

**CMCARTS, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**  
*(With Comparative Totals for 2020)*

**CMCARTS, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
CMCARTS, Inc..  
St. Croix, U.S. Virgin Islands

### Report on Financial Statements

We have audited the accompanying statement of financial position of CMCARTS, Inc. (CMCARTS) as of December 31, 2021, the related statements of activities and changes in net assets, 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 of 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 controls 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.

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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CMCARTS as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### Report on Summarized Comparative Information

We have previously audited CMCARTS, Inc. 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 22, 2022. In our opinion, the summarized comparative information presented herein, as of and for the year ended December 31, 2020, is consistent in all material respects with the audited financial statements from which it was derived.

*Bert Smith & Co.*

May 24, 2023  
St. Croix, U.S. Virgin Islands

**CMCARTS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**  
*(With Comparative Totals for 2020)*

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash	\$ 344,143	\$ 251,348
Prepaid Expenses	1,106	-
Property and Equipment, net	39,669	29,688
<b>Total Assets</b>	<b>\$ 384,918</b>	<b>\$ 281,036</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 34,110	\$ 9,204
Security Deposit	-	48
Note Payable	100,000	100,000
<b>Total Liabilities</b>	<b>\$ 134,110</b>	<b>\$ 109,252</b>
<b>Net Assets</b>		
Without Donor Restrictions	\$ 250,808	\$ 171,784
<b>Total Liabilities and Net Assets</b>	<b>\$ 384,918</b>	<b>\$ 281,036</b>

*The accompanying notes are an integral part of these financial statements.*

**CMCARTS, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
*(With Comparative Totals for 2020)*

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2021</u>	<u>2020</u>
<b>Revenues and Support</b>				
Contributions	\$ 293,382	\$ -	\$ 293,382	\$ 192,518
Membership Dues	22,848	-	22,848	12,570
Program Revenue	93,016	-	93,016	18,220
Merchandise Sales	7,961	-	7,961	4,165
COVID Relief	28,600	-	28,600	17,600
Rental Income	38,783	-	38,783	28,485
Investment Income	1,340	-	1,340	323
<b>Total Revenues and Support</b>	<u>485,930</u>	<u>-</u>	<u>485,930</u>	<u>273,881</u>
<b>Expenses</b>				
Program	390,026	-	390,027	195,567
General and Administration	16,879	-	16,879	14,234
<b>Total Expenses</b>	<u>406,905</u>	<u>-</u>	<u>406,906</u>	<u>209,801</u>
<b>Change in Net Assets</b>	79,025	-	79,024	64,080
<b>Net Assets, Beginning of Year</b>	<u>171,784</u>	<u>-</u>	<u>171,784</u>	<u>107,704</u>
<b>Net Assets, End of Year</b>	<u>\$ 250,808</u>	<u>\$ -</u>	<u>\$ 250,808</u>	<u>\$ 171,784</u>

*The accompanying notes are an integral part of these financial statements.*

**CMCARTS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
*(With Comparative Totals for 2020)*

	<u>Program Services</u>	<u>Management and General</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
Salaries and Wages	\$ 73,881	\$ -	\$ 73,881	\$ 41,261
Benefits	25,320	-	25,320	17,398
Payroll Taxes	6,959	-	6,959	2,764
Professional Fees	3,415	7,414	10,829	5,887
Marketing and Promotion	5,351	-	5,351	2,478
Apartment Fees	4,751	-	4,751	4,025
Event and Classes	141,423	-	141,423	22,890
Gift Shop	13,212	-	13,212	5,949
Office Expense	-	5,783	5,783	3,517
Rent	72,000	-	72,000	72,000
Repairs and Maintenance	16,281	-	16,281	11,194
Utilities	13,094	-	13,094	9,317
Insurance	-	2,551	2,551	2,990
Taxes	-	-	-	960
Depreciation Expense	5,271	-	5,271	3,932
Exhibitions: Framing	4,076	-	4,076	1,116
Other	4,992	1,131	6,124	2,123
	<u>\$ 390,026</u>	<u>\$ 16,879</u>	<u>\$ 406,906</u>	<u>\$ 209,801</u>

*The accompanying notes are an integral part of these financial statements.*



**CMCARTS, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
*(With Comparative Totals for 2020)*

	<u>2021</u>	<u>2020</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 79,024	\$ 64,080
<i>Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities</i>		
Depreciation Expense	5,271	3,932
<i>(Increase) Decrease in Asset</i>		
Receivables	-	4,600
Prepaid Expenses	(1,106)	
<i>(Decrease) Increase in Asset</i>		
Accounts Payable	24,906	6,343
Security Deposit	(48)	(1,002)
	<u>108,047</u>	<u>77,953</u>
<b>Net Cash Provided by Operating Activities</b>		
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	<u>(15,252)</u>	<u>(16,312)</u>
<b>Net Cash (Used In) Investing Activities</b>	<u>(15,252)</u>	<u>(16,312)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Notes Payable	<u>-</u>	<u>100,000</u>
<b>Net Cash Provided by Financing Activities</b>	<u>-</u>	<u>100,000</u>
<b>Net Increase in Cash</b>	92,795	161,641
<b>Cash, Beginning of Year</b>	<u>251,348</u>	<u>89,707</u>
<b>Cash, End of Year</b>	<u>\$ 344,143</u>	<u>\$ 251,348</u>

*The accompanying notes are an integral part of these financial statements.*



**CMCARTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1      NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

- ***Nature of Operations:*** The CMCARTS, Inc. (CMCARTS) is an art space dedicated to preserving, promoting, and exhibiting the arts of the Caribbean community. CMCARTS offers creative learning experiences that foster an understanding of the rich cultural and artistic traditions of the Caribbean through interactive environments that encourages positive forms of expression for all ages.

CMCARTS, Inc. was previously reported in its financial statements as Caribbean Museum Center for the Arts, Inc. It is now federally recognized as CMCARTS, Inc.

CMCARTS was conceived by Candia Atwater in 1994 as a means of addressing the increase in violence afflicting the youth of the capital St. Croix. Atwater saw the need to have a special place for children, as well as the larger island community, to create and appreciate art in all its forms. To address that need, she initiated a multi-faceted arts program that focused on our island's youth. As part of annual offerings, CMCARTS organizes the "Island Art & Soul," which showcases Caribbean artists and their work. Since 2003, CMCARTS programs and exhibitions have been housed in a historic building on Strand Street in Frederiksted.

- ***Basis of Accounting:*** CMCARTS prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
- ***Net Asset Classification:*** CMCARTS' financial statements follow accounting standards for financial statements of not-for-profit organizations. Under these standards, CMCARTS' reports information regarding its financial position and activities according to the following net asset classifications:

... **Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CMCARTS. These net assets may be used at the discretion of the CMCARTS' management and the board of directors.

... **Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CMCARTS or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and changes in net assets. If a donor restriction expires in the same reporting period, CMCARTS reports the contributions without donor restrictions.

- ***Income Taxes:*** CMCARTS is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; and therefore, no provision has been made for federal income taxes in the financial statements. Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 740, Income Taxes, requires management to evaluate tax positions taken by CMCARTS and recognize a tax liability if the organization has taken an uncertain tax position that more likely than would not be sustained upon examination by the Internal Revenue Service. As of December 31, 2021, CMCARTS management has assessed its various tax positions, and it believes there are no liabilities for uncertain tax positions.
- ***Cash and Cash Equivalents:*** Cash equivalents consist of highly liquid investments with original maturities of three months or less.
- ***Property and Equipment:*** Property and equipment are recorded at cost and are being depreciated on a straight-line basis over their estimated useful lives of three to forty years. Expenditures for major repairs and improvements are capitalized. Donated property is recorded at fair value at the date of donation. Expenditures for minor repairs and maintenance costs are expensed when incurred. CMCARTS capitalizes all fixed assets greater than \$500. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss, if any, is included in revenue or expenses in the accompanying statement of activities.
- ***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 certain reported amounts and disclosures of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reporting amount of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.
- ***Functional Allocation of Expenses:*** The cost of providing CMCARTS' various programs and supporting services has been summarized on a functional basis in the statement of activities and change in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefit. The expenses are allocated based on direct charges and the estimated percentage of time employees spent between the program and general and administrative functions.



- **Comparative Information:** The amounts shown for 2020 in the accompanying financial statements are included only to provide a basis for comparison with 2021 and are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CMCARTS' financial statements for the year ended December 31, 2020.
- **Reclassifications:** Certain accounts and amounts reported in the 2020 organization financial statements have been reclassified to conform to the 2021 financial statement presentation. The reclassification had no effect on the change in the net assets for 2020.
- **Issued Accounting Pronouncements:** In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. Based on this guidance, lessees are required to recognize the following for all leases with terms longer than 12 months: (a) lease liabilities measured on a discounted basis; and (b) lease assets, which represent the lessee's right to use or control the use of, a specified asset for the lease term. The new guidance requires a modified retrospective transition approach for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. This new standard was amended to be effective for fiscal years beginning after December 15, 2021 (the fiscal year 2022 for CMCARTS), with early application permitted. CMCARTS is evaluating the impact that this standard will have on the financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The purpose of the new guidance is to improve transparency related to nonfinancial assets (also known as in-kind contributions) received by not-for-profit (NPF) organizations. This new standard was amended to be effective for fiscal years beginning after June 15, 2021 (the fiscal year 2022 for CMCARTS), with early application permitted. CMCARTS is evaluating the impact that this standard will have on the financial statements.

## NOTE 2 AVAILABILITY AND LIQUIDITY

The following table represents the CMCARTS' financial assets as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial Assets at Year-End		
Cash	<u>\$344,143</u>	<u>\$251,348</u>
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	<u>\$344,143</u>	<u>\$251,348</u>

CMCARTS prepares an annual budget to ensure it meets the cash needs of the organization.

**NOTE 3 PROPERTY AND EQUIPMENT**

CMCARTS' property and equipment consist of the following as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Furniture and Equipment	\$ 23,731	\$ 16,129
Leasehold Improvements	31,266	15,966
Construction In Progress	-	7,650
Total Property and Equipment	<u>54,997</u>	<u>39,745</u>
Less Accumulated Depreciation	<u>(15,328)</u>	<u>(10,057)</u>
Property and Equipment, net	<u>\$ 39,669</u>	<u>\$ 29,688</u>

Depreciation expense for 2021 was \$5,271.

**NOTE 4 NOTES PAYABLE**

On September 2, 2020, CMCARTS received a promissory note from the U.S. Small Business Administration in the amount of \$100,000. The proceeds of the note are to be used solely as working capital to alleviate economic injury caused by the disaster which occurred in January 2020. Interest at 2.75% is due monthly, with principal payments allowed to be made two years after signing the promissory note. The note matures in 30 years and is due in September 2052. As of December 31, 2021, the balance of the note totaled \$100,000. During the fiscal year 2021, interest expense paid related to the loan totaled \$-0-. The principal payments are as follows:

<u>Year</u>	<u>Total</u>
2022	\$ 719
2023	2,196
2024	2,257
2025	2,320
2026	2,385
Thereafter	<u>90,123</u>
Total	<u>\$ 100,000</u>

**NOTE 5 CONTINGENCIES**

CMCARTS' management asserts that there have been no material claims, suits or complaints filed, nor are any pending against CMCARTS. In the opinion of management, any potential liability from all other claims and other matters which are omitted or unasserted are without merit and will not have a material adverse effect upon the financial position or results of net assets of CMCARTS if they were to be disposed of unfavorably.

**NOTE 6 SUBSEQUENT EVENTS**

CMCARTS has evaluated subsequent events through May 24, 2023, which is the date the financial statements were available to be issued. This review and evaluation revealed no additional material events that would require disclosure or have an effect on the financial statements.





July 20, 2023

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Ms. Lisa Mordhorst, Executive Director  
CMCARTS, Inc.  
PO Box 734  
Frederiksted, VI 00841

Dear Ms. Mordhorst:

We are pleased to confirm our understanding of the services we are to provide for the CMCARTS, Inc. (CMCARTS) for the year ended December 31, 2022.

**Audit Scope and Objectives:** We will audit the financial statements of the CMCARTS, which comprise the statement of financial position as of December 31, 2022, the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures collectively, the financial statements”.

The objectives of our audit 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 issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

**Auditor’s Responsibilities for the Audit of the Financial Statements:** We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to CMCARTS or to acts by management or employees acting on behalf of CMCARTS.

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Ms. Lisa Mordhorst, Executive Director  
CMCARTS, Inc.

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Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of CMCARTS and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance and internal control-related matters that are required to be communicated under professional standards.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate, which raises substantial doubt about CMCArt's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

**Other Services:** We will prepare CMCARTS' 990 federal tax return for the year ended December 31, 2022, based on the information provided by you. We will also assist in preparing the financial statements of CMCARTS in conformity with accounting principles generally accepted in the United States of America based on the information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statements, and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.



Ms. Lisa Mordhorst, Executive Director  
CMCARTS, Inc.

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July 20, 2023

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You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

**Responsibilities of Management for the Financial Statements:** Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within CMCARTS from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representation from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud and for informing us about all known or suspected fraud affecting the CMCARTS involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the CMCARTS received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the CMCARTS complies with applicable laws and regulations. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

### **Ownership of Working Papers**

The working papers prepared in conjunction with our audit are the property of Bert Smith & Co., constitute confidential information, and will be retained by us in accordance with Bert Smith & Co.'s policies and procedures.



Ms. Lisa Mordhorst, Executive Director  
CMCARTS, Inc.

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July 20, 2023

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**Availability of Records and Personnel**

You agree that all records, documentation, and information we request in connection with our audit will be made available to us (including those pertaining to related parties), that all material information will be disclosed to us, and that we will have the full cooperation of, and unrestricted access to, your personnel during the course of the engagement.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

George S. Willie is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our audit and tax services fees will be consistent with the 2020 and 2021 audit services, which were four thousand dollars (\$4,000). The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly.

**Reporting**

We will issue a written report upon completion of our audit of CMCARTS' financial statements. Our report will be addressed to the Board of Directors of CMCARTS. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to CMCARTS, Inc., and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Very truly yours,

*Boyd Smith & Co*

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Ms. Lisa Mordhorst, Executive Director  
CMCARTS, Inc.

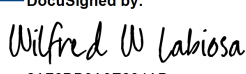
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**RESPONSE:**

This letter correctly sets forth the understanding of CMCARTS, Inc.

Management signature:   
Title: Executive Director  
Date: 7/27/23

DocuSigned by:  
  
Governance signature: 2A76DB0A0E894AB...  
Title: Treasurer  
Date: August 5, 2023