

Mission Waco, Mission World, Inc.
Financial Statements
December 31, 2016 and 2015
(With Independent Auditor's Report Thereon)



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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Mission Waco, Mission World, Inc.:

We have audited the accompanying financial statements of Mission Waco, Mission World, Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 upon 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 Mission Waco, Mission World, Inc. as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

September 19, 2017

Mission Waco, Mission World, Inc.

Statements of Financial Position

December 31, 2016 and 2015

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 668,428	535,956
Marketable securities	948,063	880,353
Accounts receivable	45,751	45,250
Inventory	74,117	17,736
Prepaid expenses and other assets	7,305	8,699
Total current assets	<u>1,743,664</u>	<u>1,487,994</u>
Property and equipment:		
Land	286,534	247,987
Buildings and improvements	2,447,178	1,782,899
Furniture, fixtures, and equipment	435,174	303,310
Vehicles	125,051	125,051
Construction in progress	103,976	171,372
	<u>3,397,913</u>	<u>2,630,619</u>
Less accumulated depreciation	952,350	853,437
Total property and equipment	<u>2,445,563</u>	<u>1,777,182</u>
Beneficial interest in assets held by the Waco Foundation	4,278	4,007
	<u>\$ 4,193,505</u>	<u>3,269,183</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 54,381	51,776
Accrued expenses	108,656	95,461
Total current liabilities	<u>163,037</u>	<u>147,237</u>
Net assets:		
Unrestricted:		
Designated for endowment	4,278	4,007
Undesignated	3,422,730	2,516,719
	<u>3,427,008</u>	<u>2,520,726</u>
Temporarily restricted	603,460	601,220
Total net assets	<u>4,030,468</u>	<u>3,121,946</u>
Total liabilities and net assets	<u>\$ 4,193,505</u>	<u>3,269,183</u>

See accompanying notes to financial statements.

Mission Waco, Mission World, Inc.

Statements of Activities

Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Changes in unrestricted net assets:		
Revenues and other support:		
Contributions:		
Individuals and others	\$ 2,210,322	1,259,283
Federal grants	172,310	261,765
Program revenue	297,394	313,629
Special events	233,012	171,725
Retail sales	485,891	428,525
Donated services and materials	108,040	90,833
Net investment income (loss)	50,018	(9,879)
Other income	44,106	30,679
Net assets released from restriction	<u>301,014</u>	<u>269,320</u>
Total unrestricted revenue and other support	<u>3,902,107</u>	<u>2,815,880</u>
Expenses:		
Program expenses:		
Mobilizing programs	482,664	456,483
Empowering programs	1,404,798	1,423,038
Retail sales programs	737,332	632,796
Supporting expenses:		
Management and general	204,875	216,715
Fund-raising	<u>166,156</u>	<u>157,600</u>
Total expenses	<u>2,995,825</u>	<u>2,886,632</u>
Change in unrestricted net assets	<u>906,282</u>	<u>(70,752)</u>
Changes in temporarily restricted net assets:		
Revenues and other support:		
Contributions	290,548	368,826
Net investment income (loss)	12,706	(684)
Net assets released from restriction	<u>(301,014)</u>	<u>(269,320)</u>
Change in temporarily restricted net assets	<u>2,240</u>	<u>98,822</u>
Increase in net assets	908,522	28,070
Net assets at beginning of year	<u>3,121,946</u>	<u>3,093,876</u>
Net assets at end of year	<u>\$ 4,030,468</u>	<u>3,121,946</u>

See accompanying notes to financial statements.

Mission Waco, Mission World, Inc.

Statement of Functional Expenses

Year Ended December 31, 2016

	Program			Supporting		Total
	Mobilization Programs	Empowering Programs	Retail Sales Programs	Management and General	Fund- raising	
Salaries	\$ 110,893	638,570	240,868	136,452	63,516	1,190,299
Payroll taxes	8,364	47,791	18,850	9,488	4,681	89,174
Employee benefits	10,692	53,012	17,309	17,056	5,205	103,274
Cost of sales	-	5,009	255,462	-	-	260,471
Client expenses	251,950	162,099	14,546	2,568	43,578	474,741
Donated services and materials	-	32,113	66,246	-	9,681	108,040
Insurance	4,102	42,669	6,765	6,594	1,122	61,252
Travel	30,892	17,735	704	608	327	50,266
Depreciation	4,793	74,426	14,770	3,192	1,732	98,913
Vehicle expenses	2,035	20,406	929	234	224	23,828
Accounting and professional fees	-	-	1,065	16,689	-	17,754
Telephone	3,765	19,140	5,972	1,000	2,435	32,312
Postage and shipping	287	1,759	1,344	111	10,939	14,440
Occupancy	22,314	173,388	44,208	2,244	1,128	243,282
Equipment maintenance	1,385	34,102	4,475	686	611	41,259
Printing and publications	5,579	8,803	7,656	832	13,946	36,816
Staff development	384	1,504	587	2,906	132	5,513
Medical expenditures	50	6,848	-	-	-	6,898
Supplies	6,283	45,187	16,893	1,941	5,034	75,338
Miscellaneous	18,896	20,237	18,683	2,274	1,865	61,955
	<u>\$ 482,664</u>	<u>1,404,798</u>	<u>737,332</u>	<u>204,875</u>	<u>166,156</u>	<u>2,995,825</u>

See accompanying notes to financial statements.

Mission Waco, Mission World, Inc.

Statement of Functional Expenses

Year Ended December 31, 2015

	Program			Supporting		Total
	Mobilization Programs	Empowering Programs	Retail Sales Programs	Management and General	Fund- raising	
Salaries	\$ 112,915	680,070	206,106	145,386	61,214	1,205,691
Payroll taxes	8,488	51,753	17,227	10,469	4,618	92,555
Employee benefits	8,657	41,722	12,270	12,798	4,689	80,136
Cost of sales	-	1,874	217,878	-	-	219,752
Client expenses	220,469	185,945	15,632	2,413	37,262	461,721
Donated services and materials	-	20,081	63,751	-	7,001	90,833
Insurance	4,130	35,017	6,784	15,464	1,189	62,584
Travel	33,305	12,003	1,201	1,117	299	47,925
Depreciation	3,743	46,650	10,103	24,294	1,434	86,224
Vehicle expenses	2,689	40,552	1,158	(24,993)	355	19,761
Accounting and professional fees	1,708	5,324	2,368	8,507	590	18,497
Telephone	3,341	18,459	4,908	1,001	2,200	29,909
Postage and shipping	390	1,819	1,203	147	10,132	13,691
Occupancy	18,810	180,409	37,440	12,225	1,426	250,310
Equipment maintenance	4,197	25,959	4,422	2,250	442	37,270
Printing and publications	5,659	10,120	3,511	2,621	13,155	35,066
Staff development	180	747	249	85	63	1,324
Medical expenditures	-	5,676	-	-	-	5,676
Supplies	7,149	41,835	11,937	1,298	10,326	72,545
Miscellaneous	20,653	17,023	14,648	1,633	1,205	55,162
	<u>\$ 456,483</u>	<u>1,423,038</u>	<u>632,796</u>	<u>216,715</u>	<u>157,600</u>	<u>2,886,632</u>

See accompanying notes to financial statements.

Mission Waco, Mission World, Inc.

Statements of Cash Flows

Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Increase in net assets	\$ 908,522	28,070
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	98,913	86,224
Gain on sale of vehicle	-	(100)
Contribution of non-cash gifts	(302,050)	(63,645)
Net unrealized losses (gains)	(30,229)	47,754
(Gain) loss on beneficial interest in assets held by the Waco Foundation	(271)	103
Decrease (increase) in operating assets:		
Accounts receivable	(501)	(372)
Inventory	(56,381)	(2,977)
Prepaid expenses and other assets	1,394	(3,275)
Increase (decrease) in operating liabilities:		
Accounts payable	2,605	2,371
Accrued expenses	13,195	(5,909)
Net cash provided by operating activities	<u>635,197</u>	<u>88,244</u>
Cash flows from investing activities:		
Purchase of marketable securities	(7,803)	(33,432)
Acquisition of property and equipment	(494,922)	(278,869)
Net proceeds from sale of fixed assets	-	1,500
Net cash used in investing activities	<u>(502,725)</u>	<u>(310,801)</u>
Net increase (decrease) in cash and cash equivalents	132,472	(222,557)
Cash and cash equivalents at beginning of year	<u>535,956</u>	<u>758,513</u>
Cash and cash equivalents at end of year	<u>\$ 668,428</u>	<u>535,956</u>

See accompanying notes to financial statements.

Mission Waco, Mission World, Inc.

Notes to Financial Statements

December 31, 2016 and 2015

(1) Summary of Significant Accounting Policies(a) Nature of Activities

Mission Waco, Mission World, Inc. (the “Organization”) is a nonprofit organization that is dedicated to providing ministry to individuals outside the dominant culture of the United States of America with opportunities for wholeness, improvement, and self-sufficiency. The Organization also provides opportunities for people in the dominant culture to understand the plight and needs of those persons outside their cultural background through informal education, shared experiences, simulations, trips to foreign countries, and other programs. Revenues are derived primarily from contributions, program revenue, special events, and retail sales.

(b) Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The Organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Program revenues, consisting primarily of fees for participation in work groups, simulations, housing, and other programs are recorded as earned.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Mission Waco, Mission World, Inc.Notes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(c) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash equivalents at December 31, 2016 and 2015 consisted of \$8,924 and \$6,674, respectively, in a money market mutual fund.

(d) Marketable Securities

Marketable securities are measured at fair value in the statements of financial position. 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 measurement date. See Note 2 for further discussion of fair value measurements. Investment income or loss (including gains and losses on investments, and interest and dividends) is included in the statements of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law.

(e) Inventory

Inventory consists of food, supplies, and resale items for use in providing retail sales programs through the Jubilee Food Market, World Cup Café, and the World Craft Market. Inventory is stated at the lower of cost or market. Cost is determined using the first-in, first out method.

(f) Property and Equipment

Property and equipment are stated at cost. Donated assets are stated at estimated fair value in the year donated. The Organization capitalizes all acquisitions with a value greater than \$5,000. Depreciation is calculated on the straight-line method over the estimated useful lives of the related assets.

(g) Income Taxes

The Organization is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and is generally not subject to federal or state income taxes.

The Organization recognizes the effect of income tax positions (including whether exempt income might be determined to be unrelated business income and whether it has properly maintained its exempt status) if such positions are probable of being sustained (i.e. probable that adjustments would not be detected and made by taxing

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(1) Summary of Significant Accounting Policies (continued)

(g) Income Taxes (continued)

authorities). Recognized income tax provisions are measured at the largest amount that is greater than 50% of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs.

The Organization records interest and penalties related to unrecognized tax benefits in management and general expenses.

(h) Advertising

Advertising costs are expensed as incurred. For the years ended December 31, 2016 and 2015, advertising costs were \$36,816 and \$35,066, respectively.

(i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying value of marketable securities and the estimated useful lives of property and equipment. Actual results could differ from those estimates.

(2) Marketable Securities and Fair Value Measurements

Marketable securities at December 31, 2016 and 2015 consisted of the following:

	2016	2015
Mutual funds	\$ 865,423	803,983
Equity securities	82,640	76,370
	\$ 948,063	880,353

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(2) Marketable Securities and Fair Value Measurements (continued)

At December 31, 2016 and 2015, the Organization's assets and liabilities measured at fair value have been classified, for disclosure purposes, based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for the Organization's investment in mutual funds and equity securities is determined by reference to quoted market prices. Fair value of the Organization's beneficial interest in the assets held by the Waco Foundation are estimated based on the underlying fair value of the net assets held.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2016 and 2015:

	December 31, 2016	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds:				
Fixed income	\$ 115,898	115,898	-	-
Domestic large to mid-size market capitalization	361,751	361,751	-	-
Domestic mid-size to small market capitalization	137,323	137,323	-	-
Domestic growth	140,185	140,185	-	-
International	103,768	103,768	-	-
Alternative investments	6,498	6,498	-	-
Equity securities:				
Domestic	48,324	48,324	-	-
International	34,316	34,316	-	-
Beneficial interest in assets held by the Waco Foundation	4,278	-	4,278	-
	<u>\$ 952,341</u>	<u>948,063</u>	<u>4,278</u>	<u>-</u>

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(2) Marketable Securities and Fair Value Measurements (continued)

	December 31, 2015	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds:				
Fixed income	\$ 231,688	231,688	-	-
Domestic large to mid-size market capitalization	153,978	153,978	-	-
Domestic mid-size to small market capitalization	67,392	67,392	-	-
Domestic growth	187,326	187,326	-	-
International	99,831	99,831	-	-
Alternative investments	63,768	63,768	-	-
Equity securities:				
Domestic	49,668	49,668	-	-
International	26,702	26,702	-	-
Beneficial interest in assets held by the Waco Foundation	4,007	-	4,007	-
	<u>\$ 884,360</u>	<u>880,353</u>	<u>4,007</u>	<u>-</u>

(3) Accounts Receivable and Conditional Promises to Give

Accounts receivable consist of amounts due to the Organization under reimbursement-type grants and other amounts due for services provided. Unconditional promises to give are expected to be collected within one year. An allowance for doubtful accounts is not considered necessary based upon management's review of the collectability of accounts receivable at year-end.

The Organization has received reimbursement-type grants for its programs that are considered to be contributions. However, the reimbursement grants are conditional based upon the Organization incurring qualifying costs. Additionally, at December 31, 2016, approximately \$55,026 of a total grant award of \$76,816, for the period from October 1, 2016 to September 30, 2017, for housing and empowerment services have not been recognized as revenue because the qualifying conditions have not been met.

At December 31, 2015, approximately \$28,176 of a total grant award of \$178,971, for the period from March 1, 2015 to February 28, 2016, for housing services have not been recognized as revenue because the qualifying conditions have not been met. Additionally, at December 31, 2015, approximately \$65,793 of a total grant award of \$76,816, for the period from October 1, 2015 to September 30, 2016, for housing and empowerment services have not been recognized as revenue because the qualifying conditions have not been met.

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(4) Beneficial Interest in Assets Held at Waco Foundation and the Board Designated Endowment

The Organization has transferred assets to the Waco Foundation, a community foundation, designating itself as the beneficiary. The income earned (including net realized and unrealized appreciation under Waco Foundation's current spending policy of distributable income) on the transferred assets will be paid at least annually to the Organization. The income may, if both the Organization and the Waco Foundation agree, remain and accumulate with the principal. Distributions of principal may be made at the sole discretion of the Waco Foundation. It is intended that assets be held for the benefit of the Organization as long as the need for the fund exists. However, the assets are subject to the governing documents of the Waco Foundation and the policies and procedures of its governing body. Consequently, the Waco Foundation has the right to substitute another beneficiary in the place of the Organization without the approval of the Organization.

Changes in the board designated endowment net assets, all of which are unrestricted, for the years ended December 31, 2016 and 2015 consisted of:

	<u>2016</u>	<u>2015</u>
Endowment net assets, beginning of year	\$ 4,007	4,110
Net investment gain (loss)	<u>271</u>	<u>(103)</u>
Endowment net assets, end of year	<u>\$ 4,278</u>	<u>4,007</u>

(5) Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2016 and 2015, are available for the following purposes or periods:

	<u>2016</u>	<u>2015</u>
Purpose restrictions, available for:		
Haiti projects	\$ 203,088	205,422
Other projects	104,376	129,610
Scholarships	210,342	207,152
Time restrictions, available for:		
2017 programs	85,654	-
2016 programs	<u>-</u>	<u>59,036</u>
	<u>\$ 603,460</u>	<u>601,220</u>

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(6) Net Investment Income

Net investment income (loss) from cash equivalents and marketable securities is comprised of the following for 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 33,107	35,987
Net unrealized gains (losses)	30,229	(47,754)
Net realized gains (losses)	<u>(612)</u>	<u>1,204</u>
	<u>\$ 62,724</u>	<u>(10,563)</u>

(7) Donated Services and Materials

The Organization recognizes contribution revenue for specialized and professional services, and materials received in the accompanying statements of activities at estimated fair value. Those services and materials for the years ended December 31, 2016 and 2015 include the following items.

	<u>2016</u>	<u>2015</u>
Empowering programs:		
Professional services	\$ 32,113	20,081
Retail sales programs:		
Materials	<u>75,927</u>	<u>70,752</u>
	<u>\$ 108,040</u>	<u>90,833</u>

Additionally, a number of volunteers have donated significant amounts of their time in the Organization's program services and fund-raising events, which do not qualify for recognition as contributions under generally accepted accounting principles since the services do not require specialized skills and have not been recorded in the accompanying financial statements.

(8) Functional Allocation of Expenses

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefited.

Mission Waco, Mission World, Inc.

Notes to Financial Statements
(Continued)

(9) Contingencies

Amounts received or receivable under grant awards are subject to adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability to the Organization. The amount, if any, of expenses which may be disallowed by grantors cannot be determined at this time although the Organization expects such amounts, if any to be immaterial.

(10) Business and Credit Concentrations

At December 31, 2016 and 2015, and periodically during the years then ended, the Organization has maintained deposits in various accounts at financial institutions in excess of federally insured limits.

Five donors accounted for approximately 25% and 21% of temporarily restricted and unrestricted contributions during the years ended December 31, 2016 and 2015, respectively.

(11) Noncash Operating Activities

The Organization received non-cash operating gifts during the years ended December 31, 2016 and 2015 as follows:

	<u>2016</u>	<u>2015</u>
Marketable securities	\$ 29,678	53,670
Land	6,637	-
Buildings	254,372	-
Furniture, fixtures, and equipment	<u>18,000</u>	<u>9,975</u>
	<u>\$ 308,687</u>	<u>63,645</u>

(12) Authoritative Pronouncements Not Yet Effective

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards update No. 2016-04, *Presentation of Financial Statements for Not-for-Profit Entities*. The objective of this update is to make certain improvements that address many, but not all, of the identified issues about the current financial reporting mode for not-for-profit organizations (“NPO”). The main provisions of this update require an NPO to (1) present on the face of the statement of financial position two classes of net assets – net

Mission Waco, Mission World, Inc.Notes to Financial Statements
(Continued)(12) Authoritative Pronouncements Not Yet Effective (continued)

assets with donor restrictions and net assets without donor restrictions; (2) provide enhanced disclosures about amounts and purposes of governing board designations, appropriations, and similar actions that result in self-imposed limits on the use of resources without donor-imposed restrictions as of the end of the period; (3) report amounts of expenses by both their natural classification and their functional classification in one location; and (4) present other enhanced disclosures related to the availability of the NPO's net assets to meet cash needs for general expenditures within one year of the balance sheet date. The amendments in this update are effective for annual financial statements issued for fiscal years beginning after December 15, 2017.

(13) Subsequent Events

In July 2017, the Organization executed a construction contract for approximately \$677,000 to expand an existing property. The construction contract will be paid with working capital.

The Organization has evaluated subsequent events from the date of the statements of financial position through September 19, 2017, the date at which the financial statements were available to be issued, and determined there are no additional items to disclose.