

**Professional Association of  
Therapeutic Horsemanship  
International**

(a nonprofit Colorado corporation)  
Westminster, Colorado

**Financial Statements**

June 30, 2019 and 2018

# Professional Association of Therapeutic Horsemanship International

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## **Independent Auditors' Report**

To the Board of Trustees  
Professional Association of Therapeutic  
Horsemanship International  
Westminster, Colorado

We have audited the accompanying financial statements of Professional Association of Therapeutic Horsemanship International (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years 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 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 audits 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 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.

**Independent Auditors' Report (continued)**

**Opinion**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Professional Association of Therapeutic Horsemanship International as of June 30, 2019 and 2018, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Altruic Advisors, PLLC*

Certified Public Accountants

Denver, Colorado  
December 16, 2019

# Professional Association of Therapeutic Horsemanship International

## Statements of Financial Position

June 30	2019	2018
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,319,532	\$ 1,313,621
Accounts receivable	2,311	3,380
Grants receivable	99,099	133,097
Inventories	10,859	7,968
Prepaid expenses	117,480	107,339
Total current assets	<u>1,549,281</u>	<u>1,565,405</u>
<b>Equipment, net</b>	<u>242,657</u>	<u>128,579</u>
<b>Other Assets</b>		
Intangible assets	100,907	93,025
Deposits	7,707	7,707
Total other assets	<u>108,614</u>	<u>100,732</u>
<b>Total assets</b>	<u>\$ 1,900,552</u>	<u>\$ 1,794,716</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 62,225	\$ 109,200
Accrued compensation and benefits	66,648	56,749
Refundable advances	171,437	41,043
Deferred revenue	571,378	593,268
Total current liabilities	<u>871,688</u>	<u>800,260</u>
<b>Long-Term Liabilities</b>		
Deferred revenue, noncurrent	<u>69,019</u>	<u>73,840</u>
Total liabilities	<u>940,707</u>	<u>874,100</u>
<b>Net Assets</b>		
Without donor restrictions	745,486	677,712
With donor restrictions	214,359	242,904
Total net assets	<u>959,845</u>	<u>920,616</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,900,552</u>	<u>\$ 1,794,716</u>

The accompanying Notes are an integral  
part of these financial statements

# Professional Association of Therapeutic Horsemanship International

## Statement of Activities

Year ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue and Support</b>			
<b>Operating Revenue</b>			
Membership dues	\$ 1,141,651	\$ -	\$ 1,141,651
Conference fees	453,973	-	453,973
Accreditation, certification and workshops	399,619	-	399,619
Education sales, net	106,083	-	106,083
Sponsorships	60,000	-	60,000
Total operating revenue	<u>2,161,326</u>	<u>-</u>	<u>2,161,326</u>
<b>Operating Support</b>			
Grants and contributions	442,097	121,690	563,787
Net assets released from restrictions			
Satisfaction of purpose restrictions	17,138	(17,138)	-
Expiration of time restrictions	133,097	(133,097)	-
Total operating support	<u>592,332</u>	<u>(28,545)</u>	<u>563,787</u>
Total operating revenue and support	<u>2,753,658</u>	<u>(28,545)</u>	<u>2,725,113</u>
<b>Operating Expenses</b>			
Program services	2,171,125	-	2,171,125
Supporting services			
General and administrative	484,068	-	484,068
Fundraising	42,834	-	42,834
Total operating expenses	<u>2,698,027</u>	<u>-</u>	<u>2,698,027</u>
Total operating revenue and support in excess (deficit) of operating expenses	55,631	(28,545)	27,086
<b>Other Changes</b>			
Miscellaneous income	8,148	-	8,148
Interest income	3,995	-	3,995
Total other changes	<u>12,143</u>	<u>-</u>	<u>12,143</u>
<b>Change in Net Assets</b>	67,774	(28,545)	39,229
<b>Net Assets, Beginning of Year</b>	<u>677,712</u>	<u>242,904</u>	<u>920,616</u>
<b>Net Assets, End of Year</b>	<u>\$ 745,486</u>	<u>\$ 214,359</u>	<u>\$ 959,845</u>

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# Professional Association of Therapeutic Horsemanship International

## Statement of Activities

Year ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue and Support</b>			
<b>Operating Revenue</b>			
Membership dues	\$ 1,142,613	\$ -	\$ 1,142,613
Conference fees	436,650	-	436,650
Accreditation, certification and workshops	406,771	-	406,771
Education sales, net	125,941	-	125,941
Sponsorships	60,000	-	60,000
Total operating revenue	<u>2,171,975</u>	<u>-</u>	<u>2,171,975</u>
<b>Operating Support</b>			
Grants and contributions	456,489	152,681	609,170
Net assets released from restrictions			
Satisfaction of purpose restrictions	28,453	(28,453)	-
Expiration of time restrictions	77,163	(77,163)	-
Total operating support	<u>562,105</u>	<u>47,065</u>	<u>609,170</u>
Total operating revenue and support	<u>2,734,080</u>	<u>47,065</u>	<u>2,781,145</u>
<b>Operating Expenses</b>			
Program services	2,151,680	-	2,151,680
Supporting services			
General and administrative	433,785	-	433,785
Fundraising	25,824	-	25,824
Total operating expenses	<u>2,611,289</u>	<u>-</u>	<u>2,611,289</u>
Total operating revenue and support in excess of operating expenses	122,791	47,065	169,856
<b>Other Changes</b>			
Miscellaneous income	12,158	-	12,158
Interest income	1,335	-	1,335
Total other changes	<u>13,493</u>	<u>-</u>	<u>13,493</u>
<b>Change in Net Assets</b>	136,284	47,065	183,349
<b>Net Assets, Beginning of Year</b>	<u>541,428</u>	<u>195,839</u>	<u>737,267</u>
<b>Net Assets, End of Year</b>	<u>\$ 677,712</u>	<u>\$ 242,904</u>	<u>\$ 920,616</u>

The accompanying Notes are an integral  
part of these financial statements

# Professional Association of Therapeutic Horsemanship International

## Statement of Functional Expenses

Year ended June 30, 2019

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 756,375	\$ 241,674	\$ 14,958	\$ 1,013,007
Employee benefits	99,128	27,643	1,692	128,463
Payroll taxes	57,901	17,022	1,123	76,046
Total personnel costs	<u>913,404</u>	<u>286,339</u>	<u>17,773</u>	<u>1,217,516</u>
Grants	420,764	-	-	420,764
Conferences	162,342	-	-	162,342
Evaluator fees	156,286	-	-	156,286
Information technology	-	109,685	-	109,685
Consulting and purchased services	96,790	11,880	-	108,670
Occupancy	70,410	17,380	1,337	89,127
Printing and publications	60,020	106	616	60,742
Travel	58,343	555	-	58,898
Bank and credit card fees	45,022	11,113	855	56,990
Meetings	35,417	13,170	4,048	52,635
Postage and shipping	39,062	1,027	541	40,630
Curriculum	25,611	-	-	25,611
Region outreach and member benefits	24,699	-	-	24,699
Equipment rent	15,508	3,828	294	19,630
Miscellaneous expenses	475	329	16,536	17,340
Legal and professional fees	-	15,451	-	15,451
Telephone	12,114	2,990	230	15,334
Depreciation	9,644	4,196	323	14,163
Dues and subscriptions	9,888	2,466	105	12,459
Supplies	7,397	894	69	8,360
Insurance	6,489	1,395	107	7,991
Professional development	1,440	1,264	-	2,704
Total operating expenses	<u>\$ 2,171,125</u>	<u>\$ 484,068</u>	<u>\$ 42,834</u>	<u>\$ 2,698,027</u>



# Professional Association of Therapeutic Horsemanship International

## Statement of Functional Expenses

Year ended June 30, 2018

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 674,472	\$ 236,921	\$ 14,748	\$ 926,141
Employee benefits	94,407	29,131	2,109	125,647
Payroll taxes	54,807	18,190	1,148	74,145
Total personnel costs	823,686	284,242	18,005	1,125,933
Grants	454,656	-	-	454,656
Conferences	181,228	-	-	181,228
Evaluator fees	174,651	-	-	174,651
Consulting and purchased services	108,120	39,470	-	147,590
Occupancy	80,882	2,786	-	83,668
Printing and publications	77,009	904	1,013	78,926
Information technology	57,548	14,255	-	71,803
Bank and credit card fees	42,766	8,120	3,248	54,134
Travel	47,533	76	-	47,609
Postage and shipping	36,289	5,903	678	42,870
Telephone	16,577	13,228	237	30,042
Equipment rent	-	20,388	-	20,388
Region outreach and member benefits	18,517	-	-	18,517
Miscellaneous expenses	15,021	-	1,937	16,958
Legal and professional fees	-	14,779	-	14,779
Dues and subscriptions	1,056	8,896	-	9,952
Insurance	1,514	7,152	-	8,666
Meetings	3,317	4,837	-	8,154
Supplies	1,255	6,426	96	7,777
Depreciation	6,044	1,239	-	7,283
Professional development	4,011	1,084	610	5,705
Total operating expenses	\$ 2,151,680	\$ 433,785	\$ 25,824	\$ 2,611,289

The accompanying Notes are an integral  
part of these financial statements

# Professional Association of Therapeutic Horsemanship International

## Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended June 30	2019	2018
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 39,229	\$ 183,349
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	14,163	7,283
Increase (decrease) from changes in assets and liabilities		
Accounts receivable	1,069	33,137
Grants receivable	33,998	(55,934)
Inventories	(2,891)	2,983
Prepaid expenses	(10,141)	(48,553)
Deposits	-	(3,221)
Accounts payable	(46,975)	70,846
Accrued compensation and benefits	9,899	(549)
Refundable advances	130,394	41,043
Deferred revenue	(26,711)	(31,541)
Net cash provided by operating activities	<u>142,034</u>	<u>198,843</u>
<b>Cash Flows From Investing Activities</b>		
Purchases of equipment	(128,241)	(63,673)
Purchases of intangible assets	(7,882)	-
Net cash used by investing activities	<u>(136,123)</u>	<u>(63,673)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>5,911</b>	<b>135,170</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>1,313,621</b>	<b>1,178,451</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 1,319,532</b>	<b>\$ 1,313,621</b>

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

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### Note 1 – Nature of Organization and Significant Accounting Policies

*Nature of Operations.* Professional Association of Therapeutic Horsemanship International ("the Organization") is a Colorado non-profit corporation established in 1969 whose mission is to promote safety and optimal outcomes in equine-assisted activities and therapies for individuals with special needs. The Organization provides standards, credentialing and education for industry professionals and facilities that work with children and adults who are challenged physically, emotionally or mentally as they strive to achieve health and wellness goals. The Organization's revenues and other support are derived principally from membership dues, conference fees, accreditation and certification fees, education, and charitable contributions from interested parties.

*Basis of Accounting.* The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

*Basis of Presentation.* The Organization reports 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 resulting from revenues generated by receiving contributions that have no donor stipulations, membership dues, conference fees, accreditation and other services, interest, and other income, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

*Net Assets With Donor Restrictions.* Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated net assets, until the donor restriction expires, that is, until the stipulation time restriction ends or the purpose restriction is accomplished.

*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. Accordingly, actual results could differ from those estimates.

*Cash and Cash Equivalents.* Cash and cash equivalents consists of checking and savings accounts held at a financial institution. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

*Accounts Receivable.* Accounts receivable are stated net of allowances for uncollectible accounts. At the time accounts receivable are originated, the Organization considers an allowance for doubtful accounts based on the creditworthiness of the member. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis.

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Accounts Receivable (continued).* As of June 30, 2019 and 2018, management believes all accounts receivable are fully collectible, and accordingly, no allowance for doubtful accounts has been recorded.

*Grants Receivable.* Unconditional promises to give are recognized as revenue in the period received. Grants receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible grants. The allowance for uncollectible grants is estimated based on management's review of specific contributions outstanding. As of June 30, 2019 and 2018, management believes all grants receivable are fully collectible, and accordingly, no allowance for doubtful accounts has been recorded. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

*Inventories.* Inventories consisting of association merchandise and equine-assisted activities and therapies research materials are stated at the lower of cost (first-in, first-out method) or market. Donated items, if any, are recorded at fair value at the date of receipt.

*Equipment.* It is the Organization's policy to capitalize equipment at cost for purchases over \$500, while repair and maintenance items are charged to expense. Donations of equipment are capitalized at their estimated fair value at the date of gift. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Equipment is depreciated using straight-line methods over the estimated useful lives of the assets, which is generally three to seven years for equipment and software and three to five years for furniture and fixtures.

*Intangible Assets.* Intangible assets consist of trademarks. Indefinite-lived intangible assets are not amortized, but are tested for impairment annually, or more frequently if circumstances indicate potential impairment, through a comparison of fair value to its carrying amount. The trademarks must be renewed and usage confirmed between five and six years after registration, again at nine to ten years, and every ten years thereafter at minimal cost. The costs incurred to renew the trademarks will be expensed as incurred. The Organization also evaluates whether circumstances warrant a revision to the remaining estimated useful life of each intangible asset annually. If the Organization were to determine that a change in the remaining estimated useful life of an intangible asset was necessary, then the remaining carrying amount of the intangible asset would be amortized prospectively over the revised remaining useful life.

*Impairment of Long-Lived Assets.* In the event that facts and circumstances indicate that equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended June 30, 2019 and 2018.

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Refundable Advances.* Grant funding received in advance of incurring related expenses are due back to the grantor if funds are not incurred and are considered refundable advances. Revenue is recognized as the related costs are incurred.

*Revenue Recognition.* Revenues are recorded as the services are rendered. Prepaid amounts are recorded as a deferred revenue liability when payments are received. As the services are rendered, revenue is then recorded. Lifetime membership revenues are recognized ratably over the expected remaining life of the member.

*Contributions.* Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

*Contributed Services.* Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. There were no contributed services for the years ended June 30, 2019 and 2018.

*Income Taxes.* The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

The Organization is subject to unrelated business income tax on its advertising income. As of June 30, 2019, the Organization has incurred a net operating loss carryforward of approximately \$9,100. A deferred tax benefit has not been recorded in the accompanying financial statements as it is not determinable if the Organization will obtain a future benefit from this net operating loss carryforward.

*Functional Allocation of Expenses.* Direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

*Subsequent Events.* The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through December 16, 2019, the date at which the financial statements were available for release.

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

### Note 2 – New Accounting Pronouncement

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, with the stated purpose of improving financial reporting by not-for-profit entities. During the year ended June 30, 2019, the Organization adopted the requirements of ASU 2016-14 and, as a result, adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standard changes the following aspects of the Organization's financial statements.

The temporarily restricted net asset class has been renamed "net assets with donor restrictions".

The unrestricted net asset class has been renamed "net assets without donor restrictions".

The financial statements include a new disclosure about liquidity and availability of resources (Note 7).

The changes have the following effect on net assets at June 30, 2018:

	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets	\$ 677,712	\$ -
Temporarily restricted net assets	242,904	-
Net assets without donor restrictions	-	677,712
Net assets with donor restrictions	-	242,904
	<u>\$ 920,616</u>	<u>\$ 920,616</u>

In addition, certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

### Note 3 – Equipment

Equipment consisted of the following at June 30:

	2019	2018
Equipment and software	\$ 306,645	\$ 97,290
Furniture and fixtures	28,558	28,558
Technology installation in progress	-	119,708
	<u>335,203</u>	<u>245,556</u>
Less accumulated depreciation	<u>(92,546)</u>	<u>(116,977)</u>
Net equipment	<u>\$ 242,657</u>	<u>\$ 128,579</u>

Depreciation expense totaled \$14,163 and \$7,283 for the years ended June 30, 2019 and 2018, respectively. Amortization of software is included in depreciation expense.

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

### Note 4 - Net Assets with Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the years ended June 30, 2019 and 2018:

	July 1, 2018 Balance	Additions	Releases	June 30, 2019 Balance
Time restricted	\$ 133,097	\$ 99,099	\$ 133,097	\$ 99,099
Purpose restricted				
Accreditation Fund	-	1,800	-	1,800
Competition fund	3,598	-	3,598	-
Disaster relief	8,795	7,485	9,300	6,980
Equine service for heroes	487	50	-	537
Regional speakers	5,994	-	-	5,994
Rider's assistance fund	65,158	10	3,000	62,168
Scholarships	25,775	13,246	1,240	37,781
	<u>\$ 242,904</u>	<u>\$ 121,690</u>	<u>\$ 150,235</u>	<u>\$ 214,359</u>
	July 1, 2017			June 30, 2018
	Balance	Additions	Releases	Balance
Time restricted	\$ 77,163	\$ 133,097	\$ 77,163	\$ 133,097
Purpose restricted				
Competition fund	3,598	-	-	3,598
Disaster relief	5,870	13,444	10,519	8,795
Employee fund	133	-	133	-
Equine service for heroes	2,493	-	2,006	487
Regional speakers	5,994	-	-	5,994
Research	4,445	-	4,445	-
Rider's assistance fund	67,248	910	3,000	65,158
Scholarships	28,895	5,230	8,350	25,775
	<u>\$ 195,839</u>	<u>\$ 152,681</u>	<u>\$ 105,616</u>	<u>\$ 242,904</u>

### Note 5 - Operating Leases

The Organization leases its building under a noncancelable operating lease. The lease requires monthly minimum payments of \$7,240, and expires in April 2022. Rent expense under the lease totaled 84,542 and \$14,013 for the years ended June 30, 2019 and 2018, respectively.

The Organization leases equipment under multiple noncancelable operating leases, which expire between August 2019 and March 2024. Rent expense, including supplies and maintenance, under the leases totaled \$19,631 and \$20,388 for the years ended June 30, 2019 and 2018, respectively.

# Professional Association of Therapeutic Horsemanship International

## Notes to Financial Statements

June 30, 2019 and 2018

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### Note 5 - Operating Leases (continued)

Future annual minimum lease payments required under the noncancelable operating leases are as follows at June 30, 2019:

Year ended June 30	Facilities	Equipment	Total
2020	\$ 87,345	\$ 7,080	\$ 94,425
2021	90,147	7,080	97,227
2022	77,069	6,816	83,885
2023	-	6,552	6,552
2024	-	4,914	4,914
	<u>\$ 254,561</u>	<u>\$ 32,442</u>	<u>\$ 287,003</u>

### Note 6 – Retirement Plan

The Organization provides for a deferred compensation plan under Internal Revenue Code Section 408(p) which allows an employee to contribute up to \$12,500 of their annual compensation. The Organization provides a matching contribution to the plan of up to 3% of the employee's annual compensation. The Organization contributed \$25,606 and \$25,561 to the plan for the years ended June 30, 2019 and 2018, respectively.

### Note 7 – Liquidity and Availability

The Organization has \$1,420,942 and \$1,450,098 in financial assets available within one year of June 30, 2019 and 2018, respectively. The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these principles, the Organization forecasts its future cash flows and monitors its liquidity monthly, and monitors its reserves annually. During the years ended June 30, 2019 and 2018, the level of liquidity and reserves was managed within these guiding principles.

### Note 8 – Concentration

*Major Grantor.* The Organization had a single grantor who comprised 10% and 14% of total revenues for the years ended June 30, 2019 and 2018, respectively.