

TRI-LAKES CARES
FINANCIAL STATEMENTS
September 30, 2019



TRI-LAKES CARES

Table of Contents

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Tri-Lakes Cares

We have audited the accompanying financial statements of ***Tri-Lakes Cares*** (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, 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.

Auditors' 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 2019 financial statements referred to above present fairly, in all material respects, the financial position of **Tri-Lakes Cares** as of September 30, 2019, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Organization adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* for the year ended September 30, 2019. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements and Prior Period Adjustments

The financial statements of **Tri-Lakes Cares** as of September 30, 2018 were audited by other auditors whose report, dated December 7, 2018, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2018, is consistent in all material respects, with the audited financial statements from which it has been derived, other than as noted in the following paragraph.

As part of our audit of the September 30, 2019 financial statements, we also audited the adjustments described in Note 1 that were applied to restate the September 30, 2018 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the September 30, 2018 financial statements of **Tri-Lakes Cares** other than with respect to these adjustments and, accordingly, we do not express an opinion or any other form of assurance on the September 30, 2018 financial statements as a whole.

Erickson, Brown & Kloster, P.C.

Colorado Springs, Colorado
December 12, 2019

TRI-LAKES CARES
Statement of Financial Position
September 30, 2019 (with comparative totals for 2018)

	2019	2018
Assets		
Current assets:		
Cash	\$ 211,833	\$ 162,241
Grants and contributions receivable	79,457	64,858
Investments	22,262	-
Gift cards	5,636	2,520
Inventories	58,047	47,561
Prepaid expenses	17,256	10,792
Total current assets	394,491	287,972
Property and equipment, net	401,785	410,272
Investment in oil royalty interest	1,000	1,000
	\$ 797,276	\$ 699,244
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 15,599	\$ 16,954
Accrued expenses	29,326	19,800
Total current liabilities	44,925	36,754
Net assets:		
Without donor restrictions	617,854	563,783
With donor restrictions	134,497	98,707
	752,351	662,490
	\$ 797,276	\$ 699,244

See accompanying notes

TRI-LAKES CARES
Statement of Activities
Year Ended September 30, 2019 (with comparative totals for 2018)

	2019			2018 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Support and revenues:				
Donated goods and services	\$ 717,055	\$ -	\$ 717,055	\$ 688,769
Contributions	398,759	71,246	470,005	416,287
Grants	188,740	146,156	334,896	302,826
Investment income	1,824	-	1,824	1,923
Other income	329	-	329	120
Net assets released from restrictions	181,612	(181,612)	-	-
	<u>1,488,319</u>	<u>35,790</u>	<u>1,524,109</u>	<u>1,409,925</u>
Expenses:				
Program services:				
Family stabilization	478,481	-	478,481	489,064
Pantry	540,772	-	540,772	518,887
Housing and utilities	143,100	-	143,100	142,275
	<u>1,162,353</u>	<u>-</u>	<u>1,162,353</u>	<u>1,150,226</u>
General and administrative	96,874	-	96,874	101,000
Fundraising and development	175,021	-	175,021	152,668
	<u>1,434,248</u>	<u>-</u>	<u>1,434,248</u>	<u>1,403,894</u>
Change in net assets	<u>54,071</u>	<u>35,790</u>	<u>89,861</u>	<u>6,031</u>
Net assets, beginning of year, as previously reported	-	-	-	634,499
Prior period adjustments	-	-	-	21,960
Net assets, beginning of year, as restated	<u>563,783</u>	<u>98,707</u>	<u>662,490</u>	<u>656,459</u>
Net assets, end of year	<u>\$ 617,854</u>	<u>\$ 134,497</u>	<u>\$ 752,351</u>	<u>\$ 662,490</u>

See accompanying notes

TRI-LAKES CARES
Statement of Functional Expenses
Year Ended September 30, 2019 (with comparative totals for 2018)

	2019							2018 Total
	Program Services				Other Services			
	Family Stabilization	Pantry	Housing and Utilities	Total	General and Administrative	Fundraising and Development	Total	
Direct expenses:								
Donated goods distributed	\$ 100,178	\$ 428,282	\$ 13,471	\$ 541,931	\$ 93	\$ 1,269	\$ 543,293	\$ 518,271
Housing assistance	-	-	40,080	40,080	-	-	40,080	45,055
Groceries and food assistance	1,517	37,800	-	39,317	-	-	39,317	38,575
Medical assistance	26,281	-	-	26,281	-	-	26,281	22,705
Gifts	12,855	-	-	12,855	-	-	12,855	918
Transportation	7,767	-	-	7,767	-	-	7,767	9,141
Education assistance	5,940	-	-	5,940	-	-	5,940	10,195
General assistance	4,488	-	-	4,488	-	-	4,488	13,340
Utilities	-	-	3,975	3,975	-	-	3,975	3,083
Gas vouchers	1,183	-	-	1,183	-	-	1,183	825
Child care assistance	1,052	-	-	1,052	-	-	1,052	1,370
Home repair assistance	799	-	-	799	-	-	799	425
School supplies	403	-	-	403	-	-	403	1,554
Total direct expenses	162,463	466,082	57,526	686,071	93	1,269	687,433	665,457
Indirect expenses:								
Salaries	107,634	53,170	69,620	230,424	70,272	104,232	404,928	400,048
Payroll taxes	11,577	5,114	7,247	23,938	7,267	11,021	42,226	42,178
Occupancy	30,507	6,706	272	37,485	1,223	1,043	39,751	35,257
Donated goods used in operations	7,266	6,219	38	13,523	1,284	14,282	29,089	18,830
Information technology	12,693	1,278	1,102	15,073	1,642	4,569	21,284	22,826
Fees for services	2,784	366	521	3,671	10,763	6,218	20,652	16,079
Advertising and promotion	4,202	232	120	4,554	189	11,294	16,037	13,843
Office expenses	6,074	47	50	6,171	281	8,738	15,190	18,693
Depreciation	10,061	-	-	10,061	365	312	10,738	10,524
Insurance	5,496	137	194	5,827	394	368	6,589	6,210
Meetings	1,704	89	240	2,033	304	764	3,101	6,235
Travel	1,224	523	628	2,375	97	572	3,044	3,080
Total indirect expenses	201,222	73,881	80,032	355,135	94,081	163,413	612,629	593,803
Donated services	114,796	809	5,542	121,147	2,700	10,339	134,186	144,634
Total expenses	\$ 478,481	\$ 540,772	\$ 143,100	\$ 1,162,353	\$ 96,874	\$ 175,021	\$ 1,434,248	\$ 1,403,894
Expense percentages	33%	38%	10%	81%	7%	12%	100%	
Comparative totals - 2018	\$ 489,064	\$ 518,887	\$ 142,275	\$ 1,150,226	\$ 101,000	\$ 152,668		\$ 1,403,894
Percentage of totals - 2018	35%	37%	10%	82%	7%	11%		100%

See accompanying notes

TRI-LAKES CARES
Statement of Cash Flows
Year Ended September 30, 2019 (with comparative totals for 2018)

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ 89,861	\$ 6,031
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,738	10,524
Unrealized loss on investments	57	-
Loss on disposition of property and equipment	1,970	-
Decrease (increase) in assets:		
Grants and contributions receivable	(14,599)	22,520
Gift cards	(3,116)	76
Inventories	(10,486)	(7,033)
Prepaid expenses	(6,464)	2,476
Increase (decrease) in liabilities:		
Accounts payable	(1,355)	2,692
Accrued expenses	9,526	2,027
Net cash provided by operating activities	76,132	39,313
Cash flows from investing activities:		
Purchases of investments	(22,319)	-
Purchases of property and equipment	(4,221)	-
Net cash used in investing activities	(26,540)	-
Net increase in cash	49,592	39,313
Cash, beginning of year	162,241	122,928
Cash, end of year	\$ 211,833	\$ 162,241

See accompanying notes

TRI-LAKES CARES

Notes to Financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Tri-Lakes Cares (the Organization), a nonprofit organization, was incorporated in Colorado on January 24, 1984. The Organization is a community based, volunteer supported, resource center whose purpose is to improve people's lives through emergency assistance, self-sufficiency, and relief programs. In addition, the Organization hosts several other community partners, enabling their clients to obtain medical assistance, access food, apply for government programs, as well as meeting several other basic needs all in one location.

The Organization is dependent on contributions and grants primarily from the El Paso county, Colorado community and grantor agencies to maintain its operations at current levels.

Basis of accounting

The accounts of the Organization are maintained, and the financial statements are prepared, on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Basis of presentation and prior period adjustments

Under U.S. generally accepted accounting principles (GAAP), the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets *without donor restrictions* and net assets *with donor restrictions*.

Net assets without donor restrictions – net assets that are not subject to, or are no longer subject to, donor-imposed stipulations.

Net assets with donor restrictions – net assets whose use is limited by donor-imposed time and/or purpose restrictions.

The accompanying financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2018, which were audited by another auditor and from which the summarized information was derived.

In 2019, it was determined that the previously issued September 30, 2018 and 2017 financial statements excluded inventories of items donated for an annual silent auction event that took place in October of the following year. The September 30, 2018 financial statement comparative totals have been adjusted to increase inventories by \$33,645, donated goods and services revenue by \$11,685, and the beginning balance in net assets by \$21,960.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation and prior period adjustments (continued)

Additionally, Note 2 reflects a \$21,120 reduction in the September 30, 2018 balances of furniture and equipment and an equivalent reduction in accumulated depreciation. This adjustment had no effect on net asset balances and was made to reflect dispositions of property and equipment made in prior periods.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments with an initial maturity of three months or less, not held for long-term purposes, to be cash equivalents.

Grants and contributions receivable

Grants and contributions receivable are reported at the amount the Organization expects to collect on balances outstanding at year end. The Organization provides for probable uncollectible amounts through a charge against contributions or grant revenue and a credit to an allowance based on its assessment of the current status of individual receivables. At September 30, 2019 and 2018, the Organization considers grants and contributions receivable to be fully collectible within one year. Accordingly, no allowance for uncollectible grants and contributions is required.

Investments

Investments in mutual funds are reported at fair value. Fair value is the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Investment income, which includes interest, dividends, royalties, and net unrealized gains and losses, is reported as an increase in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Unrealized gains and losses represent the change in the fair value of the individual investment for the year, or since the acquisition date, if acquired during the year.

At September 30, 2019, the Organization has an investment in a mutual fund which has a readily determinable fair value which is based on quoted market prices as of the last trading date of the year.

The Organization also has another investment in oil royalty interest which was donated to the Organization in 2010. This other investment is not-readily marketable and does not have a readily determinable fair value. The Organization has elected to measure other investments at cost which, in this case, approximates the fair value at the date of donation.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Inventories

Inventories of donated food items are valued at an estimated wholesale value of \$1.68 and \$1.73 per pound as of September 30, 2019 and 2018, respectively. The estimated value per pound used by management is equivalent to that used by a leading national food bank. Inventories of items donated for a silent auction fundraising event are valued at their fair value as provided by each donor at the time of donation.

Property and equipment

Property and equipment is stated at cost, or if donated, at the estimated fair value at the date of donation. The Organization's policy is to capitalize acquisitions of property and equipment costing in excess of \$2,000 and having a useful life exceeding one year. Depreciation is provided using the straight-line method over the following estimated useful lives:

Building	50 Years
Furniture and equipment	3-7 Years

Contributions and grants

Contributions and grants are recorded as revenue when unconditional promises to give have been made or grant awards have been received and are shown as increases in net assets, with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When restrictions expire (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 in the statement of activities as net assets released from restrictions. Donated assets are recorded at their fair value on the date of donation.

Expense allocations

The costs of providing programs and supporting activities have been summarized on a functional basis in the statement of activities. Most expenses can be directly attributed to program or supporting functions. When certain categories of expense are attributed to more than one functional category, management allocates those expenses based on reasonable criteria. The most significant expenses which are allocated among the programs and supporting services benefited include salaries, occupancy, donated goods used in operations, information technology, and donated services. Salaries are allocated based on the time spent by employees on providing certain activities. Occupancy, donated goods used in operations, and donated services are allocated based on the square footage of the Organization's building as used by the supporting service. Information technology is allocated based on percentages derived from calculating allocations for salaries.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Income tax status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and comparable Colorado law as a charitable organization. In addition, it has been classified as an organization that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions. For the years ended September 30, 2019 and 2018, the Organization had no unrelated business taxable income. Accordingly, no provision for income taxes has been recorded.

Recently adopted accounting standards

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The most significant changes to the presentation of financial statements required by ASU 2016-14 applicable to the Organization are the following:

- ASU 2016-14 reduces the required number of classes of net assets from three to two: amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.
- ASU 2016-14 enhances disclosures about a nonprofit entity's liquidity and availability of resources to cover short-term cash needs within one year of the statement of financial position.
- ASU 2016-14 requires expenses to be reported by nature in addition to function. Nonprofit entities need to disclose the methods used to allocate costs among program and support functions.

ASU 2016-14 is effective for annual reporting periods beginning after December 15, 2017. The Organization has adopted the applicable provisions of ASU 2016-14 for the year ended September 30, 2019 and has retrospectively applied them to the comparative presentation of the September 30, 2018 financial statement totals.

Reclassifications

Certain reclassifications have been made to the comparative prior year financial statement totals to conform to the current year presentation.

2. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year for general expenditures consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Financial assets:		
Cash	\$ 211,833	\$ 162,241
Grants and contributions receivable	79,457	64,858
Investments	22,262	-
Gift cards	5,636	2,520
	<u>319,188</u>	<u>229,619</u>
Less financial assets not available within one year for general expenditures:		
Funds designated by the board for emergencies	<u>100,000</u>	<u>100,000</u>
Total financial assets available within one year for general expenditures	<u>\$ 219,188</u>	<u>\$ 129,619</u>

The Organization is substantially supported by donor-restricted cash contributions and grants as well as in-kind contributions. However, most of these grants and contributions are believed to be available for general expenditures within one year of September 30, because the restrictions on the net assets are able to be met by conducting the normal activities of the Organization's programs within one year. Accordingly, the related resources have been included in the quantitative information above detailing the financial assets available to meet general expenditures within one year.

Although the Organization does not intend to do so, the funds reserved for emergencies could also be made available as they are set aside by the board of directors and such designations could be removed should the Organization need access to those funds within one year for general expenditures.

3. INVENTORIES

Inventories consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Food	\$ 21,606	\$ 11,880
Donated items for silent auction	29,629	33,645
School supplies	5,031	681
Other	1,781	1,355
	<u>\$ 58,047</u>	<u>\$ 47,561</u>

4. INVESTMENTS

Investments consist of the following at September 30:

	2019	2018
Money market account	\$ 25	\$ -
Mutual fund at fair value	22,237	-
Oil royalty interest at cost	1,000	1,000
	<u>\$ 23,262</u>	<u>\$ 1,000</u>

The following schedule summarizes the investment income for interest bearing cash accounts and investments for the years ended September 30:

	2019	2018
Interest	\$ 271	\$ 289
Dividends	330	240
Royalties	1,280	1,394
Unrealized loss	(57)	-
	<u>\$ 1,824</u>	<u>\$ 1,923</u>

5. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

5. FAIR VALUE MEASUREMENTS (continued)

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured on a recurring basis at fair value.

Mutual fund: Valued at the daily closing price as reported by the fund. The mutual fund held by the Organization is an open-end mutual fund which is registered with the Securities and Exchange Commission. This fund is required to publish its daily net asset value (NAV) and to transact at that price. The mutual fund held by the Organization is deemed to be actively traded.

At September 30, 2019, the investment in the mutual fund totals \$22,237 and is considered to be a level 1 asset within the fair value hierarchy.

6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at September 30:

	2019	2018
Land	\$ 85,268	\$ 85,268
Building	413,336	413,336
Furniture and equipment	20,686	19,091
	519,290	517,695
Less accumulated depreciation	117,505	107,423
	<u>\$ 401,785</u>	<u>\$ 410,272</u>

7. NET ASSETS

The financial statements report amounts of net assets as without donor restrictions or with donor restrictions based on the absence or existence and the type of donor-imposed restrictions. Amounts designated by the Board of Directors for specific programs or activities are treated as net assets without donor restrictions. At September 30, 2019 and 2018, net assets without donor restrictions, but designated by the Board of Directors for emergencies were \$100,000. The balance can be transferred to the undesignated portion of net assets without donor restrictions at the Board's discretion.

7. NET ASSETS (continued)

Net assets with donor restrictions consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Purpose restrictions:		
Family stabilization program	\$ 53,335	\$ 53,103
Pantry program	45,880	30,769
Housing and utilities program	13,375	4,492
Time restrictions (pledges)	<u>21,907</u>	<u>10,343</u>
	<u>\$ 134,497</u>	<u>\$ 98,707</u>

Net assets received with donor restrictions were released from those restrictions by satisfying the following restrictions during the years ended September 30:

	<u>2019</u>	<u>2018</u>
Purpose restrictions:		
Family stabilization program	\$ 111,349	\$ 113,165
Pantry program	28,638	57,072
Housing and utilities program	5,817	21,538
Time restrictions (pledges)	<u>35,808</u>	<u>29,346</u>
	<u>\$ 181,612</u>	<u>\$ 221,121</u>

8. DONATED GOODS AND SERVICES

During the years ended September 30, 2019 and 2018, the Organization received and distributed goods and services for client programs and for operational support as follows:

	<u>2019</u>	<u>2018</u>
Received for client programs:		
Food and sundries	\$ 440,513	\$ 407,270
Medical services and supplies	86,371	85,820
Holiday gifts for seniors and children	19,991	28,237
School supplies	12,951	12,582
Services	15,267	39,004
Supplies	<u>78,402</u>	<u>61,964</u>
	653,495	634,877
Received for operational support:		
Goods and services	<u>63,560</u>	<u>53,892</u>
	<u>\$ 717,055</u>	<u>\$ 688,769</u>

8. DONATED GOODS AND SERVICES (continued)

	<u>2019</u>	<u>2018</u>
Distributed for client programs:		
Food and sundries	\$ 432,079	\$ 410,227
Medical services and supplies	85,945	85,798
Holiday gifts for seniors and children	19,991	28,237
School supplies	8,576	11,735
Services	15,267	39,004
Supplies	76,009	63,576
	<u>637,867</u>	<u>638,577</u>
Distributed for operational support:		
Goods and services	68,701	43,158
	<u>\$ 706,568</u>	<u>\$ 681,735</u>

The Organization recognizes donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation.

The Organization also receives donated services not reflected in the financial statements as they do not meet the criteria for recognition under GAAP. For the years ended September 30, 2019 and 2018, the Organization received approximately 12,100 volunteer hours each year with an estimated value of approximately \$339,000 and \$324,000, respectively.

9. CASH FLOW STATEMENT DISCLOSURES

Supplemental disclosures of cash flow information

During the years ended September 30, 2019 and 2018, the Organization did not pay any interest or unrelated business income tax.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the attached independent auditors' report, the date which the financial statements were available to be issued. Management believes there have been no significant subsequent events.