

NON PROFIT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
December 31, 2018 (with memorandum totals
as of December 31, 2017)

Note: This is a sample financial statement to highlight the changes required by ASC 2016-14. It is not a complete set of financial statements. Included here is a sample of the changes also highlighted in yellow.

	CY	PY (Memorandum Only)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 900,000	\$ 197,000
Investments, at cost	2,000	2,000
Accounts receivable, net	126,000	341,000
Income tax receivable	20,000	-
Grant receivable	10,000	53,000
Pledges receivable	20,000	4,000
Inventories	500,000	556,000
Prepaid expenses	50,000	54,000
Deposit	10,000	-
Total current assets	1,638,000	1,207,000
Land, buildings and equipment, net	8,800,000	8,165,000
Investments, at fair market value	687,000	596,000
Investments, at cost	9,000	9,000
Cash and cash equivalents - restricted for endowment	27,000	102,000
Total assets	\$ 11,161,000	\$ 10,079,000
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 500,000	\$ 411,000
Accrued expenses and other liabilities	121,000	152,000
Payroll, sales tax and related payables	400,000	314,000
Deferred revenue	1,100,000	777,000
Current portion of long-term debt	130,000	126,000
Current portion of notes payable	275,000	246,000
Total current liabilities	2,526,000	2,026,000
Non-current portion of notes payable	1,200,000	1,195,000
Non-current portion of long term debt	2,400,000	1,370,000
Total liabilities	6,126,000	4,591,000
Net assets:		
Without donor restrictions (Note 4)	3,875,000	4,459,000
With donor restrictions (Note 3)	1,160,000	1,029,000
Total net assets	5,035,000	5,488,000
Total liabilities and net assets	\$ 11,161,000	\$ 10,079,000

NON PROFIT ORGANIZATION
STATEMENT OF ACTIVITIES
Year ended December 31, 2018 (with memorandum totals for
the year ended December 31, 2017)

	Without Donor Restrictions	With Donor Restrictions	CY Total	PY Total (Memorandum only)
Operating Activities:				
Product sales	\$ 8,268,000	\$ -	\$ 8,268,000	\$ 8,082,000
Tuition and fees, net of tuition discount of \$1,000,000 for CY	2,724,000	-	2,724,000	3,136,000
Contributions and grants	1,159,000	103,000	1,262,000	1,251,000
Guests and conference income	606,000	-	606,000	578,000
Special events: (Integral and Ongoing)				
Contributions	100,000	-	100,000	85,000
Special events revenue	20,000	-	20,000	15,000
Cost of direct benefits to donors	(70,000)	-	(70,000)	(60,000)
Net fundraising revenue	50,000	-	50,000	40,000
Fundraising event, net of expenses (Peripheral and Incidental)	5,000	-	5,000	5,000
Rentals	42,000	-	42,000	35,000
Other revenue	314,000	-	314,000	126,000
Total revenue and support before releases	13,168,000	103,000	13,271,000	13,253,000
Net assets released from restrictions	132,000	(132,000)	-	-
Total revenue and support	13,300,000	(29,000)	13,271,000	13,253,000
Expenses and losses:				
Program 1	2,970,000	-	2,970,000	2,500,000
Program 2	4,230,500	-	4,230,500	4,416,000
Program 3	3,229,500	-	3,229,500	3,217,000
Management and general	2,398,000	-	2,398,000	2,300,000
Fundraising	951,000	-	951,000	850,000
Total expenses	13,779,000	-	13,779,000	13,283,000
Change in net assets from operating activities	(479,000)	(29,000)	(508,000)	(30,000)
Nonoperating Activities:				
Contributions	-	80,000	80,000	-
Interest income	500	-	500	30,000
Interest expense	(106,000)	-	(106,000)	(83,000)
Investment return, net	500	80,000	80,500	17,000
Change in net assets from nonoperating activities	(105,000)	160,000	55,000	(36,000)
Change in net assets	(584,000)	131,000	(453,000)	(66,000)
Net assets, beginning of the year	4,459,000	1,029,000	5,488,000	5,554,000
Net assets, end of the year	<u>\$ 3,875,000</u>	<u>\$ 1,160,000</u>	<u>\$ 5,035,000</u>	<u>\$ 5,488,000</u>

See accompanying notes and independent auditors' report.

NON PROFIT ORGANIZATION
 STATEMENT OF FUNCTIONAL EXPENSES
 Year ended December 31, 2018 (with memorandum totals for
 the year ended December 31, 2017)

	CY							PY only)	
	Program Activities				Supporting Activities				
	Program 1	Program 2	Program 3	Total Program	Management & General	Fund- raising	Supporting Subtotal	Total Expenses	Total Expenses
Salaries and compensation	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 4,000,000	\$ 1,000,000	\$ 375,000	\$ 1,375,000	\$ 5,375,000	\$ 5,115,000
Employee benefits and taxes	200,000	400,000	200,000	800,000	300,000	24,000	324,000	1,124,000	1,153,000
Product expense	950,000	1,000,000	1,200,000	3,150,000	500,000	295,000	795,000	3,945,000	3,723,000
Repairs and maintenance	50,000	56,000	54,000	160,000	40,000	16,000	56,000	216,000	240,000
Utilities	40,000	42,000	40,000	122,000	25,000	14,000	39,000	161,000	134,000
Telephone	5,000	6,500	7,500	19,000	5,000	2,000	7,000	26,000	23,000
Insurance	70,000	65,000	65,000	200,000	40,000	20,000	60,000	260,000	264,000
Professional fees	41,000	42,000	41,000	124,000	20,000	17,000	37,000	161,000	54,000
Depreciation	100,000	100,000	104,000	304,000	60,000	40,000	100,000	404,000	392,000
Supplies	135,000	140,000	142,000	417,000	80,000	30,000	110,000	527,000	503,000
Vehicle Costs	27,000	26,000	27,000	80,000	29,000	8,000	37,000	117,000	79,000
Rental	27,000	26,000	25,000	78,000	15,000	12,000	27,000	105,000	43,000
Subcontractors	7,000	5,000	7,000	19,000	4,000	2,000	6,000	25,000	117,000
Non-employee compensation	120,000	122,000	119,000	361,000	70,000	51,000	121,000	482,000	415,000
Administrative and other	198,000	200,000	198,000	596,000	210,000	45,000	255,000	851,000	996,000
Corporate taxes	-	-	-	-	-	-	-	-	32,000
	<u>\$ 2,970,000</u>	<u>\$ 4,230,500</u>	<u>\$ 3,229,500</u>	<u>\$ 10,430,000</u>	<u>\$ 2,398,000</u>	<u>\$ 951,000</u>	<u>\$ 3,349,000</u>	<u>\$ 13,779,000</u>	<u>\$ 13,283,000</u>

NON PROFIT ORGANIZATION
STATEMENT OF CASH FLOWS
Year ended December 31, 2018 (with memorandum totals for the
year ended December 31, 2017)

INDIRECT METHOD

	<u>Current Year</u>	<u>Prior Year</u> (Memorandum only)
Cash flows from operating activities:		
Change in net assets	\$ (453,000)	\$ (66,000)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Contributions restricted for acquisition of land, buildings, and endowment	(1,000)	(2,000)
Depreciation	404,000	392,000
Noncontrolling ownership interest in subsidiary	(71,000)	-
Loss on disposal of asset	22,000	-
Gain on sale of investment	(146,000)	-
Bad debt provision	9,000	22,000
Investment return	(48,000)	(17,000)
Changes in:		
Accounts receivable	14,000	(100,000)
Income tax receivable	(42,000)	-
Pledges receivable	(16,000)	6,000
Grants receivable	53,000	235,000
Inventories	(44,000)	(36,000)
Prepaid expenses	(10,000)	5,000
Deposit	(17,000)	-
Accounts payable	(2,000)	201,000
Accrued expenses and other liabilities	(31,000)	27,000
Payroll, sales tax and related payables	(5,000)	4,000
Deferred revenue	251,000	(302,000)
Net cash (used in) provided by operating activities	<u>(133,000)</u>	<u>369,000</u>
Cash flows from investing activities:		
Acquisition of land, building and equipment	(2,118,000)	(1,225,000)
Proceeds from sale of easement rights	413,000	-
Purchases of investments	(182,000)	(205,000)
Proceeds from sales of investments	254,000	181,000
Decrease (increase) in cash and cash equivalents-restricted to endowment	75,000	(34,000)
Net cash used for investing activities	<u>(1,558,000)</u>	<u>(1,283,000)</u>
Cash flows from financing activities:		
Noncontrolling ownership interest in subsidiary contributions	1,050,000	-
Principal payments on long term debt and notes payable	(201,000)	(156,000)
New loan and notes payable borrowings	1,544,000	936,000
Restricted contributions	1,000	2,000
Net cash provided by financing activities	<u>2,394,000</u>	<u>782,000</u>
Net increase (decrease) in cash and cash equivalents	703,000	(61,000)
Cash and cash equivalents at beginning of year	<u>197,000</u>	<u>258,000</u>
Cash and cash equivalents at end of year	<u>\$ 900,000</u>	<u>\$ 197,000</u>
Supplemental Cash Flow Information:		
Cash paid for:		
Interest	<u>\$ 100,000</u>	<u>\$ 83,000</u>
Taxes	<u>\$ 20,000</u>	<u>\$ 13,000</u>
Non-Cash:		
Donated Investments	<u>\$ 10,000</u>	<u>\$ 11,000</u>
Fixed Assets in accounts payable	<u>\$ 62,000</u>	<u>\$ -</u>

NON PROFIT ORGANIZATION
STATEMENT OF CASH FLOWS
Year ended December 31, 2018 (with memorandum totals for the
year ended December 31, 2017)

DIRECT METHOD

	Current Year	Prior Year (memorandum only)
CASH FLOWS FROM OPERATING ACTIVITIES		
Product sales	\$ 8,308,000	\$ 8,082,000
Tuition and fees	2,924,000	2,836,000
Contributions and grants	1,242,000	1,251,000
Guests and conference income	606,000	578,000
Special events revenue	55,000	45,000
Rentals	42,000	35,000
Interest income	500	30,000
Other revenues	314,000	126,000
Payments to employees	(10,851,000)	(9,499,000)
Payments to vendors	(2,700,000)	(3,000,000)
Income taxes	-	(32,000)
Interest expense	(106,000)	(83,000)
Net cash (used in) provided by operating activities	<u>(165,500)</u>	<u>369,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of land, building and equipment	(2,118,000)	(1,225,000)
Proceeds from sale of easement rights	413,000	-
Purchases of investments	(182,000)	(205,000)
Proceeds from sales of investments	104,000	181,000
Proceeds from sale of investment	150,000	-
Decrease (increase) in cash and cash equivalents-restricted to endowment	75,000	(34,000)
Net cash used for investing activities	<u>(1,558,000)</u>	<u>(1,283,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Noncontrolling ownership interest in subsidiary contributions	1,050,000	-
Principal payments on long term debt and notes payable	(201,000)	(156,000)
New loan and notes payable borrowings	1,544,000	936,000
Restricted contributions	1,000	2,000
Net cash provided by financing activities	<u>2,394,000</u>	<u>782,000</u>
Net increase (decrease) in cash	670,500	(132,000)
Cash and cash equivalents, beginning of year	<u>197,000</u>	<u>329,000</u>
Cash and cash equivalents, end of year	<u>\$ 867,500</u>	<u>\$ 197,000</u>
Supplemental Cash Flow Information:		
Cash paid for:		
Interest	<u>\$ 100,000</u>	<u>\$ 83,000</u>
Taxes	<u>\$ 20,000</u>	<u>\$ 13,000</u>
Non-Cash:		
Donated Investments	<u>\$ 10,000</u>	<u>\$ 11,000</u>
Fixed Assets in accounts payable	<u>\$ 62,000</u>	<u>\$ -</u>

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

1. Nature of Operations:

Non-Profit Organization, Inc.:

(Non-Profit Organization, Inc.) (the "Organization") is a non-profit organization engaged....

Instruction: Description of the nature of the organization's activities, including a description of each of its major classes of programs. If not provided in the notes to financial statements, the description can be presented on the statement of activities (for example, using column headings).

2. Summary of Significant Accounting Policies:

Basis of Presentation:

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

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 the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

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 the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Contributions:

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

2. Summary of Significant Accounting Policies (Continued):

Contributions (Continued):

When a restriction expires, that is, when a stipulated time restriction ends or a 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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. **Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.**

Investments:

Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities in accordance with donor restrictions as investment return. **Investment return is presented net of investment fees.** The average cost method is primarily used to determine the basis for computing realized gains or losses.

Measure of Operations:

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to Non-Profit Organization, Inc.'s ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

New Accounting Pronouncement:

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Non-Profit Organization, Inc. has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

2. Summary of Significant Accounting Policies (Continued):

Functional Expenses:

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among animal services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Grants	Time and Effort
Salaries and benefits	Time and Effort
Education and awareness	Time and Effort
Occupancy	Square Footage
Professional services	Full Time Equivalent
Printing	Full Time Equivalent
Information technologies	Full Time Equivalent
Travel	Time and effort
Depreciation	Square Footage
Other	Time and effort

NON PROFIT ORGANIZATION
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2018

3. **Net Assets - With Donor Restrictions:**

Donor restricted net assets consist for the following purposes as of (CY):

Subject to expenditure for specified purpose:	
Program 1 activities:	
Purchase of equipment	\$ 46,000
Research	39,000
Education seminars and publications	55,000
Program 2 activities:	
Disaster relief	70,000
Education seminars and publications	42,000
Program 3 activities: general	72,000
	324,000
Subject to the passage of time:	
For periods after <i>future date</i>	200,000
Subject to NFP spending policy and appropriation:	
Investment in perpetuity	
Program 1 activities	120,000
Program 2 activities	135,000
Program 3 activities	81,000
Any activities of the organization	140,000
	476,000
Subject to appropriation and expenditure when a specified event occurs:	
Endowment requiring income to be added to original gift until fund's value is \$200,000	73,000
Paid-up life insurance policy that will provide proceeds upon death of insured for an endowment to support general activities	65,000
	138,000
Not subject to appropriation or expenditure:	
Land required to be used as a recreation area	22,000
Total net assets with donor restrictions	\$ 1,160,000

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

3. Net Assets - With Donor Restrictions (Continued):

Releases from Donor Restricted Net Assets for the year ended (current year), are as follows:

Releases from restrictions:	
Subject to the passage of time	\$ 100,000
Subject to expenditure for specified purpose:	
Program 1	
Research	8,000
Subject to NFP spending policy and appropriation:	
Investment in perpetuity	
Program 1 activities	2,000
Program 2 activities	10,000
Program 3 activities	7,000
Any activities of the organization	5,000
	<u>\$ 132,000</u>

Endowment Net Assets with Donor Restrictions:			
Original donor-restricted endowment gift amounts			
and amounts required to be retained by donor	\$ 600,000		
Accumulated investment gains on endowment			
funds:			
Without purpose restrictions	7,000		
With purpose restrictions	<u>7,000</u>		
Total endowment funds classified as net assets			
with donor restrictions	<u>\$ 614,000</u>		

4. Board Designated Net Assets:

The board designated net assets are comprised of the following:

Without donor restrictions:

 Designated by the Board for:

 Quasi-endowment \$100,000

 Purchase of land 50,000

 Undesignated 20,000

 Net assets \$170,000

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

5. Net Assets - Endowment Funds:

The Organization's endowment consists of two funds held with an institutional investment company. The endowment includes both donor-restricted endowment funds which are classified and reported based on the existence or absence of donor-imposed restrictions and funds designated by the Board of Trustees to function as endowment.

The Organization is subject to the New York State Prudent Management of Institutional Funds Act (NYSPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Trustees has interpreted NYSPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to the endowment fund, unless a donor stipulates to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund, and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted NYSPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

Additionally, in accordance with NYSPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation or deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization.

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

5. Net Assets - Endowment Funds (Continued):

Endowment Net Asset Composition by Type of Fund as of CY:					
			Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:					
	Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor		\$ -	\$ 600,000	\$ 600,000
	Accumulated investment gains		-	14,000	14,000
	Board Restricted Endowment Funds		100,000	-	100,000
	Total		\$ 100,000	\$ 614,000	\$ 714,000
As of CY, the endowment fund is comprised of:					
		Investments		\$ 687,000	
		Cash and cash equivalents		27,000	
				<u>\$ 714,000</u>	
Changes in Endowment Net Assets for the Year Ended CY:					
			Without Donor Restrictions	With Donor Restrictions	Total
	Endowment Net Assets, Beginning of Year		\$ 75,000	\$ 478,000	\$ 553,000
	Investment return, net		500	80,000	80,500
	Contributions		-	80,000	80,000
	Amount Appropriated for Expenditure		(4,000)	(24,000)	(28,000)
	Other changes:				
	Transfers to create board-designated endowment funds		28,500		28,500
	Endowment Net Assets, End of Year		\$ 100,000	\$ 614,000	\$ 714,000

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

5. Net Assets - Endowment Funds (Continued):

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYSPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature exist in 2 donor restricted endowment funds, which together have an original gift value of \$5,000, a current fair value of \$3,000, and a deficiency of \$2,000 as of CY. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

All of the required disclosures prior to ASC 2016-14 are required to be disclosed including:

- *Return objectives and risk parameters*
- *Strategies employed for achieving objectives*
- *Spending policy and how the investment objectives relate to spending policy*

Add to the spending policy noted above:

The Organization has a policy that permits spending underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. The government board appropriated for expenditure \$1,000 from underwater endowment funds during the year, which represents 3% of the 12 quarter moving average, not the 5% it generally draws from its endowment.

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

6. Liquidity

Non-Profit Organization, Inc.'s financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 900,000
Investments, at cost	2,000
Accounts receivable, net	126,000
Income tax receivable	20,000
Grant receivable	10,000
Pledges receivable	20,000
Inventories	500,000
Prepaid expenses	50,000
Deposit	10,000
	<u>\$ 1,638,000</u>

Non-Profit Organization, Inc.'s financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date and amounts set aside for long-term investing in endowments.

Non-Profit Organization, Inc.'s endowment funds consist of donor-restricted endowments and a quasi-endowment fund. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. As described in Note 5, the quasi-endowment has a spending rate of 5 percent. \$5,000 of appropriations from the quasi-endowment will be available within the next 12 months.

As part of Non-Profit Organization, Inc.'s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Non-Profit Organization, Inc. invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, Non-Profit Organization, Inc. has committed lines of credit in the amount of \$1,000,000, which it could draw upon. Additionally, Non-Profit Organization, Inc. has a quasi-endowment of \$100,000. Although Non-Profit Organization, Inc. does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its quasi-endowment could be made available if necessary. However, both the quasi-endowment and donor-restricted endowments contain investments with lock-up provisions that would reduce the total investments that could be made available.

NON PROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

7. Special Events

Special events generate revenue for the Organization as well as raise awareness about the organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly. Incidental events are recorded net in the accompanying Statement of Activities.

The Organization held one annual event during the year ended December 31, 2018 related to its annual ball as follows:

Changes in net assets without donor restrictions:		
Revenues:		
Contributions		\$ 100,000
Special event revenue	\$ 20,000	
Less: Costs of direct benefits to donors	(70,000)	
Net revenues from special events		(50,000)
Total revenues		50,000
Expenses:		
Program 1		1,000
Fundraising		1,000
Increases in net assets without donor restrictions		\$ 48,000