORGANIZATION**

Field Ready, Inc. and Subsidiaries (“Organization”), was incorporated in the State of Delaware in 2013 and is operating as a tax-exempt nonprofit organization in Illinois. Its mission is to transform the way that needs are met in disaster relief and recovery by providing assistance through technology, innovative design and engaging people in new ways. The impact of this is to dramatically improve efficiency in aid delivery by meeting needs that are at present only partially fulfilled by cutting procurement costs and reducing transportation. In order to pursue the Organization’s programs and/or serve as a conduit to receive grant funds in the South Pacific, Europe and elsewhere, the Organization incorporated and registered as charity organizations in 2018 under the name of Field Ready Trust Board in Fiji, Field Ready LTD in Australia and Field Ready in the United Kingdom, and in 2019, as Stichting Field Ready in the Netherlands. Field Ready LTD in Australia was organized to serve as a conduit to receive grant funds required by United Nations Children's Fund, Australia (the “UNICEF Australia”) on behalf of Field Ready, Inc. in order to pursue its programs in Fiji where the Organization is actively operating. As of December 31, 2021, the United Kingdom entity was spun off and renamed and the Netherlands entity was suspended. Neither of these entities had activity during the years ended December 31, 2023 and 2022.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

Principles of Consolidation

The consolidated financial statements include the accounts of Field Ready Inc., Field Ready Trust Board in Fiji, and Field Ready LTD in Australia.

Collectively these entities are known as (the “Organization”), which are related through common control and management. All intercompany balances and transactions have been eliminated.

Basis of Accounting

The consolidated financial statements of Organization have been prepared on the accrual basis of accounting in accordance with U.S. Generally Accepted Accounting Principles.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Accounting Policies

The Organization follows accounting standards established by the Financial Accounting Standards Board (FASB) to ensure consistent reporting of financial condition, results of activities, and cash flows. Reference to Generally Accepted Accounting Principles (GAAP) in these footnotes is to the *FASB Accounting Standards Codification*, sometimes referred to as the Codification or ASC.

Financial Statement Presentation

The Organization presents financial information pursuant to FASB Accounting Standards Codification *Not-for-Profit Entities: Presentation of Financial Statements (Subtopic 205)*, which establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified into distinct net asset categories according to externally (donor) imposed restrictions. In addition, the Organization is required to present a statement of cash flows.

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions are net assets without donor restrictions. These assets include the revenues and expenses of the primary operations of the Organization. Donor restricted contributions and grants whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor or grant-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time are classified 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.

Cash and Cash Equivalents

The Organization considers cash and cash equivalents to include checking and savings accounts.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Revenue Recognition – Contributions and Grants

The Organization's support primarily consists of contributions and grants. The Organization recognizes contributions and grants when cash, securities or other assets, an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been substantially met.

Contributions and grants received are recorded as support within net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions.

Revenue from Contracts with Customers

A portion of the Organization's support is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position.

Revenue Recognition – Sale of Products and Services

Revenue is recognized when control of the promised goods and services are transferred to the customers, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods and services. The control of the promised goods is transferred to the customers when the goods are delivered. Service revenues represent services rendered to customers.

Revenue Recognition – Donated Services and In-Kind Contributions

Donated services are recognized as contributions if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers provide services that are not recognized as contributions in the consolidated financial statements since the revenue recognition criteria were not met.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Contributions and Grants Receivable

Contributions and grants receivable represents unconditional commitments made by donors. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. Management determines a reserve for doubtful contributions receivable based on estimates of collectability with certain donors with past experience as well as a general reserve for the remaining amount.

In-Kind Contributions

The Organization is also the recipient of a variety of goods and services by volunteers for fundraising events and other activities. In-kind contributions are recorded when there is discernable measurable fair value of goods and services.

Refundable Advances

Refundable advances consist of contractual advances from partner organizations and agencies for contractual obligations not yet fulfilled.

Property and Equipment

Acquisitions of property and equipment over \$25,000 are recorded at cost if purchased, or fair value if donated. Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of fixed assets are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, and any gain or loss is reported in the consolidated statements of activities. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the related assets. Depreciation was \$3,007 for the years ended December 31, 2023 and 2022.

Agency transactions

The Organization may act as an agent in certain circumstances by receiving cash contributions from individuals, businesses and other organizations and is not granted variance power. These such transactions are ultimately transferred to the designated recipients based on the wishes of the donor and are recorded on the statement of financial position as amounts held for others.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tax-Exempt Status

The Organization is a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance the Organization may recognize the tax benefits from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to potential sources of unrelated business taxable income. There were no unrecognized tax benefits identified or recorded as liabilities for the reporting period presented in the consolidated financial statements. As of and for the year ended December 31, 2023, management has determined that there are no uncertain tax positions. The Organization files Form 990 in the U.S. federal jurisdiction and the State of Illinois.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, investments, accrued liabilities approximate fair value because of the short-term maturity of these financial instruments.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among various functional areas using a variety of cost allocation techniques such as square footage and time and effort. Such allocations are determined by management on an equitable basis.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Subsequent Events

The Organization has evaluated subsequent events for potential recognition and/or disclosures through November 25, 2024, the date the consolidated financial statements were available to be issued.

**NOTE 3 – CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents and grants and contracts receivable.

The Organization maintains its cash checking accounts, which from time to time may exceed the federally insured limits of \$250,000. The Organization has not experienced any losses in such accounts and believes that it is not exposed to any significant risk on cash and cash equivalents.

**NOTE 4 – GRANTS AND CONTRACTS RECEIVABLE**

Grants and contracts receivable are reported at their discounted value reduced by the allowance for doubtful accounts, if any. Based on the review of outstanding receivables, management determined that no allowance was necessary at December 31, 2023 and 2022.

**NOTE 5 – PARTNERSHIP PAYMENTS**

The Organization will at times subcontract work to an unrelated party in accordance with the grant agreement. Funds received are reported in the consolidated statements of activities as contributions and grants and amounts paid to such subcontractors are expensed as partnership payments.

**NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS**

There are no net assets with donor restrictions at December 31, 2023 or 2022 that are available for general operating purposes in future periods.

FIELD READY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(With Comparative Totals for 2022)

**NOTE 7 – CONDITIONAL PROMISES TO GIVE**

The Organization determines whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met, or the donor has explicitly released the restriction.

The approximate conditional promises to give as of December 31, 2023 and 2022, are available for spending in the next following year when the conditions are expected to be met:

	<u>2023</u>	<u>2022</u>
Financial assets:		
Domestic government grants	\$ 966,956	\$ 668,978
Foreign government and private funds	63,422	244,119
Total conditional promises to give	<u>\$ 1,030,378</u>	<u>\$ 913,097</u>

**NOTE 8 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting use, within one year as of December 31, 2023 are:

	<u>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents - Unrestricted	\$ 136,578	\$ 219,353
Cash and cash equivalents - Restricted	116,095	305,607
Grants and contracts receivable	5,100	47,287
Total financial assets	<u>257,773</u>	<u>572,247</u>
Less: Restricted Cash	(116,095)	(305,607)
Less: financial assets held to meet donor-imposed restrictions	-	(36,157)
Amount available for general expenditures within one year	<u>\$ 141,678</u>	<u>\$ 230,483</u>