

FAITH IN PRACTICE

FINANCIAL STATEMENTS

AUGUST 31, 2019

(With Independent Auditor's Report Thereon)

Insight. Oversight. Foresight.SM

 **DoerenMayhew**
CPAs AND ADVISORS

FAITH IN PRACTICE

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
of **Faith In Practice**

Report on the Financial Statements

We have audited the accompanying financial statements of Faith In Practice ("FIP"), a Texas nonprofit corporation, which comprise the statement of financial position as of August 31, 2019, and the related statements 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 the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FIP as of August 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in fiscal year 2019, Faith In Practice adopted Accounting Standard Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to that matter.



Houston, Texas
March 23, 2020

FAITH IN PRACTICE

STATEMENT OF FINANCIAL POSITION AUGUST 31, 2019

Assets

Cash and cash equivalents (note 11)	\$ 695,902
Restricted cash (note 1)	160,000
Pledges receivable (note 2)	42,500
Inventory (note 1)	2,636,218
Investments in stocks and mutual funds (notes 3, 4 and 11)	2,142,422
Prepaid expenses	96,246
Property and equipment, net of accumulated depreciation (note 5)	324,218
Other assets	<u>8,175</u>
Total assets	<u>\$ 6,105,681</u>

Liabilities and Net Assets

Liabilities:

Accounts payable & accrued expenses	\$ 188,967
Deferred income (note 1)	<u>444,190</u>

Total liabilities	<u>633,157</u>
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Net assets:

Without donor restrictions (note 1)	5,102,038
With donor restrictions (note 6)	<u>370,486</u>

Total net assets	<u>5,472,524</u>
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Total liabilities and net assets	<u>\$ 6,105,681</u>
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See accompanying notes to financial statements.

FAITH IN PRACTICE

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED AUGUST 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support:			
Contributions	\$ 2,724,388	\$ 359,026	\$ 3,083,414
Mission trip fees	1,551,682	88,162	1,639,844
In-kind contributions (note 8)	15,720,586	-	15,720,586
Interest and dividends	77,412	-	77,412
Investment return	17,531	-	17,531
Net assets released from restrictions (note 7)	512,771	(512,771)	-
Total revenue, gains and other support	<u>20,604,370</u>	<u>(65,583)</u>	<u>20,538,787</u>
Expenses (note 13):			
Guatemala program	16,373,746	-	16,373,746
Management and general	607,530	-	607,530
Fundraising	855,949	-	855,949
Total expenses	<u>17,837,225</u>	<u>-</u>	<u>17,837,225</u>
Changes in net assets	2,767,145	(65,583)	2,701,562
Net assets, beginning of year	<u>2,334,893</u>	<u>436,069</u>	<u>2,770,962</u>
Net assets, end of year	<u>\$ 5,102,038</u>	<u>\$ 370,486</u>	<u>\$ 5,472,524</u>

See accompanying notes to financial statements.

FAITH IN PRACTICE

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED AUGUST 31, 2019

	Guatemala Program	Management and General	Fundraising	Total
Auto expenses	\$ 24,388	\$ -	\$ -	\$ 24,388
Bank/credit card charges	216	96,987	14,497	111,700
Board of directors expense	-	3,297	-	3,297
Postage and shipping	46,365	140	4,882	51,387
Meals and entertainment	3,318	1,878	-	5,196
Office expense	85,311	32,317	8,176	125,804
Printing	2,915	3,000	13,472	19,387
Computer systems maintenance	49,868	24,947	24,947	99,762
Telephone and communications	16,800	14,067	-	30,867
Special events	-	-	187,692	187,692
General fundraising expenses	-	-	17,278	17,278
Medical supplies and devices	8,062,991	-	-	8,062,991
Professional medical services	5,284,100	-	-	5,284,100
Donations to network organization	199,613	-	-	199,613
Leadership travel	27,258	-	-	27,258
Leadership training conference	43,413	-	-	43,413
Mission team member expenses	797,480	-	-	797,480
Patient travel/care/medical tests	499,223	-	-	499,223
Storage expenses	72,326	-	-	72,326
Insurance	-	8,013	-	8,013
Professional services	5,208	40,243	-	45,451
Scholarships	298	-	-	298
Depreciation	77,498	9,279	9,279	96,056
Payroll expenses	1,075,157	373,362	575,726	2,024,245
Total expenses	\$ 16,373,746	\$ 607,530	\$ 855,949	\$ 17,837,225

See accompanying notes to financial statements.

FAITH IN PRACTICE

STATEMENT OF CASH FLOWS YEAR ENDED AUGUST 31, 2019

Cash flows from operating activities:	
Changes in net assets	\$ 2,701,562
Adjustments to reconcile changes in net assets to net cash used by operating activities:	
Depreciation	96,056
Donated property and equipment	(248,301)
Donated medical supplies and devices inventory	(2,218,281)
Net unrealized and realized loss (gain) on investments	(17,531)
Changes in operating assets and liabilities:	
Other receivables	1,402
Pledges receivables	(23,500)
Prepaid expenses	(38,958)
Inventory	(57,254)
Other assets	(4,698)
Accounts payable	114,506
Deferred income	(7,614)
	<hr/>
Net cash provided by operating activities	297,389
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Cash flows from investing activities:	
Purchases of property and equipment	(98,365)
Purchases of investments	(1,240,784)
Proceeds from sales of investments	1,147,227
	<hr/>
Net cash used by investing activities	(191,922)
	<hr/>
Net increase in cash & cash equivalents and restricted cash	105,467
Cash & cash equivalents and restricted cash, beginning of year	750,435
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Cash & cash equivalents and restricted cash, end of year	<u><u>\$ 855,902</u></u>

See accompanying notes to financial statements.

FAITH IN PRACTICE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

Note 1 - Nature of Activities and Significant Accounting Policies

Nature of Activities

Faith In Practice (“FIP”) is a Texas nonprofit corporation which works to improve the medical, spiritual and economic conditions of the poor in Guatemala. The primary purpose of FIP is to provide surgery, medical and dental care to the poor in Guatemala. The services are primarily provided by doctors, dentists and medical professionals and non-medical volunteers in the United States and Guatemala, who donate their time and pay their own expenses to volunteer in Guatemala with FIP. FIP is supported through in-kind contributions, mission fees from its team members and donations.

Basis of Presentation

FIP’s financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (“US GAAP”), which requires FIP 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 FIP. These net assets may be used at the discretion of FIP’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 FIP or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Generally, the donors of these assets permit FIP to use all of, or part of, the income earned on the related investments for specific purposes.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents

FIP considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents and available for current use.

Amounts excluded from long-term investments are cash and cash equivalents that are classified as restricted cash. At August 31, 2019, restricted cash and cash equivalents amounted to \$160,000 restricted as a reserve for general maintenance for the Hilario Galindo Hospital in Guatemala.

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue and is reported within the asset class in which the pledge was originally reported.

Investments

FIP has adopted accounting standards, "Accounting for Certain Investments Held by Non-Profit Organizations." Under the standards, investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the change in net assets without donor restrictions unless the income or loss is restricted by donor or law. Quoted market prices are used to determine fair values.

Inventory

Inventory is valued at net realizable value or, if donated, at the value assigned by the donor. If the donor does not assign a value, the inventory is valued at fair market value. Inventory consists primarily of medicines and medical supplies to be used on patients. At August 31, 2019, the inventory included donated medical supplies/equipment to be used on patients of \$2,496,960.

Property and Equipment

Property and equipment are stated at acquisition cost or, if donated, at estimated fair value at the date of donation. Depreciation and amortization are computed principally by the straight-line method over the following estimated useful lives:

Office furniture and equipment	3-5 years
Medical and lab equipment	3-5 years
Vehicles	2-5 years
Software development	3-5 years
Leasehold improvements	10 years

Deferred Income

Deferred income, primarily consisting of event contributions and trip fees paid in advance, related to events held in the next fiscal year, have been deferred.

FAITH IN PRACTICE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Revenue Recognition

Revenue is recognized when earned. Mission team member fees and gala table purchases received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

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. 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.

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the asset must be used, the contributions are recorded as donor restricted. In the absence of such stipulations, contributions of property and equipment are recorded as without donor restrictions.

Conditional promises to give are not included as contributions until the conditions are substantially met. When collected prior to satisfaction of donor restrictions, amounts are reported as refundable advances.

Income Taxes

FIP is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require FIP's management to evaluate tax positions taken by FIP and recognize a tax liability (or asset) if FIP has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. FIP's management has analyzed the tax positions taken by FIP and has concluded that as of August 31, 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the basic financial statements. FIP is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2015.

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses which are directly associated with a particular program are charged to that program. Certain expenses that cannot be directly identified with a specific program are allocated to the various programs based upon square footage, salaries, or other reasonable methods for allocating multiple program expenditures. Accordingly, certain shared costs have been allocated among the programs and supporting services.

Fair Value of Financial Instruments

FIP's financial instruments consist of receivables, investments and liabilities. Management believes the carrying amount of these financial instruments approximates their fair values.

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 assumptions.

Recent Financial Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board issued *Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. This ASU amended the reporting model for nonprofit organizations and enhanced required disclosures. FIP adopted ASU 2016-14 during fiscal year 2019. The major changes to the Agency's consolidated financial statements as a result of adopting ASU 2016-14 include (a) the presentation of two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) disclosure of quantitative and qualitative information regarding liquidity and availability of resources, and (c) modifying other disclosures intended to increase the usefulness of the financial statements.

Note 2 - Pledges Receivable

Pledges receivable are due as follows at August 31, 2019:

Receivables to be collected in less than one year	\$ 42,500
Receivables to be collected in one to five years	<u>-</u>
Pledges receivable	<u>\$ 42,500</u>

Uncollectible pledges receivable was minimal and therefore, no allowance for potentially uncollectible amounts was recorded for the year ended August 31, 2019.

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 3 - Investments

Investments consist of the following at August 31, 2019:

Equity funds	\$ 664,374
Bond funds	900,302
Global mutual funds	378,865
Real estate funds	65,292
Money market funds	<u>133,589</u>
Total investments	<u>\$ 2,142,422</u>

Investments are exposed to various risks such as interest rate, market and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of financial position and statement of activities and changes in net assets.

Note 4 - Fair Value of Financial Instruments

FIP's financial instruments are valued at fair value. In accordance with Accounting Standards Codification(ASC 820), Fair Value Measurements and Disclosures, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the reporting date. The standard establishes a fair value hierarchy that prioritizes the assumptions, referred to as inputs, used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

Certain of FIP's financial assets are measured at fair value on a recurring basis. The three levels of the fair value hierarchy defined by standards are as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities as of the reporting date.

Level 2 - Pricing inputs other than quoted prices included in Level 1, which are either directly or indirectly observable. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset or liability, whereby assumptions that market participants would use is based on the best information available.

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 4 - Fair Value of Financial Instruments (Continued)

Financial instruments measured at fair value on a recurring basis at August 31, 2019 are as follows:

	Cost	Quoted Prices Level 1	Significant Other Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Equity mutual funds	\$ 518,574	\$ 664,374	\$ -	\$ -	\$ 664,374
Bond mutual funds	886,095	900,302	-	-	900,302
Global mutual funds	363,740	378,865	-	-	378,865
Real estate mutual funds	51,593	65,292	-	-	65,292
Money market funds	133,589	133,589	-	-	133,589
Total	\$ 1,953,591	\$ 2,142,422	\$ -	\$ -	\$ 2,142,422

Equity, Bond, Global and Real Estate mutual funds are valued at the net asset value of the fund as determined by the closing price in the active market in which the fund is traded. The inputs or methodology used to measure investments are not necessarily indicative of the risk of investing in a particular security.

Note 5 - Property and Equipment

Property and equipment at August 31, 2019 consisted of the following:

Leasehold Improvements	\$ 24,829
Office furniture and equipment	71,379
Medical and lab equipment	432,698
Vehicles	36,993
Software development	154,467
Property and equipment subject to depreciation and amortization	720,366
Less: accumulated depreciation and amortization	(396,148)
	\$ 324,218

During the year ended August 31, 2019, depreciation and amortization expense was \$96,056.

FAITH IN PRACTICE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

Note 6 - Net Assets With Donor Restrictions

At August 31, 2019, net assets with donor restrictions are available for the following purposes:

Hilario Galindo Hospital expansion campaign	\$ 154,475
Mission trip fees for fiscal year ending 2020	88,162
Sponsorships - various	33,895
Warehouse build-out/rent/inventory/projects	36,185
Casa de Fe Patient Guesthouse	26,420
Prosthetics program	20,733
Women's health	6,076
Hearing aids	2,500
Volcano eruption relief	<u>2,040</u>
	<u>\$ 370,486</u>

Note 7 - Net Assets Released From Restrictions

For the year ended August 31, 2019, net assets of \$512,771 were released from donor restrictions by incurring expenses satisfying the restricted purpose, which included \$92,846 related to the Hilario Galindo Hospital expansion and \$115,154 relating to fees for mission trips.

Note 8 - In-Kind Contributions

The office space and storage facility in Houston, Texas used by FIP is donated. The estimated fair rental value of \$81,758 has been recorded as contributions in-kind for the year ended August 31, 2019.

FIP receives donations of medical supplies and devices. These items are valued at the estimated fair value as determined by an independent third-party healthcare organization and as represented by corporate donors. For the year ended August 31, 2019, FIP received donations of these supplies amounting to \$10,378,647.

FIP also receives contributed services, which are donations of medical professionals' services. Contributed services of \$5,260,181 were recorded for the year ended August 31, 2019. FIP does not record the value of volunteer time spent by non-medical personnel.

FAITH IN PRACTICE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

Note 9 - Related Party Transactions

For the year ended August 31, 2019, twenty-one directors of FIP donated a total of \$187,077 to its operations.

FIP contributed to Asociación La Fe En Práctica (“La Asociación”) (see Note 12) approximately \$46,500 for the year ended August 31, 2019. The condensed financial position and change in net assets of La Asociación as of and for the year ended August 31, 2019 are summarized below:

Condensed statement of net assets information:

Assets	\$ 113,256
Liabilities	<u>(6,248)</u>
Net assets	<u>\$ 107,008</u>

Condensed statement of activities information:

Contributions and donations	\$ 140,562
Expenses	<u>(128,651)</u>
Change in net assets	<u><u>\$ 11,911</u></u>

Note 10 - Employee Benefit Plan

FIP has established a 401(k) Plan covering all employees that are at least 21 years old and have completed at least 4 months of service. FIP contributes up to a maximum of 3% of an employee’s annual salary. For the year ended August 31, 2019, FIP made a total annual contribution of \$27,139.

Note 11 - Concentrations of Credit Risk

FIP is subject to concentration of credit risk relating primarily to cash and marketable securities. FIP maintains short-term investments which are reported as a bank money market account not subject to Federal Deposit Insurance Corporation insurance coverage, which represents a concentration of credit risk. Marketable securities consist primarily of domestic bond and equity funds which could subject FIP to losses in the event of a general downturn in the economy. During the year ended August 31, 2019 FIP had deposits in financial institutions in excess of the amount insured by the Federal Deposit Insurance Corporation of \$280,836. Management believes that the risk is mitigated by the financial strength of the institutions in which the deposits are held.

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 12 - Commitments and Contingencies

La Asociación

La Asociación is a non-profit organization in Guatemala. The purpose of La Asociación is to support the FIP mission and to provide funds for and manage Casa de Fe. La Asociación is not combined or consolidated with the operations of FIP. FIP and La Asociación have entered into several agreements (see below).

Casa de Fe

FIP, La Asociación and Asociación Obras Sociales del Santo Hermano Pedro, Frailes Franciscanos O.F.M (“Las Obras”) operate under an agreement defining the responsibilities of each party as they relate to managing the Casa de Fe. The Casa de Fe is a guest house in Antigua, Guatemala built to house Las Obras surgery patients and their companions. The term of the agreement is for five (5) years, renewable for equal periods expiring on July 2025. Any of the parties may terminate the agreement in case of material breach of the other parties 30 days after notification. FIP and La Asociación agree to pay all costs incurred in Casa de Fe related operations, including employment, public services, repair of the building and necessary equipment.

Agency Agreement between Faith In Practice and La Asociación La Fe En Práctica

FIP and La Asociación operate under an agency agreement in which FIP appoints La Asociación as its agent to perform duties in Guatemala as FIP may instruct. As stated in the agreement, FIP sends cash advances to La Asociación for use in conducting the mission of FIP. Cash advances consist of one month’s future expense, at most, therefore mitigating risk.

FIP leases certain employees from La Asociación. Included in this agency agreement is an indemnification clause related to accruals required by Guatemalan law for these employees.

Management has calculated this accrual as of August 31, 2019 to be immaterial to FIP’s financial statements and believes there is a very remote possibility of the circumstances triggering this law to occur.

Operating Lease Agreements

FIP has various operating lease agreements expiring through 2023. For 2019, rental expense amounted to \$48,992. Minimum future lease commitments under operating leases at August 31, 2019 are as follows:

<u>Years Ending</u> <u>August 31,</u>	<u>Amount</u>
2020	\$ 18,738
2021	9,540
2022	4,950
2023	<u>1,620</u>
Total	<u>\$ 34,848</u>

FAITH IN PRACTICE

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2019

Note 13 - Functional Expenses

FIP's management and general and fundraising expense to revenue ratio for the year ended August 31, 2019 is as follows:

Management and general expenses	2.96%
Fundraising expenses	4.17%

Note 14 - Liquidity and Availability of Resources

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets available within one year:	<u>Amount</u>
Cash	\$ 695,902
Pledges and other receivables	42,500
Investments	<u>2,142,422</u>
Total financial assets	<u>\$ 2,880,824</u>

FIP regularly monitors liquidity required to meet its operational needs and other contractual commitments. FIP has cash, investments and pledge receivable as forms of liquidity.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, FIP considers all expenditures related to its ongoing program activities and support services to be general expenditures. FIP strives to operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

Note 15 - Date of Management's Review

Management of FIP, the 501(c)(3) organization, has evaluated subsequent events through March 23, 2020, the date which the financial statements were available to be issued. Management has determined that no other subsequent events require disclosure in these financial statements.

***** End of Notes *****