

**CHRISTIAN WOMEN'S JOB CORPS OF
MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018**

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FINANCIAL STATEMENTS
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Independent Auditors' Report

To the Board of Directors

Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee)

Report on the Financial Statements

We have audited the accompanying financial statements of Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee), a Tennessee not-for-profit corporation, which comprise the statements of financial position as of December 31, 2019 and 2018, 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 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 auditors' 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 financial statements referred to above present fairly, in all material respects, the financial position of Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee) as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Blankenship CPA Group, PLLC

Brentwood, Tennessee

May 14, 2020

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

	2019	2018
ASSETS		
Cash	\$ 175,884	\$ 104,281
Contributions receivable	40,654	41,540
Investments	300,121	451,421
Other assets	3,159	3,368
Furniture and equipment, net	<u>549</u>	<u>5,271</u>
TOTAL ASSETS	<u><u>\$ 520,367</u></u>	<u><u>\$ 605,881</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 20,646	\$ 5,577
Deferred special event revenue	<u>50,481</u>	<u>65,758</u>
Total Liabilities	<u>71,127</u>	<u>71,335</u>
NET ASSETS		
Without donor restrictions	390,964	468,579
With donor restrictions	<u>58,276</u>	<u>65,967</u>
Total Net Assets	<u>449,240</u>	<u>534,546</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 520,367</u></u>	<u><u>\$ 605,881</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Changes in Net Assets Without Donor Restrictions		
Revenues		
Contributions and grants	\$ 326,485	\$ 325,118
Special events (net of direct benefits to donors of \$20,373 and \$19,529 for 2019 and 2018, respectively)	209,842	258,142
Investment and interest income	<u>25,034</u>	<u>838</u>
Total revenues without donor restrictions	561,361	584,098
Net assets released from restrictions	<u>103,467</u>	<u>207,430</u>
Total revenues and other support without donor restrictions	<u>664,828</u>	<u>791,528</u>
Expenses		
Program services	<u>611,867</u>	<u>652,334</u>
Supporting services:		
Management and general	<u>82,580</u>	<u>87,299</u>
Fundraising	<u>41,672</u>	<u>61,931</u>
Special event direct costs	<u>6,324</u>	<u>10,357</u>
	<u>47,996</u>	<u>72,288</u>
Total Expenses	<u>742,443</u>	<u>811,921</u>
Decrease in net assets without donor restrictions	<u>(77,615)</u>	<u>(20,393)</u>
Changes in Net Assets With Donor Restrictions		
Contributions	95,776	83,717
Net assets released from restrictions	<u>(103,467)</u>	<u>(207,430)</u>
Decrease in net assets with donor restrictions	<u>(7,691)</u>	<u>(123,713)</u>
DECREASE IN NET ASSETS	(85,306)	(144,106)
NET ASSETS, BEGINNING OF THE YEAR	<u>534,546</u>	<u>678,652</u>
NET ASSETS, END OF THE YEAR	<u><u>\$ 449,240</u></u>	<u><u>\$ 534,546</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

		Supporting Services		
	Program Services	Management and General	Fund- raising	Total
Salaries and benefits	\$ 458,700	\$ 33,718	\$ 33,494	\$ 525,912
Facilities rent and utilities	97,189	2,000	525	99,714
Professional fees	-	33,914	-	33,914
GED/literacy materials	15,731	-	-	15,731
Travel	7,822	430	1,902	10,154
Network and computer administration	6,070	1,526	256	7,852
Marketing and promotion	272	4,091	3,082	7,445
Office supplies, software and equipment	5,943	1,165	5	7,113
Telephone	5,309	137	138	5,584
Depreciation	4,722	-	-	4,722
Insurance	2,770	1,867	-	4,637
Miscellaneous	919	3,109	228	4,256
Printing	632	198	1,627	2,457
Staff development	1,419	137	193	1,749
Volunteer recognition	1,418	146	25	1,589
Program supplies	1,264	-	-	1,264
Student needs	1,236	-	-	1,236
Postage	451	142	197	790
Total expenses before special event direct costs	611,867	82,580	41,672	736,119
Special events direct costs	-	-	21,697	21,697
Donated items - special events	-	-	5,000	5,000
Less direct benefits to donors	-	-	(20,373)	(20,373)
Total special event direct costs	-	-	6,324	6,324
Total expenses	\$ 611,867	\$ 82,580	\$ 47,996	\$ 742,443

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	Program Services	Supporting Services		Total
		Management and General	Fund- raising	
Salaries and benefits	\$ 468,991	\$ 27,511	\$ 47,672	\$ 544,174
Facilities rent and utilities	101,610	3,200	3,300	108,110
Professional fees	-	33,753	-	33,753
GED/literacy materials	12,413	-	-	12,413
Travel	6,389	883	929	8,201
Network and computer administration	4,802	2,378	3,359	10,539
Marketing and promotion	2,223	2,322	3,569	8,114
Office supplies, software and equipment	8,391	1,531	42	9,964
Telephone	6,066	1,101	766	7,933
Depreciation	8,000	1,081	1,080	10,161
Insurance	2,780	1,638	-	4,418
Miscellaneous	1,906	4,331	-	6,237
Printing	3,375	2,702	1,156	7,233
Staff development	2,410	374	20	2,804
Volunteer recognition	4,201	4,154	-	8,355
Program supplies	791	-	-	791
Student needs	14,455	-	-	14,455
Postage	1,432	340	38	1,810
WMU scholarship	2,099	-	-	2,099
Total expenses before special event direct costs	652,334	87,299	61,931	801,564
Special events direct costs	-	-	22,386	22,386
Donated items - special events	-	-	7,500	7,500
Less direct benefits to donors	-	-	(19,529)	(19,529)
Total special event direct costs	-	-	10,357	10,357
Total expenses	\$ 652,334	\$ 87,299	\$ 72,288	\$ 811,921

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

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in net assets	\$ (85,306)	\$ (144,106)
Adjustments to reconcile decrease in net assets to net cash used in operating activities		
Depreciation	4,722	10,161
Investment income	(25,034)	(838)
Change in operating assets		
Contributions receivable	886	16,845
Other assets	209	229
Change in operating liabilities		
Accounts payable and accrued expenses	15,069	(205)
Deferred special event revenue	(15,277)	(18,146)
	<u>(104,731)</u>	<u>(136,060)</u>
Net Cash Used in Operating Activities		
	<u>(104,731)</u>	<u>(136,060)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	-	1,237
Purchases of certificates of deposit	(240,000)	(250,000)
Maturity of certificates of deposit	416,334	-
	<u>176,334</u>	<u>(248,763)</u>
Net Cash Provided by (Used in) Investing Activities		
	<u>176,334</u>	<u>(248,763)</u>
Net Increase (Decrease) in Cash	71,603	(384,823)
CASH, BEGINNING OF THE YEAR	<u>104,281</u>	<u>489,104</u>
CASH, END OF THE YEAR	<u><u>\$ 175,884</u></u>	<u><u>\$ 104,281</u></u>

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

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 1 - NATURE OF ACTIVITIES

Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee), the Organization, was established in 1997 and is a Tennessee not-for-profit corporation. Begin Anew empowers individuals to overcome obstacles caused by poverty by providing education, mentoring, and resources.

The Organization provides three education tracks to students: HiSET (High School Equivalency Test), Computer and Job Skills, and ELL (English Language Learners). In addition, the Organization offers free childcare while students are taking classes, connects students with a mentor, and seeks to create a safe community that cares for one another.

The Organization primarily serves students over the age of 18 in six programs at four locations across Middle Tennessee: Madison (Men and Women), Nashville (Women Only), Williamson Co. (Men and Women), and Woodbine (Combined Men and Women). A program director oversees the volunteers and students at each location by providing oversight, training, and direction. Each location holds classes for two hours on two evenings per week. Williamson Co. provides an additional daytime class on Thursday from 9am-noon. Approximately 320 volunteers serve the Organization as tutors, teachers, mentors, childcare workers, meal preparers, and greeters. The Organization collaborates with other not-for-profits to meet additional needs of students outside the realm of education and mentoring.

The Organization is primarily supported by donations from churches, individuals, corporations and special fundraising events.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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

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

Use of Estimates

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

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the tax laws of the state of Tennessee.

Investments

Investments are composed of fixed income securities and mutual funds and are valued at quoted fair value.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Furniture and Equipment

The Organization follows the practice of capitalizing, at cost, all expenditures for furniture and equipment in excess of \$1,000. Donations of furniture and equipment are recorded as revenues at their estimated fair value. Such donations are reported as unrestricted revenues unless the donor has restricted the donated asset to a specific purpose. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain (except on trade-in) or loss is included in the statements of activities for the period. A gain on trade-in is applied to reduce the cost of the new acquisition. Depreciation is provided over the estimated useful life of three to seven years and is computed on the straight-line method.

Deferred Special Event Revenue

Deferred special event revenue represents proceeds received in advance, net of related prepaid expenses, for the Organization's annual fundraiser which are not considered earned by the Organization (or expenses incurred) until after the event has occurred.

Contributions

Contributions received are 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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (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 statements of activities as net assets released from restrictions.

In-kind Donations

Various volunteers donate many hours to the Organization's program services and fundraising campaigns. These contributed services are not reflected in the financial statements because the activities do not meet the necessary criteria for recognition under US GAAP. Property, equipment, materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their estimated fair values at the date of contribution based upon information provided by third-party providers.

Functional Expenses

The costs of providing various program and supporting services of the Organization have been summarized on a functional basis. Accordingly, certain expenses have been allocated among program, management and general, and fundraising expenses. Expenses requiring allocation on the statements of functional expenses are allocated based on management's estimate of time and effort spent.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31:

	2019	2018
Financial assets at year end:		
Cash	\$ 175,884	\$ 104,281
Contributions receivable	40,654	41,540
Investments	<u>300,121</u>	<u>451,421</u>
	<u>516,659</u>	<u>597,242</u>
Less amounts not available to be used within one year:		
Investments designated for scholarships	35,066	31,542
Investments designated/restricted for reserves	<u>185,055</u>	<u>166,410</u>
	<u>220,121</u>	<u>197,952</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 296,538</u>	<u>\$ 399,290</u>

As part of its liquidity plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization receives year-round donations from supporters and makes specific appeals at strategic times of the year for specific projects. Cash flow is tracked through regular budget to actual comparisons which are monitored by management and the board of directors.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

The Organization provides an allowance for estimated losses on contributions receivable in the period deemed uncollectible. No allowance was deemed necessary as of December 31, 2019 and 2018. Contributions receivable are considered current since they are expected to be collected within one year.

NOTE 5 - INVESTMENTS

The Organization's investments consist of the following at December 31:

	2019	2018
Held with Tennessee Baptist Foundation		
Cash funds	\$ 43,096	\$ 7,118
Fixed income funds	103,076	49,211
Mutual funds	<u>38,883</u>	<u>110,081</u>
	<u>185,055</u>	<u>166,410</u>
Certificates of deposit	<u>80,000</u>	<u>253,469</u>
Held with a Broker		
Cash funds	1,992	915
Fixed income funds	22,064	21,730
Mutual funds	<u>11,010</u>	<u>8,897</u>
	<u>35,066</u>	<u>31,542</u>
Total investments	<u>\$ 300,121</u>	<u>\$ 451,421</u>

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 5 - INVESTMENTS (CONTINUED)

The investments held by the Tennessee Baptist Foundation are for the establishment of a general, unrestricted operational endowment. Total investment income (loss), net of fees, on these investments was \$18,645 and (\$2,198) for 2019 and 2018, respectively. See Note 7 for information regarding this endowment.

The certificates of deposit consist of one certificate at December 31, 2019 (two at December 31, 2018) with a local bank. These instruments have original maturity dates ranging from six to 10 months.

The investments held with a Broker are for a scholarship endowment. Total investment income (loss), net of fees, on these investments was \$3,523 and (\$669) for 2019 and 2018, respectively. See Note 7 for information regarding this endowment.

US GAAP requires the Organization to disclose the basis for considering market participant assumptions in fair value measurements. Fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2) and the reporting entity's own assumptions about market participant assumptions (Level 3). All of the Organization's investments are valued using Level 1 inputs except for the fixed income funds which are valued using Level 2 inputs.

NOTE 6 - FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following at December 31:

	2019	2018
Equipment - computers	\$ 58,405	\$ 58,405
Software	26,524	26,524
Equipment - office	<u>1,049</u>	<u>1,049</u>
	85,978	85,978
Accumulated depreciation	<u>(85,429)</u>	<u>(80,707)</u>
	<u><u>\$ 549</u></u>	<u><u>\$ 5,271</u></u>

Depreciation expense was \$4,722 and \$10,161 for the years ended December 31, 2019 and 2018, respectively.

NOTE 7 - NET ASSETS

Net assets without donor restrictions are available for the Organization's various programs and administration. Within net assets without donor restrictions, the Organization has designated funds for two endowments, one of which also has a permanently restricted component.

Net assets without donor restrictions consist of the following at December 31:

	2019	2018
Undesignated net assets without donor restrictions	\$ 171,843	\$ 271,627
General, operational endowment	184,055	165,410
Scholarship endowment	<u>35,066</u>	<u>31,542</u>
	<u><u>\$ 390,964</u></u>	<u><u>\$ 468,579</u></u>

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 7 - NET ASSETS (CONTINUED)

The general, operational endowment consists of a donor restricted contribution and funds designated by the Organization's board of directors. No contributions were made during 2019 and 2018. Currently, the earnings on the invested funds are being added to the designated portion of the endowment fund for future use and stability. The funds are held with the Tennessee Baptist Foundation as described in Note 5.

The scholarship endowment (known as the Dawn Ferguson Scholarship) was funded during 2015 with memorial contributions that were designated by the board of directors to honor a longtime volunteer. The Organization plans to use the endowment to assist applicants with attending accredited educational institutions or to fund the Organization's classroom activities. There were no contributions or withdrawals made to or from this fund during 2019 and 2018. The funds are held with a broker as described in Note 5.

Net assets with donor restrictions consist of contributions made for specific projects or programs or are restricted by time. These net assets will be released from restrictions when the funds are used for the purpose designated by the donor.

Net assets with donor restrictions consist of the following at December 31:

	2019	2018
Restricted for future periods	\$ 44,276	\$ 51,967
Restricted for programs	13,000	13,000
Held in perpetuity, income is expendable		
General, operational endowment	<u>1,000</u>	<u>1,000</u>
	<u>\$ 58,276</u>	<u>\$ 65,967</u>

NOTE 8 - DONATED SERVICES AND MATERIALS

The following donated services and materials have been included in unrestricted revenues and expenses/assets in the financial statements for the years ended December 31:

	2019	2018
Included in contributions/expenses:		
Rent	\$ 87,114	\$ 89,510
Teaching, instruction and work study	11,495	16,434
Marketing	3,500	3,500
Network and computer administration	2,100	1,500
Printing	1,500	1,875
Photographer	1,200	150
Computer	700	700
Editing	500	500
Car repairs	-	90
Automobiles	-	7,800
Included in special event revenues and special event direct costs	<u>5,000</u>	<u>7,500</u>
	<u>\$ 113,109</u>	<u>\$ 129,559</u>

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 8 - DONATED SERVICES AND MATERIALS (CONTINUED)

Various program assistance for the Organization including mentoring, teaching, tutoring, child care, job coaching, fundraising, and board service was provided by volunteers of the surrounding communities. Those donated services have not been reflected in the accompanying financial statements because they did not meet the criteria for recognition.

NOTE 9 - LEASING ARRANGEMENTS

The Organization leases space for its administrative offices from the Nashville Baptist Association (NBA - see Note 8). This year-to-year lease does not require a specific rent; however, the Organization pays \$600 per month to share in covering the cost of utilities. The Organization also reimburses the NBA for any office related expenses such as copier use and postage. Additional in-kind contributions have been included in the financial statements for this lease.

The Organization also has year-to-year leases with several area churches that provide office and/or classroom space for programming. All of these leases are rent-free or at below market rates. Accordingly, the value of these leases have been included in the in-kind contributions described in Note 8.

NOTE 10 - CONCENTRATIONS

The annual spring fundraising event generated 32% of total revenues in 2019 and 36% of total revenues in 2018. In 2020, this event has been postponed from April 2, 2020 to August 27, 2020 due to the coronavirus outbreak. (See Note 12).

NOTE 11 - RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). ASU No. 2016-02 requires recognition of rights and obligations arising from lease contracts, including existing and new arrangements, as assets and liabilities on the balance sheet. ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2020. The Organization's adoption of the new standard in 2021 will require quantitative and qualitative financial statement disclosures regarding the Organization's lease arrangements and balance sheet presentation of right of use assets and lease liabilities representative of the Organization's discounted future lease payments. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial statements in the subsequent years.

NOTE 12 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through May 14, 2020 which is the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the Organization operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the Organization, to date, the Organization is experiencing a decline in its revenues and its ability to perform activities at its normal pace. The Organization filed for assistance under the CARES Act, Paycheck Protection Program and received a relief loan totaling \$96,438 on April 20, 2020.