

THE EDIBLE SCHOOLYARD PROJECT

Financial Statements
with Independent Auditor's Report

Years Ended June 30, 2019 and 2018

THE EDIBLE SCHOOLYARD PROJECT

Years Ended June 30, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Edible Schoolyard Project

We have audited the accompanying financial statements of The Edible Schoolyard Project, a California nonprofit corporation (the Organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 The Edible Schoolyard Project as of June 30, 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.

A stylized, handwritten signature of "BHLF LLP" in black ink, written in a bold, slightly slanted font.

Walnut Creek, California
February 19, 2020

THE EDIBLE SCHOOLYARD PROJECT

Statements of Financial Position June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 503,339	\$ 269,940
Pledges receivable, net	520,815	596,688
Investments	2,024,342	2,273,174
Prepaid expenses	<u>52,293</u>	<u>22,771</u>
Total current assets	3,100,789	3,162,573
Pledges receivable, net of current portion	10,000	350,000
Office equipment and improvements	<u>118,323</u>	<u>156,713</u>
Total assets	<u>\$ 3,229,112</u>	<u>\$ 3,669,286</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 49,980	\$ 93,085
Accrued liabilities	<u>64,302</u>	<u>55,323</u>
Total current liabilities	<u>114,282</u>	<u>148,408</u>
NET ASSETS		
Without donor restrictions	2,542,330	2,840,378
With donor restrictions	<u>572,500</u>	<u>680,500</u>
Total net assets	<u>3,114,830</u>	<u>3,520,878</u>
Total liabilities and net assets	<u>\$ 3,229,112</u>	<u>\$ 3,669,286</u>

See notes to financial statements.

THE EDIBLE SCHOOLYARD PROJECT

Statement of Activities Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Grants and contributions			
Foundation grants	\$ 294,731	\$ 430,500	\$ 725,231
Individual donations	359,210	-	359,210
Special events	251,400	-	251,400
Corporate donations	124,475	-	124,475
Net assets released from restrictions	538,500	(538,500)	-
Total grants and contributions	1,568,316	(108,000)	1,460,316
Other income			
Investment return, net	123,671	-	123,671
Program revenue	35,924	-	35,924
Participation and tuition fees	31,248	-	31,248
Other income	21,028	-	21,028
Total other income	211,871	-	211,871
Total revenues, gains and other support	1,780,187	(108,000)	1,672,187
EXPENSES			
Program services	1,478,560	-	1,478,560
Supporting services			
Management and general	249,805	-	249,805
Fundraising	349,870	-	349,870
Total expenses	2,078,235	-	2,078,235
Change in net assets	(298,048)	(108,000)	(406,048)
NET ASSETS			
Beginning of year	2,840,378	680,500	3,520,878
End of year	\$ 2,542,330	\$ 572,500	\$ 3,114,830

See notes to financial statements.

THE EDIBLE SCHOOLYARD PROJECT

Statement of Activities Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Grants and contributions			
Foundation grants	\$ 371,877	\$ 546,500	\$ 918,377
Individual donations	413,746	-	413,746
Special events	303,083	-	303,083
Corporate donations	181,505	-	181,505
Honorariums	123,525	-	123,525
Net assets released from restrictions	150,500	(150,500)	-
Total grants and contributions	1,544,236	396,000	1,940,236
Other income			
Investment return, net	151,061	-	151,061
Participation and tuition fees	63,831	-	63,831
Other income	32,830	-	32,830
Program revenue	25,182	-	25,182
Total other income	272,904	-	272,904
Total revenues, gains and other support	1,817,140	396,000	2,213,140
EXPENSES			
Program services	1,573,949	-	1,573,949
Supporting services			
Management and general	213,827	-	213,827
Fundraising	420,242	-	420,242
Total expenses	2,208,018	-	2,208,018
Change in net assets	(390,878)	396,000	5,122
NET ASSETS			
Beginning of year	3,231,256	284,500	3,515,756
End of year	\$ 2,840,378	\$ 680,500	\$ 3,520,878

See notes to financial statements.

THE EDIBLE SCHOOLYARD PROJECT

Statements of Functional Expenses Year Ended June 30, 2019 and 2018

	2019			
	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	\$ 1,013,467	\$ 148,281	\$ 229,077	\$ 1,390,825
Professional services	151,876	49,866	46,534	248,276
Payroll taxes	65,820	9,669	14,840	90,329
Depreciation	50,696	5,940	5,464	62,100
Rent	40,246	6,976	9,447	56,669
Food	46,424	-	-	46,424
Office expenses	18,348	14,058	7,306	39,712
Travel	32,244	1,551	4,627	38,422
Events	1,738	-	31,330	33,068
Program supplies	29,555	-	-	29,555
Dues and publications	11,384	1,903	1,167	14,454
Grants and contracts to others	14,000	-	-	14,000
Bank charges	388	9,537	78	10,003
Equipment and furnishings	2,280	2,024	-	4,304
Equipment rental and maintenance	94	-	-	94
	<u>94</u>	<u>-</u>	<u>-</u>	<u>94</u>
Total expenses	<u>\$ 1,478,560</u>	<u>\$ 249,805</u>	<u>\$ 349,870</u>	<u>\$ 2,078,235</u>

	2018			
	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	\$ 960,992	\$ 128,562	\$ 247,399	\$ 1,336,953
Professional services	196,816	38,279	28,449	263,544
Food	103,053	-	-	103,053
Payroll taxes	62,347	8,167	16,022	86,536
Travel	70,018	3,299	9,052	82,369
Events	-	-	70,238	70,238
Office expenses	40,074	9,317	9,389	58,780
Rent	42,838	5,267	9,140	57,245
Depreciation	34,038	4,751	8,960	47,749
Grants and contracts to others	15,278	-	19,288	34,566
Program supplies	28,913	-	-	28,913
Dues and publications	10,476	2,265	2,007	14,748
Bank charges	-	12,798	191	12,989
Equipment rental and maintenance	6,673	88	-	6,761
Equipment and furnishings	2,433	1,034	107	3,574
	<u>2,433</u>	<u>1,034</u>	<u>107</u>	<u>3,574</u>
Total expenses	<u>\$ 1,573,949</u>	<u>\$ 213,827</u>	<u>\$ 420,242</u>	<u>\$ 2,208,018</u>

See notes to financial statements.

THE EDIBLE SCHOOLYARD PROJECT

Statements of Cash Flows Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (406,048)	\$ 5,122
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized and realized gain / loss on investments	(32,179)	(58,939)
Depreciation	62,100	47,749
In-kind revenue	-	(7,321)
Changes in operating assets and liabilities:		
Pledges receivable	415,873	(436,304)
Prepaid expenses	(29,522)	7,482
Note receivable	-	202
Accounts payable	(43,105)	(11,426)
Accrued liabilities	8,979	(13,250)
	<u>(23,902)</u>	<u>(466,685)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(375,155)	(564,218)
Proceeds from sale or maturity of investments	656,166	1,269,368
Purchases of property and equipment	(23,710)	(122,759)
	<u>257,301</u>	<u>582,391</u>
NET CHANGE IN CASH AND EQUIVALENTS	233,399	115,706
CASH AND EQUIVALENTS		
Beginning of year	<u>269,940</u>	<u>154,234</u>
End of year	<u>\$ 503,339</u>	<u>\$ 269,940</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Non-cash Investing Activities:		
Stock certificates donated	<u>\$ -</u>	<u>\$ 7,321</u>

See notes to financial statements.

THE EDIBLE SCHOOLYARD PROJECT

Notes to Financial Statements

1. NATURE OF OPERATIONS

The Edible Schoolyard Project (Organization) is a nonprofit public benefit corporation incorporated in California in 1996. The purpose of the Organization is to build and share a food curriculum for all schools that will become part of the core curriculum of every school in the country.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires the Organization to report information regarding its financial position and activities according to the following net asset classification:

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 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, where by the donor has stipulated the funds be maintained in perpetuity. The Organization had no perpetual donor restrictions as of June 30, 2019 and 2018, respectively.

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. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increase or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures in the financial statements. Actual results could differ from such estimates.

Cash and equivalents – For purposes of the statement of cash flows, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents unless otherwise restricted or designated. The Organization places its cash and temporary cash investments with high credit quality institutions. Periodically, such deposits may be in excess of federally insured limits.

Investments - The Organization has reported its investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Investments received by gift are recorded at market value at the date of the donation. Unrealized gains and losses are included in the change in net assets.

Pledges receivable and contributions - Pledges receivable are recognized when the donor makes an unconditional promise to give to the Organization. A discount factor is necessary for an unconditional promise to give due in excess of one year to measure the contribution at present value. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance for doubtful accounts based on its assessment of the current status of individual accounts. There was no allowance for doubtful accounts at June 30, 2019 and 2018, respectively.

THE EDIBLE SCHOOLYARD PROJECT

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment - The Organization capitalizes expenditures in excess of \$1,500 for property and equipment at cost, and records donated equipment at the estimated fair market value at the date of donation. Routine repairs and maintenance are expensed as incurred. Property and equipment are depreciated over the following estimated useful lives of the related asset using the straight-line method.

	Lives
Office equipment and improvements	10 - 15 years
Equipment	3 - 5 years
Edible schoolyard garden	5 - 15 years
Website	3 years

Gifts in kind - The Organization receives donations of gifts in kind such as program supplies, food and beverages for special events and gift certificates. Gifts in kind received through donations are valued at fair market and are recorded as revenue at their fair value at the time the contribution is received. The Organization received gifts in kind, in the form of donated stock and auction items of \$7,586 and \$24,857, during the years ended June 30, 2019 and 2018.

Contributed services - No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization received approximately 2,000 volunteer hours during the years ended June 30, 2019 and 2018, respectively.

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

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and employee benefits	Time and effort
Professional services	Time and effort
Payroll taxes	Time and effort
Depreciation	Square footage
Rent	Square footage
Food	Time and effort
Office expenses	Square footage
Travel	Time and effort
Events	Time and effort
Program supplies	Time and effort
Dues and publications	Time and effort
Grants and contracts to others	Square footage
Bank charges	Time and effort
Equipment and furnishings	Square footage
Equipment rental and maintenance	Time and effort

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Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New accounting pronouncements – In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (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. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity also should disclose sufficient quantitative and qualitative information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The new standard is effective for fiscal years beginning after December 15, 2018. The Organization has not yet completed its assessment of the impact of the new standard on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under ASC Topic 840. Under the guidance of ASU 2016-02, a lessee should recognize in the balance sheet a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The ASU is effective for fiscal years beginning after December 15, 2020. The Organization has not yet completed its assessment of the impact of the new standard on its financial statements.

Reclassifications - Certain prior year amounts have been reclassified to conform with current year financial statement presentation.

3. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash	\$ 503,339	\$ 269,940
Pledges receivable	520,815	596,688
Investments	<u>2,024,342</u>	<u>2,273,174</u>
	3,048,496	3,139,802
Less amounts not available to be used within one year		
Net assets with donor restrictions	<u>(572,500)</u>	<u>(680,500)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 2,475,996</u>	<u>\$ 2,459,302</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$520,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

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Notes to Financial Statements

4. PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give, which have been made by donors, but not received yet. Accounts and pledges receivable consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Due within one year, net	\$ 520,815	\$ 596,688
Due one to five years	<u>10,000</u>	<u>350,000</u>
	<u>\$ 530,815</u>	<u>\$ 946,688</u>

5. INVESTMENTS

Investments consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Mutual funds	\$ 1,652,689	\$ 2,052,712
Exchange traded funds	219,402	169,208
Fixed income securities	<u>152,251</u>	<u>51,254</u>
	<u>\$ 2,024,342</u>	<u>\$ 2,273,174</u>

Investment fees were \$9,549 and \$8,964 for the years ended June 30, 2019 and 2018 respectively and are included in net investment return.

6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Website	\$ 152,283	\$ 135,703
Office equipment and improvements	83,007	83,007
Edible schoolyard garden	85,126	79,750
Equipment	<u>27,336</u>	<u>28,676</u>
	347,752	327,136
Less: Accumulated depreciation	<u>(229,429)</u>	<u>(170,423)</u>
	<u>\$ 118,323</u>	<u>\$ 156,713</u>

Depreciation expense is \$62,100 and \$47,749 for the years ended June 30, 2019 and 2018, respectively.

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Notes to Financial Statements

7. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides 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 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018:

Fixed income securities: Certain corporate and government bonds are valued at the closing price reported in the active market in which the bond is traded.

Mutual funds: Valued at the net asset value (NAV) of shares, based on quoted market prices, held by the Organization at year-end.

Exchange traded funds: Valued at the NAV of shares, based on quoted market prices, held by the Organization at year-end.

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Notes to Financial Statements

7. FAIR VALUE MEASUREMENTS (CONTINUED)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization's management believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at year end:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
2019				
Mutual funds	\$ 1,652,689	\$ -	\$ -	\$ 1,652,689
Exchange traded funds	219,402	-	-	219,402
Fixed income securities	-	152,251	-	152,251
	<u>\$ 1,872,091</u>	<u>\$ 152,251</u>	<u>\$ -</u>	<u>\$ 2,024,342</u>
2018				
Mutual funds	\$ 2,052,712	\$ -	\$ -	\$ 2,052,712
Exchange traded funds	169,208	-	-	169,208
Fixed income securities	-	51,254	-	51,254
	<u>\$ 2,221,920</u>	<u>\$ 51,254</u>	<u>\$ -</u>	<u>\$ 2,273,174</u>

8. INCOME TAXES

The Organization is exempt from federal taxes on income under Internal Revenue Code Section 501(c)(3) and is classified by the Internal Revenue Service as other than a private foundation. The Organization is exempt from state taxes under Section 23701(d) of the California Revenue and Taxation Code and therefore no provision for income taxes has been recorded.

The Organization has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial position, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions for the years ended June 30, 2019 and 2018, respectively.

As of June 30, 2019, periods subsequent to 2015 are subject to audit by various taxing authorities; however, there are currently no audits for any tax periods in progress.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively. The Organization has not recognized any interest and penalties for the years ended June 30, 2019 and 2018, respectively.

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Notes to Financial Statements

9. RELATED PARTY TRANSACTIONS

The Organization is party to the following transactions with Chez Panisse Restaurant (Restaurant), which is owned by the Organization's President.

For events and fundraisers, the Organization makes supply orders through the Restaurant. Total orders made totaled \$27,326 and \$27,263 for the years ended June 30, 2019 and 2018, respectively. In addition, amounts payable to the Restaurant were \$290 and \$323 for the years ended June 30, 2019 and 2018, respectively.

The Restaurant receives royalties for its branded dinnerware sold by the outside manufacturer. The Restaurant donates these royalties to the Organization, which have been included in corporate donations. Total royalties donated were \$10,906 and \$20,061 for the years ended June 30, 2019 and 2018, respectively.

The Organization's President receives honorariums for speaking and publishing engagements, which are then donated to the Organization. Total honorariums received by the Organization was zero and \$123,525 for the years ended June 30, 2019 and 2018, respectively.

10. RETIREMENT PLAN

The Organization's employees participate in a 403(b) defined contribution plan (Plan). The Plan is open to all employees for salary deferrals immediately. The Organization makes discretionary contributions to the Plan, which employees are eligible for after one year and 1,000 hours of service for the Organization. The Organization's contributions to the plan amounted to \$43,031 and \$45,725 for the years ended June 30, 2019 and 2018, respectively.

11. COMMITMENTS

The Organization leases two corporate offices in Berkeley under operating leases which are both on month to month leases. The leases require monthly rental payments of \$4,254. Total rent expense was \$51,591 and \$50,300 for the years ended June 30, 2019 and 2018, respectively.

12. CONCENTRATIONS

A concentration of the Organization's revenue was derived from four donors during the years ended June 30, 2019 and 2018. Revenues received from these donors were 30% or \$505,800 and 39% or \$859,400 for the years ended June 30, 2019 and 2018, respectively.

13. SUBSEQUENT EVENTS

The Organization's management has reviewed the results of activities for the period of time from its year ended June 30, 2019 through February 19, 2020, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor subsequent events have occurred, the nature of which would require disclosure.