MANO A MANO INTERNATIONAL PARTNERS

REPORT ON AUDIT

DECEMBER 31, 2018

LETHERT, SKWIRA, SCHULTZ & CO. LLP
CERTIFIED PUBLIC ACCOUNTANTS ◆ BUSINESS CONSULTANTS
Helping Business Conduct Business Since 1918

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Mano A Mano International Partners
St. Paul, Minnesota

We have audited the accompanying financial statements of **Mano A Mano International Partners** (a nonprofit organization), which comprise the statement of financial position as of **December 31, 2018**, and the related statement 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 audits. We conducted our audits 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Mano A Mano International Partners**' as of **December 31, 2018**, and its 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.

Summarized Comparative Information

We have previously audited **Mano A Mano International Partners** 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

September 11, 2019

Lethert Skwira Schultz & Co. LLP

LETHERT, SKWIRA, SCHULTZ & CO. LLP

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MANO A MANO INTERNATIONAL PARTNERS
Statement of Financial Position
December 31, 2018
(with comparative totals for 2017)

	2018			2017
ASSETS	**Net Assets Without Donor Restriction**	**Net Assets With Donor Restrictions**	**Total**	Total
Cash	$ 1,090,007	$ 536,167	$ 1,626,174	$ 1,296,011
Contributions receivable, current (Note 3)	301,600	-	301,600	300,000
Inventory	19,523	479,169	498,692	504,143
Allowance for obsolescence (Note 6)	-	(147,000)	(147,000)	(24,500)
Short-term investments (Notes 4 and 5)	886,943	-	886,943	2,418,405
Prepayments	18,674	-	18,674	4,987
Total Current Assets	2,316,747	868,336	3,185,083	4,499,046
Property and Equipment				
Land	234,800	-	234,800	234,800
Building	368,987	-	368,987	368,987
Building improvements	199,345	-	199,345	29,650
Vehicle	15,808	-	15,808	23,808
Total	818,940	-	818,940	657,245
Less: Accumulated depreciation	68,237	-	68,237	61,306
Total Property and Equipment	750,703	-	750,703	595,939
Other Assets				
Contributions receivable, noncurrent (Note 3)	250,000	-	250,000	550,000
Total Assets	$ 3,317,450	$ 868,336	$ 4,185,786	$ 5,644,985
LIABILITIES AND NET ASSETS				
Current Liabilities				
Current maturities of long-term debt	14,820	-	14,820	13,988
Accounts payable	6,018	-	6,018	7,137
Accrued payroll	7,717	-	7,717	7,686
Accrued expenses	-	-	-	2,647
Total Current Liabilities	28,555	-	28,555	31,458
Long-Term Debt (Note 7)				
Mortgage payable	274,831	-	274,831	290,352
Less: Current maturities	14,820	-	14,820	13,988
Total Long-Term Debt	260,011	-	260,011	276,364
Net Assets (Note 8)	3,028,884	868,336	3,897,220	5,337,163
TOTAL LIABILITIES AND NET ASSETS	$ 3,317,450	$ 868,336	$ 4,185,786	$ 5,644,985

The accompanying notes are an integral part of this financial statement.

MANO A MANO INTERNATIONAL PARTNERS
Statement of Activities and Changes in Net Assets
Year Ended **December 31, 2018**
(with comparative totals for 2017)

	2018			2017
	Net Assets Without Donor Restriction	**Net Assets With Donor Restrictions**	**Total**	Total
Support				
Contributions	$ **264,704**	$ **1,186,381**	$ **1,451,085**	$ 4,420,441
In-kind medical surplus, transportation and related	**-**	**1,055,973**	**1,055,973**	1,639,657
In-kind other	**390,932**	**-**	**390,932**	395,161
Miscellaneous	**25,050**	**-**	**25,050**	17,565
Investment income (loss)	**(42,123)**	**-**	**(42,123)**	212,269
Gain on disposal of assets	**280**	**-**	**280**	-
Net Assets Released from Restrictions	**2,709,797**	**(2,709,797)**	**-**	-
Total Support	**3,348,640**	**(467,443)**	**2,881,197**	6,685,093
Expenses				
Program Services				
Program services	**3,718,070**	**-**	**3,718,070**	2,751,173
Supporting Services				
Management and general	**364,210**	**-**	**364,210**	207,570
Fund raising	**238,860**	**-**	**238,860**	213,913
Total Supporting Services	**603,070**	**-**	**603,070**	421,483
Total Expenses	**4,321,140**	**-**	**4,321,140**	3,172,656
Increase (Decrease) in Net Assets	**(972,500)**	**(467,443)**	**(1,439,943)**	3,512,437
Net Assets, Beginning of Year	**4,001,384**	**1,335,779**	**5,337,163**	1,824,726
Net Assets, End of Year	$ **3,028,884**	$ **868,336**	$ **3,897,220**	$ 5,337,163

MANO A MANO INTERNATIONAL PARTNERS
Statement of Functional Expenses
Year Ended **December 31, 2018**
(with comparative totals for 2017)

	2018				2017
	Program Services	**Management and General**	**Fund Raising**	**Total**	Total
Salaries	$ 245,328	$ 136,294	$ 163,552	$ 545,174	$ 516,411
Employee benefits	3,706	1,647	2,882	8,235	7,289
Payroll taxes	5,445	2,421	4,235	12,101	11,316
Total Salaries and Related Benefits	254,479	140,362	170,669	565,510	535,016
Donated materials	-	122,500	-	122,500	14,400
Grants to Bolivia	3,316,912	-	-	3,316,912	2,333,732
Professional services	2,125	50,997	-	53,122	18,982
Office supplies	1,124	1,445	642	3,211	2,757
Other supplies	4,790	3,830	10,539	19,159	6,730
Telephone	1,527	873	1,964	4,364	5,007
Postage	178	126	913	1,217	1,551
Occupancy costs	212	2,443	-	2,655	4,480
Utilities	894	10,285	-	11,179	9,803
Repairs and maintenance	567	6,526	-	7,093	5,969
Printing and publications	1,778	1,016	2,286	5,080	12,737
Travel	97,251	-	-	97,251	124,835
Vehicle expense	1,527	1,963	873	4,363	1,786
Conferences, conventions, and meetings	9,885	-	-	9,885	-
Interest	3,720	3,099	5,580	12,399	12,517
Bank charges	2,624	1,490	3,366	7,480	5,603
Payroll fees	1,555	2,136	194	3,885	1,802
Insurance	5,052	5,895	5,894	16,841	16,245
Real estate taxes	-	-	-	-	100
Miscellaneous	-	6,984	-	6,984	15,542
Volunteer expenses	1,418	-	-	1,418	2,457
Fund raising expenses	-	-	33,701	33,701	26,169
Amortization	-	-	-	-	916
Other expenses	-	-	-	-	948
Depreciation	10,452	2,240	2,239	14,931	12,572
Total Expenses	$ 3,718,070	$ 364,210	$ 238,860	$ 4,321,140	$ 3,172,656

The accompanying notes are an integral part of this financial statement.

MANO A MANO INTERNATIONAL PARTNERS
Statement of Cash Flows
Year Ended **December 31, 2018**
(with comparative totals for 2017)

	2018	2017
Cash Flows From Operating Activities		
Increase (decrease) in net assets	$ **(1,439,943)**	$ 3,512,437
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	**14,931**	12,572
Amortization	**-**	916
Gain on disposal of property	**(280)**	-
Increase (decrease) in cash flows from:		
Contributions receivable	**298,400**	(750,000)
Inventory	**127,951**	(281,427)
Employee advances	**-**	1,508
Prepayments	**(13,687)**	9,313
Accounts payable	**(1,119)**	4,514
Accrued payroll and related	**31**	1,075
Accrued expenses	**(2,647)**	2,647
Net Cash Provided (Used) by Operating Activities	**(1,016,363)**	2,513,555
Net Cash Provided (Used) by Investing Activities		
Purchase of property and equipment	**(169,695)**	(29,650)
Purchase of short-term investments	**-**	(2,386,171)
Sale of short-term investments	**1,531,462**	-
Proceeds from sale of equipment	**280**	-
Net Cash Provided (Used) by Investing Activities	**1,362,047**	(2,415,821)
Cash Flows Used by Financing Activities		
Payments of long-term debt	**(15,521)**	(11,447)
Net Increase in Cash	**330,163**	86,287
Cash, Beginning of Year	**1,296,011**	1,209,724
Cash, End of Year	$ **1,626,174**	$ 1,296,011

Supplemental Disclosures of Cash Flows Information

During the years ended **December 31, 2018** and 2017, the Organization made interest payments of **$12,399** and $12,517, respectively.

The accompanying notes are an integral part of this financial statement.

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 1 NATURE OF ORGANIZATION

Mano A Mano International Partners (the "Organization) is guided by the simple premise that groups of committed individuals can reach across national boundaries to make a dramatic difference in the lives of others. The power of this premise has been demonstrated by the extent to which the Organization has grown. Mano a Mano was established in 1994 and has created an infrastructure for health care and economic development in hundreds of rural communities. This infrastructure is constructed, supported, and run by Bolivians. Mano a Mano accomplishes its work in Bolivia through three counterpart organizations which it helped create: Mano a Mano – Bolivia, which focuses on health and education; Mano a Mano - Nuevo Mundo (New World), which addresses the economic development aspect of its mission; and, Mano a Mano – Apoyo Aereo (Air Support), which provides emergency air rescue to rural communities and air transport for Mano a Mano and other organizations with similar missions. These organizations are headquartered in the Andean city of Cochabamba, located in the Department (state) of Cochabamba.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND USE OF ACCOUNTING ESTIMATES

Financial Statement Presentation

The financial statements have been prepared in conformity with the disclosure requirements of generally accepted accounting standards for not-for-profit organizations. Under these provisions, net assets and revenues, expenses, gains, and losses are classified on the existence or absence of donor imposed restrictions.

Accordingly, the Organization's net assets and changes thereto are classified and reported as follows:

> **Net assets without donor restrictions** have no donor imposed restrictions, or the donor imposed restrictions have expired. Unrestricted net assets may be designated for specific purposes by the Board of Directors.
>
> **Net assets without donor restrictions** consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Accounting 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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND USE OF ACCOUNTING ESTIMATES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Contributions Receivable

Donor restricted contributions are reported as increases in net assets with or without donor restriction, depending on the nature of the restrictions. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction. Contributions that are restricted by the donor are reported as net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributions receivable expected to be collected in greater than one year are reflected in the financial statements at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received. Amortization of the discounts is recorded as contribution revenue.

Inventory

Inventory consists of donated and purchased medical supplies and crafts and is recorded at fair market value if donated or cost if purchased. The obsolescence reserve is set up to account for the decline in value on the items. Due to the quick turn around on inventory, obsolescence reserve is estimated at the actual bad inventory. During the current year there was no obsolete inventory held at year-end.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided on the straight-line method over the following estimated useful lives:

Building	40 Years
Building improvements	27.50 Years
Vehicle	5 Years

Maintenance and repairs of property and equipment are charged to operations, and major renewals in excess of $5,000 are capitalized.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND USE OF ACCOUNTING ESTIMATES (CONTINUED)

Contributions

The Organization follows the "Accounting for Contributions Received and Contributions Made" standard, contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire in the year in which the contributions are recognized. All other contributions are recorded as net assets with or without donor restriction support depending on the existence and/or nature of any donor restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Donated Materials and Services

Donated materials are reflected as contributions in the financial statements at their estimated fair values at the date of receipt. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. In-kind contributions, consisting primarily of medical supplies, totaled **$1,446,905** and $2,034,818 for the years ended **December 31, 2018** and 2017, respectively.

For the years ended **December 31, 2018** and 2017, the value of contributed services meeting the requirements for recognition in the financial statements was **$390,932** and $395,161, respectively.

Donated services, which consisted of 18,000 hours by volunteers, did not meet recognition criteria under generally accepted accounting principles and, accordingly, are not included in the Statements of Activities and Changes in Net Assets.

Income Taxes

The Organization was granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is not classified as a private foundation. Accordingly, no provision for income taxes has been provided for in these financial statements.

The Organization follows a "more likely than not" criterion for recognizing the tax benefits. The Organization has identified no such exposures. During the upcoming 12 months, the Organization expects no material changes to occur related to Accounting for Uncertainty in Income Taxes. The Organization recognizes interest and penalties related to income taxes and accrued unrecognized tax benefits in interest and penalties. The amount of interest and penalties expensed totaled **$0** and $0 for the years ended **December 31, 2018** and 2017, respectively.

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND USE OF ACCOUNTING ESTIMATES (CONTINUED)

Functional Expense Allocation

Expenses are charged to program services based on direct expenditures incurred. Certain costs relating to salary, employee benefits, payroll taxes, and occupancy have been allocated for administrative expenses using the indirect method, based on percentage of time spent by management and employees on program activities, determined by management.

Vacation Pay

Employees of the Organization earn a vested right to compensation for unused vacation and personal absence time. Accordingly, the Organization has made an accrual for vacation and personal absence compensation that employees have earned but have not taken.

Accounting Pronouncements Adopted

In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, "Presentation of Financial Statements for Not-for-Profit Entities" (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions"; (b) requiring that all nonprofits present an analysis of expenses by function and nature in either the Statement of Activities and Changes in Net Assets, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs; (c) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources; (d) presenting investment return net of external and direct internal investment expense; and, (e) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. In addition, ASU 2016-14 removes the requirement that not-for-profit entities that chose to prepare the statements of cash flows using the direct method must also present a reconciliation (the indirect method).

NOTE 3 CONTRIBUTIONS RECEIVABLE

Contributions receivable at **December 31, 2018** and 2017, are measured at present value. No allowance for uncollectible receivables is deemed necessary by management. Collection of receivables is expected as follows:

	2018	2017
Due in one year	**$ 301,600**	$ 350,000
Due in two to five years	**250,000**	500,000
Total Contributions Receivable	**$ 551,600**	$ 850,000

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 4 INVESTMENTS

As of **December 31, 2018** and 2017, the Organization held investments as follows:

	2018			2017		
	Cost	**Market Value**	**Unrealized Loss**	Cost	Market Value	Unrealized Gain
Mutual Funds	**$ 1,059,285**	**$ 886,943**	**$ (172,342)**	$ 2,269,905	$ 2,418,405	$ 148,500

NOTE 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 market 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 market 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

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at **December 31, 2018** and 2017.

Level 1 Fair Value Measurements

The fair value of common stock is based on quoted net assets values of the shares held by the Organization at year-end.

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)

The Organization's investments are reported at fair value in the accompanying Statements of Financial Position.

December 31, 2018	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds		
Growth	**$ 5,290**	**$ 5,290**
Blended	**165,339**	**165,339**
Money Market	**108,154**	**108,154**
Fixed Income	**608,160**	**608,160**
Total	**$ 886,943**	**$ 886,943**
December 31, 2017		
Mutual Funds		
Growth	$ 369,001	$ 369,001
Blended	1,070,288	1,070,288
Money Market	188,968	188,968
Fixed Income	790,148	790,148
Total Mutual Funds	$ 2,418,405	$ 2,418,405

NOTE 6 INVENTORY

In **2018**, the Organization evaluated the ability to ship items it held in its inventory, based on current economic conditions in Bolivia. After this evaluation was done, it was determined that a significant increase in the allowance for obsolete inventory was necessary to account for inventory that would possibly not be allowed transport into Bolivia. The allowance for obsolete inventory covers approximately **30%** and 5% of total inventory, for the years then ended, **December 31, 2018** and 2017.

NOTE 7 LONG-TERM DEBT

Long-term debt consists of the following:

	2018	2017
Mortgage payable to bank bearing interest at 4.25% with monthly installments of $2,179, matures December, 2022. Secured by land and building.	**$ 274,831**	$ 290,352
Less: Current maturities	**14,820**	13,988
Total Long-Term Debt	**$ 260,011**	$ 276,364

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 7 LONG-TERM DEBT (CONTINUED)

The aggregate annual maturities of long-term debt at **December 31, 2018**, are as follows:

Year Ended December 31,	Amount
2019	$ 14,820
2020	15,462
2021	16,132
2022	16,831
2023	17,561
After 2023	179,205
	$ 260,011

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

	2018	2017
Constructing, equipping, and staffing health clinics in Bolivia	**$ 60,800**	$ 193,836
Economic development	**119,876**	330,690
Emergency air	**7,211**	497,809
Medical inventory and shipping	**374,282**	466,173
Miscellaneous	**306,167**	705,745
Total Net Assets With Donor Restriction	**$ 868,336**	$ 2,194,253

Corresponding assets were as follows:

	2018	2017
Cash	**$ 536,167**	$ 878,080
Contributions receivable	**-**	850,000
Inventory - medical supplies	**332,169**	466,173
Total Net Assets With Donor Restriction	**$ 868,336**	$ 2,194,253

NOTE 9 RELATED PARTY TRANSACTIONS

The president of the Board of the Organization is an honorary board member of Mano a Mano - Bolivia, Mano a Mano - Apoyo Aereo, and Mano a Mano - Nuevo Mundo. These organizations, which are located in Bolivia, are recipients of grants from the Organization. As an honorary board member, the president has veto power over any disbursements that are contrary to the mission of the Organization.

MANO A MANO INTERNATIONAL PARTNERS
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 9 RELATED PARTY TRANSACTIONS (CONTINUED)

Grants paid to the recipient organizations were as follows for the years ended December 31:

	2018	2017
Mano a Mano - Bolivia	$ **86,031**	$ 188,924
Mano a Mano - Apoyo Aereo	**1,360,511**	119,116
Mano a Mano - International	**127,396**	200,208
Mano a Mano - Nuevo Mundo	**397,517**	467,172
Total Related Party Grants	$ **1,971,455**	$ 975,420

NOTE 10 CONCENTRATIONS

During the years ended **December 31, 2018** and 2017, two and one donors, respectively, accounted for **42%** and 38%, respectively, of the Organization's support and revenues.

NOTE 11 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

Cash	**$ 1,626,174**
Contributions receivable	**301,600**
Short-term investments	**886,943**
Total financial assets available within one year	**2,814,717**
Less:	
Amounts unavailable to management without Board's approval:	
Board designated	**412,065**
Total amounts available to management for general expenditure within one year	**$ 2,402,652**

Management feels that it has the ability to cover the annual necesary expenses for the upcoming year with financial assets available.

NOTE 12 CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITED IN EXCESS OF INSURED LIMITS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash. The Organization maintains its cash balances at one financial institutions. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.

At **December 31, 2018** and 2017, amounts not insured by the FDIC were approximately **$377,005** and $1,036,695, respectively.

NOTE 13 RECLASSIFICATIONS

Net assets with donor restrictions reported for 2017 have been reclassified in the amount of $858,474 to net assets without donor restriction to conform with **2018** presentation. The reclassifications have no effect on previously reported net assets and changes in net assets for the year then ended December 31, 2017.

NOTE 14 SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through **September 11, 2019**, the date the financial statements were available to be issued.