



**Barth Syndrome  
Foundation**

***FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
YEARS ENDED DECEMBER 31, 2019 AND 2018***

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## INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
The Barth Syndrome Foundation, Inc.  
New York, New York

We have audited the accompanying financial statements of The Barth Syndrome Foundation, Inc., which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses 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 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 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 Barth Syndrome Foundation, Inc. as of December 31, 2019 and 2018, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As discussed in Note 2 to the financial statements, in 2019 the Organization adopted Accounting Standards Update (ASU) No. 2018-08 Not for Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605); and, No. 2014-09 Revenue from Contracts with Customers (Topic 606).

*Dorfman Abrams Music, LLC*

Saddle Brook, New Jersey

April 13, 2020

THE BARTH SYNDROME FOUNDATION, INC.

BALANCE SHEETS

ASSETS

	December 31,	
	<u>2019</u>	<u>2018</u>
Cash	\$ 384,847	\$ 237,557
Investments	4,472,545	4,507,529
Grants receivable	67,917	
Due from affiliates	30,000	2,565
Other receivables	649	
Prepaid expenses	<u>37,285</u>	<u>2,699</u>
 Total assets	 <u>\$ 4,993,243</u>	 <u>\$ 4,750,350</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 26,869	\$ 18,932
Deferred revenue	376	
Grants payable	<u>259,580</u>	<u>140,147</u>
 Total liabilities	 <u>286,825</u>	 <u>159,079</u>
Net assets:		
Without donor restrictions	914,227	861,228
With donor restrictions	<u>3,792,191</u>	<u>3,730,043</u>
 Total net assets	 <u>4,706,418</u>	 <u>4,591,271</u>
 Total liabilities and net assets	 <u>\$ 4,993,243</u>	 <u>\$ 4,750,350</u>

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

THE BARTH SYNDROME FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

	Year ended December 31, 2019		Year ended December 31, 2018	
	Without donor restrictions	With donor restrictions	Without donor restrictions	With donor restrictions
<b>Operating activities:</b>				
Support and revenue:				
Contributions	\$ 603,361	\$ 224,371	\$ 631,570	\$ 1,320,497
Conference revenue			60,266	96,500
Grant income		107,917	45,000	
Interest and dividends	95,117		64,775	
Total support and revenue	698,478	332,288	801,611	1,416,997
Net assets released from restrictions	270,140	(270,140)	145,354	(145,354)
Total support and revenue	968,618	62,148	946,965	1,271,643
<b>Expenses:</b>				
Program services:				
Communication and awareness	142,871		93,414	93,414
BSF Conference			286,404	286,404
Family services	106,552		73,145	73,145
Advocacy and awareness	136,369		90,213	90,213
Barth registry and repository	20,489		28,772	28,772
Research grants	360,000		253,199	253,199
Science and medicine	300,933		152,344	152,344
Total program services	1,067,214		977,491	977,491
Supporting services:				
General and administrative expenses	159,829		124,694	124,694
Fundraising expenses	74,333		53,125	53,125
Total supporting services	234,162		177,819	177,819
Total expenses	1,301,376		1,155,310	1,155,310
Change in net assets from operations	(332,758)	62,148	(208,345)	1,271,643
Nonoperating activities:				
Investment return, net	385,757		(184,698)	(184,698)
Total nonoperating activities	385,757		(184,698)	(184,698)
Change in net assets	52,999	62,148	(393,043)	1,271,643
Net assets, beginning of year	861,228	3,730,043	1,254,271	2,458,400
Net assets, end of year	\$ 914,227	\$ 3,792,191	\$ 861,228	\$ 3,730,043
				\$ 4,591,271

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

THE BARTH SYNDROME FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	<u>Year ended December 31,</u>	
	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 115,147	\$ 878,600
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Contribution of stock	(34,142)	(1,026,298)
Realized and unrealized (gain) loss on investments	(385,757)	184,698
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(67,917)	(184)
Due from affiliates	(27,435)	
Other receivables	(649)	
Prepaid expenses	(34,586)	9,248
Increase (decrease) in:		
Accounts payable and accrued expenses	7,937	(51,679)
Deferred revenue	376	(8,750)
Grants payable	119,433	(39,276)
Net cash used by operating activities	<u>(307,593)</u>	<u>(53,641)</u>
Cash flows from investing activities:		
Purchases of investments	(123,948)	(434,845)
Proceeds from sale of investments	578,831	521,238
Net cash provided by investing activities	<u>454,883</u>	<u>86,393</u>
Net increase in cash	147,290	32,752
Cash, beginning of year	<u>237,557</u>	<u>204,805</u>
Cash, end of year	<u>\$ 384,847</u>	<u>\$ 237,557</u>

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

THE BARTH SYNDROME FOUNDATION, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
Years Ended December 31, 2019 and 2018

	Program services												Total							
	Communication and awareness			BSF Conference			Family services			Advocacy and awareness			Barth registry and repository		Research grants		Science and medicine			
	2019	2018		2019	2018		2019	2018		2019	2018		2019	2018	2019	2018	2019	2018		
Salaries	\$ 63,910	\$ 62,505	\$	\$ 99,393	\$ 99,393	\$	\$ 55,674	\$ 55,674	\$	\$ 16,490	\$ 16,490	\$	\$	\$	\$	\$	\$ 189,572	\$ 126,388	\$ 410,874	\$ 360,450
Payroll taxes and benefits	6,556	8,777		13,399	13,399		8,157	8,157		2,402	2,402						23,372	17,984	52,030	50,719
Total salaries and related expenses	70,466	71,282		112,792	112,792		63,831	63,831		18,892	18,892						212,944	144,372	462,904	411,169
Grant expense																	56,917		456,917	303,105
Grants funded by affiliates																	(40,000)		(83,906)	(83,906)
Professional fees	59,796	9,500		3,515	3,515		3,296	3,296		7,988	23,881		18,000	24,500			4,686		90,470	57,881
Office expense	10,063	3,726		64,286	64,286		533	533		1,055	3,520		16	4			3,476		19,100	16,752
Transportation		316								13,411	5,706		31				18,962		48,646	73,163
Dues and fees	303									1,200			2,302	2,079			3,833		7,638	4,950
Audio visual										12,000	15,938								12,000	44,252
Printing and publications	1,377	8,467		470	470		5,428	5,428		838	1,151								2,215	10,088
Telephone		123								18									3,687	5,604
Insurance																				
Meals										144	18,698						97		2,287	85,690
Public relations	866									275			140				18		866	
Training and education																			484	
Therapy development																				
Other meeting expenses																				
Total expenses	\$ 142,871	\$ 93,414	\$	\$ 286,404	\$ 286,404	\$	\$ 73,145	\$ 73,145	\$	\$ 136,369	\$ 90,213	\$	\$ 20,489	\$ 28,772	\$	\$ 360,000	\$ 300,933	\$ 152,344	\$ 1,067,214	\$ 977,491

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

THE BARTH SYNDROME FOUNDATION, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2019 and 2018

	Supporting services						Total program and supporting services
	Management and general		Fundraising		Total		
	2019	2018	2019	2018	2019	2018	
Salaries	\$ 44,909	\$ 23,342	\$ 47,500	\$ 38,769	\$ 92,409	\$ 62,111	\$ 503,283
Payroll taxes and benefits	3,553	3,182	2,831	3,065	6,384	6,247	58,414
Total salaries and related expenses	48,462	26,524	50,331	41,834	98,793	68,358	561,697
Grant expense							456,917
Grants funded by affiliates							(40,000)
Professional fees	61,162	58,975	4,592		65,754	58,975	156,224
Office expense	31,954	21,591	13,984	5,241	45,938	26,832	65,038
Transportation	2,853	6,673	1,402	274	4,255	6,947	52,901
Dues and fees	8,712	6,023	1,794	1,746	10,506	7,769	18,144
Audio visual			125		125		12,125
Printing and publications	920	56	2,080	3,792	3,000	3,848	5,215
Telephone	914	1,290		106	914	1,396	4,601
Insurance	3,801	3,562			3,801	3,562	3,801
Meals	96			132	96	132	2,383
Public relations	925				950		1,816
Training and education	30			25	30		514
Therapy development							
Other meeting expenses							
Total expenses	\$ 159,829	\$ 124,694	\$ 74,333	\$ 53,125	\$ 234,162	\$ 177,819	\$ 1,301,376
							\$ 1,155,310

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



# THE BARTH SYNDROME FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

### 1. Nature of the Organization

The Barth Syndrome Foundation, Inc. (the Organization) is a not-for-profit organization incorporated under the laws of the State of Delaware on September 8, 2000 to be operated for the following purposes: a) to support and educate families with children suffering from Barth Syndrome; b) to fund and facilitate research addressing the causes, diagnosis, treatment, and cure of Barth Syndrome; and c) to raise physician awareness regarding Barth Syndrome. The Organization has entered into licensing agreements with several not-for-profit entities dedicated to Barth syndrome in other countries. The agreements allow for each of these entities (the affiliates) to use the Barth Syndrome Foundation, Inc. brand in their various communications and to share in the Organization's programs including the biennial International Barth Syndrome Scientific, Medical and Family Conference, newsletters, websites and research grants among others.

### 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 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, where by the donor has stipulated the funds be maintained in perpetuity.

#### Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

#### Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Cash

Cash consists of demand deposit accounts with maturities of three months or less. Money market funds, held as a portion of the Organization's investment portfolio, are classified as investments and are not considered to be cash equivalents for purposes of the statement of cash flows.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

2. Summary of significant accounting policies (continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the balance sheet.

Fair value measurement

U.S. GAAP establishes 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 and liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date;

Level 2 - Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly, including inputs that are not considered to be active;

Level 3 - Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad criteria data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Organization's perceived risk of that investment.

Grants receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are met.

Allowance for doubtful accounts

The Organization uses the allowance method to account for uncollectible grants receivable. The allowance is based on prior years' experience and management's analysis of possible bad debt. As of December 31, 2019 and 2018, the Organization determined that an allowance was not necessary.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

2. Summary of significant accounting policies (continued)

Revenue and revenue recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. 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. 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. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

The Organization receives grants from its affiliate organizations to fund a portion of the grants the Organization pays to the grantees. This revenue is recognized when the grants are committed to being paid by the affiliate organizations. The Organization recognizes revenue from conferences when the events takes place. Conferences are generally held every other year. Amounts received prior to the commencement of the conference, including deposits, are deferred to the applicable period.

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 Not for Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605); and, No. 2014-09 Revenue from Contracts with Customers (Topic 606) as management believes the standards improve the usefulness and understandability of the Organization's financial reporting.

Analysis of various provisions of these standards resulted in no significant change in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Functional allocation of expenses

The costs of providing various programs and support services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort and square footage.

Income taxes

The Organization is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

3. Risks and uncertainties

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments, and grants receivable. The Organization maintains its cash in bank deposit accounts, the balance, of which, at times, may exceed federally insured limits. Investment securities are exposed to various risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amount reported on the financial statements. Concentrations of credit risk with respect to the accounts receivable are limited due to the balance being historically low at any point in time. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

The Organization has reviewed its operations in light of the COVID-19 pandemic. Based on that review, it does not anticipate that the COVID-19 pandemic will have a material impact on its operations. However, events surrounding the Federal and State responses to the COVID-19 virus, and changes to those responses could change that analysis, and that change could be material.

4. Availability and liquidity

The following represents the Organization's financial assets at December 31, 2019:

Financial assets at year end:

Cash	\$ 384,847
Investments	4,472,545
Grants receivable	67,917
Due from affiliates	30,000
Other receivables	649
	<hr/>
Total financial assets	4,955,958

Less amounts not available to be used within one year:

Net assets with donor restrictions	3,792,191
Less net assets with purpose restrictions to be met in less than a year	<hr/> (105,000)
	<hr/> 3,687,191
Financial assets available to meet cash needs for general expenditures within one year	<hr/> <u>\$ 1,268,767</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses, net of in-kind (approximately \$325,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts. In addition to their available financial assets, a significant portion of the Organization's annual expenditures will be funded by current year operating revenues including grants and contributions.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

5. Investments

Investment securities are stated at fair value and summarized as follows at December 31:

	<u>2019</u>	<u>2018</u>
Cash and money market	\$ 371,037	\$ 925,705
Equities	1,113,932	943,142
Fixed income	<u>2,987,576</u>	<u>2,638,682</u>
	<u>\$ 4,472,545</u>	<u>\$ 4,507,529</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31:

	<u>2019</u>	<u>2018</u>
Investments:		
Interest and dividends	\$ 95,117	\$ 64,775
Realized and unrealized gain (loss)	<u>385,757</u>	<u>(184,698)</u>
	<u>\$ 480,874</u>	<u>\$ (119,923)</u>

6. Fair value measurement

The classification of the Organization's investment securities at fair value are as follows at December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 371,037	\$	\$	\$ 371,037
Equities	1,113,932			1,113,932
Fixed income	<u>2,987,576</u>			<u>2,987,576</u>
	<u>\$ 4,472,545</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,472,545</u>

The classification of the Organization's investment securities at fair value are as follows at December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 925,705	\$	\$	\$ 925,705
Equities	943,142			943,142
Fixed income	<u>2,638,682</u>			<u>2,638,682</u>
	<u>\$ 4,507,529</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,507,529</u>

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

7. Commitments

Grants payable as of December 31, 2019 and 2018 consists of amounts awarded but not paid, of \$259,580 and \$140,147, respectively. All are due to be paid within the next 12 to 24 months.

The Foundation is committed to research grants awarded subsequent to year-end, up to the amount of \$191,580, of which \$91,580 is committed to be funded by affiliates (see note 10).

8. Net assets

Net assets were as follows for the years ended December 31, 2019 and 2018:

	2019			2018		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Undesignated	\$ 914,227	\$	\$ 914,227	\$ 861,228	\$	\$ 861,228
Specific purpose:						
Drug Development		8,942	8,942		36,575	36,575
Communications Platform					10,350	10,350
Paula & Woody Varner Science and Medical Fund		120,622	120,622		125,418	125,418
Science and Medical Fund		97,917	97,917			
Will McCurdy Fund for the Advancement of Therapies for Barth Syndrome		3,564,710	3,564,710		3,557,700	3,557,700
Total net assets	<u>\$ 914,227</u>	<u>\$3,792,191</u>	<u>\$4,706,418</u>	<u>\$ 861,228</u>	<u>\$3,730,043</u>	<u>\$4,591,271</u>

Releases from net assets with donor restrictions are as follows at December 31:

	2019	2018
Satisfaction of purpose restrictions:		
Drug Development	\$ 27,633	\$ 49,925
Communications Platform	10,350	9,650
Paula & Woody Varner Science and Medical Fund	20,000	40,000
Science and Medical Fund	12,157	11,779
Will McCurdy Fund for the Advancement of Therapies for Barth Syndrome	200,000	34,000
	<u>\$ 270,140</u>	<u>\$ 145,354</u>

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

9. Major sources of support

For the year ended December 31, 2019, two donors accounted for approximately 28% of total support and revenues. For the year ended December 31, 2018, one donor accounted for approximately 45% of total support and revenues.

10. Grant expenses

The Organization, as part of its mission to fund and facilitate research addressing the causes, diagnosis, treatment, and cure of Barth Syndrome, commits to certain grants which it records as grants payable on the balance sheet upon approval of the award. The related grant award is reported on the statement of functional expenses to reflect the full grant expenditure amount. From time to time, the Organization subsequently receives assistance from affiliated entities to cover portions of the grant awards. These amounts have been recorded on the statement of functional expenses as grants funded by affiliates, which are presented as a contra expense in the amount of \$40,000 and \$83,906 for the years ended December 31, 2019 and 2018, respectively.

11. Subsequent events

The Organization has evaluated subsequent events through April 13, 2020 which is the date the financial statements were available to be issued. The Organization is not aware of any material subsequent events.