YOUTH ENRICHMENT STRATEGIES

Financial Statements
with Independent Auditor's Report

Years Ended August 31, 2015 and 2014

YOUTH ENRICHMENT STRATEGIES

Years Ended August 31, 2015 and 2014

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BHLF
Bong Hillberg Lewis Fischesser LLP

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Youth Enrichment Strategies

We have audited the accompanying financial statements of Youth Enrichment Strategies, a California nonprofit corporation (the Organization), which comprise the statements of financial position as of August 31, 2015 and 2014, 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 audit. 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 Youth Enrichment Strategies as of August 31, 2015 and 2014, 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.

Emphasis of a Matter

As discussed in Note 10 to the financial statements, the 2014 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Bong Hillberg Lewis Fischesser LLP

Walnut Creek, California
January 15, 2016

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YOUTH ENRICHMENT STRATEGIES

Statements of Financial Position
August 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and equivalents	$ 182,703	$ 67,784
Investments	110,729	111,500
Government grants receivable	8,249	58,993
Pledges receivable	125,000	130,298
Accrued interest	4,166	3,565
Prepaid expenses	7,882	7,978
Total current assets	438,729	380,118
Loan receivable	15,000	15,000
Property and equipment, net	-	1,120
Deposits	1,350	1,350
Total assets	$ 455,079	$ 397,588
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 18,962	$ 73,986
Total current liabilities	18,962	73,986
NET ASSETS		
Unrestricted	222,617	223,178
Temporarily restricted	213,500	100,424
Total net assets	436,117	323,602
Total liabilities and net assets	$ 455,079	$ 397,588

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Statement of Activities
Year Ended August 31, 2015

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT			
Grants and contributions			
Foundation grants	$ 268,000	$ 213,500	$ 481,500
Individual and corporate donations	206,865	-	206,865
Government grants	61,155	-	61,155
Net assets released from restrictions	100,424	(100,424)	-
Total grants and contributions	636,444	113,076	749,520
Other income			
Special events	21,980	-	21,980
Program revenue	6,241	-	6,241
Dividend and interest income	2,752	-	2,752
Unrealized and realized loss on investments	(1,579)	-	(1,579)
Total other income	29,394	-	29,394
Total revenues, gains and other support	665,838	113,076	778,914
EXPENSES			
Program services	483,721	-	483,721
Supporting services			
Management and general	68,930	-	68,930
Fundraising	113,748	-	113,748
Total expenses	666,399	-	666,399
Change in net assets	(561)	113,076	112,515
TOTAL NET ASSETS			
Beginning of year	223,178	100,424	323,602
End of year	$ 222,617	$ 213,500	$ 436,117

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Statement of Activities
Year Ended August 31, 2014

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT			
Grants and contributions			
Foundation grants	$ 282,766	$ 100,424	$ 383,190
Individual and corporate donations	120,549	-	120,549
Government grants	92,034	-	92,034
Net assets released from restrictions	83,558	(83,558)	-
Total grants and contributions	578,907	16,866	595,773
Other income			
Special events	81,453	-	81,453
Program revenue	6,372	-	6,372
Dividend and interest income	2,977	-	2,977
Unrealized and realized gain on investments	251	-	251
Total other income	91,053	-	91,053
Total revenues, gains and other support	669,960	16,866	686,826
EXPENSES			
Program services	449,380	-	449,380
Supporting services			
Management and general	67,140	-	67,140
Fundraising	86,360	-	86,360
Total expenses	602,880	-	602,880
Change in net assets	67,080	16,866	83,946
TOTAL NET ASSETS			
Beginning of year	156,098	83,558	239,656
End of year	$ 223,178	$ 100,424	$ 323,602

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Statement of Functional Expenses
Year Ended August 31, 2015

	Family Camp	Summer Camp	Camp to Community	Wellness	Total Program Services	Management and General	Fundraising	Total
Personnel costs	$ 43,141	$ 41,594	$ 64,026	$ 82,650	$ 231,411	$ 30,060	$ 47,379	$ 308,850
Independent contractors and consultants	13,849	3,117	8,459	4,771	30,196	20,458	31,380	82,034
Summer camp	-	80,003	-	-	80,003	-	-	80,003
Family camp	65,148	-	-	-	65,148	-	-	65,148
Payroll taxes and benefits	7,422	7,167	10,815	13,878	39,282	6,424	8,113	53,819
Fundraisers	-	-	-	-	-	-	21,775	21,775
Occupancy	4,203	4,210	4,410	3,275	16,098	1,799	2,917	20,814
Other programs	5,161	-	4,209	2,773	12,143	-	-	12,143
Other operational costs	971	538	467	594	2,570	4,394	747	7,711
Information technology	1,577	1,695	1,069	1,278	5,619	724	1,175	7,518
Insurance	351	377	238	285	1,251	2,473	262	3,986
Other personnel costs	-	-	-	-	-	1,478	-	1,478
Depreciation	-	-	-	-	-	1,120	-	1,120
Total expenses	$ 141,823	$ 138,701	$ 93,693	$ 109,504	$ 483,721	$ 68,930	$ 113,748	$ 666,399

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Statement of Functional Expenses
Year Ended August 31, 2014

	Family Camp	Summer Camp	Camp to Community	Wellness	Total Program Services	Management and General	Fundraising	Total
Personnel costs	$ 15,178	$ 16,014	$ 85,837	$ 85,972	$ 203,001	$ 34,094	$ 34,244	$ 271,339
Summer camp	-	80,128	-	-	80,128	-	-	80,128
Family camp	70,720	-	-	-	70,720	-	-	70,720
Payroll taxes and benefits	4,257	3,476	14,124	14,671	36,528	4,223	5,150	45,901
Fundraisers	6	6	4	4	20	4	37,058	37,082
Independent contractors and consultants	1,067	320	204	219	1,810	14,732	5,336	21,878
Other programs	6,131	-	3,075	10,315	19,521	200	-	19,721
Occupancy	4,640	4,044	2,584	2,765	14,033	3,425	1,813	19,271
Other operational costs	3,847	3,682	2,066	2,242	11,837	3,786	1,569	17,192
Insurance	1,461	1,273	814	871	4,419	1,407	571	6,397
Other personnel costs	945	360	627	769	2,701	2,535	176	5,412
Information technology	659	575	367	393	1,994	2,426	258	4,678
Volunteers	1,347	98	63	67	1,575	73	44	1,692
Depreciation	362	315	201	215	1,093	235	141	1,469
Total expenses	$ 110,620	$ 110,291	$ 109,966	$ 118,503	$ 449,380	$ 67,140	$ 86,360	$ 602,880

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Statements of Cash Flows
Years Ended August 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 112,515	$ 83,946
Adjustments to reconcile change in net assets to net cash provided (used) in operating activities:		
Unrealized and realized (gain) loss on investments	1,579	(251)
Depreciation	1,120	1,469
Changes in operating assets and liabilities:		
Government grants receivable	50,744	(58,993)
Pledges receivable	5,298	(83,798)
Accrued interest	(601)	(1,323)
Prepaid expense and lease deposit	96	(5,038)
Accounts payable and other accrued expenses	(55,024)	46,102
Net cash provided (used) in operating activities	115,727	(17,886)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(808)	(50,008)
Proceeds from sale or maturity of investments	-	35,376
Net cash used in investing activities	(808)	(14,632)
NET CHANGE IN CASH AND EQUIVALENTS	114,919	(32,518)
CASH AND EQUIVALENTS		
Beginning of year	67,784	100,302
End of year	$ 182,703	$ 67,784
SUPPLEMENTAL CASH FLOW INFORMATION		
Noncash investing activities:		
Donated stock	$ -	$ 13,182

See notes to financial statements.

YOUTH ENRICHMENT STRATEGIES

Notes to Financial Statements

1. NATURE OF OPERATIONS

Youth Enrichment Strategies (YES or Organization) is a nonprofit public benefit corporation incorporated in California in 2002.

Each year, YES sends hundreds of low income youth to nature every year through its Summer Camp Program. In the summers of 2015 and 2014 YES sent 322 and 300 financially eligible children respectively, ages 8-16, from the City of Richmond and surrounding West Contra Costa County to one of eight regional summer camps around the Bay Area.

Family Camp is another successful YES program that brings together the families of children from three inner-city Richmond elementary schools five times a year for a full weekend of camp activities. At camp, families have the opportunity to relax and bond while participating in fun recreational, education, and life skill activities in the beautiful setting of Camp Loma Mar, located in the coastal redwoods south of Half Moon Bay. During the fiscal years ended August 31, 2015 and 2014, 398 and 421 children and family members participated in the Organization's Family Camp program respectively, and an additional 454 and 343 family members correspondingly participated in YES Day Outings at local and regional parks. These outings provide an opportunity for youth and adults to continue to build relationships while exploring natural environments close to their homes. YES provided three Day Outings in 2015 and 2014.

The Camp-to-Community (C2C) program provides older youth, ages 14-18, who have participated in Summer Camp over a number of years with a year-long leadership development program. YES supports C2C youth to become employed as full-time camp counselors and acquire valuable job skills. At camp, youth serve as counselors-in-training and learn leadership, environmental, and organizational skills under the guidance of camp counselors and naturalists. Upon return, the YES staff places youth as volunteers, interns, or paid staff with local agency partners that focus on green, outdoor initiatives including urban agriculture and gardening, watershed restoration, and neighborhood beautification. YES served 30 youth in the program during the year ended August 31, 2015 and 26 youth for the year ended August 31, 2014.

YES's Wellness program brings together adult leaders from the schools and the communities that YES serves to participate in health and wellness activities and education. Through wellness workshops and training, YES staff recruit and train a diverse group of multicultural Wellness Navigators who serve as peer educators across a variety of health and wellness topics including non-defensive communication, safety, nutrition, and physical activity. During the years ended August 31, 2015 and 2014, YES staff worked with a core group of 19 Wellness Navigators from Central and North Richmond for both years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The financial statements of the Organization have been prepared using the accrual basis of accounting and accordingly reflect all significant receivables, payables, prepayments and similar accruals. Financial statement presentation follows financial accounting standards applicable to not-for-profit organizations. Under such standards, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 in the statements 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 unrestricted net assets unless a donor or law temporarily or permanently restricts their use.

Pledges receivable and contributions - Pledges receivable are recognized when the donor makes an unconditional promise to give to the Organization. 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 August 31, 2015 and 2014, respectively.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the period in which the contributions are recognized.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increase or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law.

Loan receivable - Loans are stated at the unpaid principal balance less the allowance for loan losses and net of deferred loan fees and unearned discounts. Loan fees and unearned discounts are recognized as income over the contractual term of the loan using the interest method. Amortization of deferred loan fees is discontinued when a loan is placed on nonaccrual status.

Interest is recognized over the term of the loan and is calculated using the simple-interest method. Interest income generally is not recognized on specific impaired loans unless the likelihood of further loss is remote. Interest payments received on such loans are applied as a reduction of the loan principal balance. Interest income on other impaired loans is recognized only to the extent of interest payments received.

Management considers a loan impaired when based on current information or other factors it is probable that the principal and interest payments will not be collected according to the loan agreement. Management does not consider this loan impaired at August 31, 2015 and 2014, respectively.

Loans are placed on nonaccrual status when management determines, after considering economic and business conditions and collection efforts, that the loans are impaired or collection of interest is doubtful. Uncollectible interest previously accrued is charged off, or an allowance is established by a charge to interest income. Interest income on nonaccrual loans is recognized only to the extent that cash payments are received.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The carrying amount of loans receivable is reduced by an allowance for loan losses which is maintained at a level which, in management's judgment, is adequate to absorb credit losses from the loan. The amount of the allowance is based on management's evaluation of the collectability of the loan, including the nature of the loan, credit concentrations, trends in historical data, specific impaired loans, economic conditions and other risks associated with the loan. The allowance is increased by a provision for loan losses, which is charged to expense, and reduced by charge-offs, net of recoveries. There was no allowance for loan losses at August 31, 2015 and 2014, respectively.

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
Leasehold improvements	5 years
Furniture & equipment	5 - 10 years

Net assets - Net assets are classified based on the existence or absence of donor imposed restrictions. Net assets are defined as follows:

Unrestricted net assets are not subject to donor-imposed stipulations or the donor-imposed restrictions have expired.

Temporarily restricted net assets are those which are subject to donor-imposed stipulations that will be met by the Organization and/or the passage of time. Temporarily restricted net assets consists of the following at year end:

	2015	2014
Wellness Program	$ 20,833	$ 47,352
Family Camp Program	20,000	35,650
Summer Camp Program	-	15,000
Development Plan	56,000	-
General Operations - Time Restriction	116,667	-
Other	-	2,422
	$ 213,500	$ 100,424

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donor of these assets permits the Organization to use all or part of the income earned on related investments for general or specific purposes. There are no permanently restricted net assets at August 31, 2015 and 2014, respectively.

Contributed services and assets - Contributed services are recognized as contributions to the extent that the services create or enhance non-financial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Donated services of $2,000 and $0 are included in the Statement of Activity with other Individual and Corporate donations for the years ended August 31, 2015 and 2014, respectively. The donated services were performed by professionals with special skills in accounting and information technology. The Organization generally pays for services requiring specific expertise. 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 3,240 and 2,640 volunteer hours during the years ended August 31, 2015 and 2014, respectively.

YOUTH ENRICHMENT STRATEGIES

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated assets are recorded as contributions at their estimated fair market value on the date of the donation. During the years ended August 31, 2015 and 2014, the Organization received and sold donated stock with corresponding fair market values of $0 and $13,182, respectively. Other donated items include goods received from fundraising activity with respective estimated fair market values of $7,122 and $14,965. Donated assets of $7,122 and $28,147 are included in the Statement of Activity with other Individual and Corporate donations for the years ended August 31, 2015 and 2014, respectively.

Functional allocation of expenses - Expenses by function have been allocated among program and supporting services classifications on the basis of estimates made by the Organization's management.

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

3. INVESTMENTS

Investments consist of the following at August 31:

	2015	2014
Cash & cash equivalents	$ 13,205	$ 13,203
Certificates of deposit	75,507	75,507
Mutual funds	22,017	22,790
	$ 110,729	$ 111,500

There were no investment fees for the years ended August 31, 2015 and 2014.

4. PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give, which have been made by donors, but not received yet. No allowance for doubtful accounts has been recorded as management believes all pledges to be fully collectible. Payments under these unconditional promises to give, as of August 31, 2015, are due as follows:

Less than one year	$ 85,000
One to five years	40,000
	$ 125,000

5. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at August 31:

	2015	2014
Leasehold improvements	$ 2,105	$ 2,105
Furniture and equipment	4,698	4,698
	6,803	6,803
Less: Accumulated depreciation	(6,803)	(5,683)
	$ -	$ 1,120

6. LOAN RECEIVABLE

In January 2012 the Organization loaned to the Northern California Community Loan Fund the principal amount of $15,000, which is due in January 2017. Interest accrues at 2.25% per annum with accrued interest being paid annually.

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 year end:

Cash and cash equivalents: Valued at cost, which approximates fair value.

Certificates of deposit: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

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

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
2015				
Cash and cash equivalents	$ 13,205	$ -	-	$ 13,205
Certificates of deposit	-	75,507	-	75,507
Mutual funds	22,017	-	-	22,017
	$ 35,222	$ 75,507	$ -	$ 110,729
2014				
Cash and cash equivalents	$ 13,203	$ -	$ -	$ 13,203
Certificates of deposit	-	75,507	-	75,507
Mutual funds	22,790	-	-	22,790
	$ 35,993	$ 75,507	$ -	$ 111,500

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 at August 31, 2015 and 2014.

As of August 31, 2015, periods subsequent to 2011 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 August 31, 2015 and 2014, respectively.

9. COMMITMENTS

The Organization leases a corporate office in Richmond under an operating lease which expires in February 2016. The lease requires monthly rental payments of $1,350. Total rent expense was $16,200 for the years ended August 31, 2015 and 2014, respectively. Minimum future lease commitments under the operating lease is $8,100 in 2016.

10. PRIOR PERIOD ADJUSTMENTS

During 2015, the Organization determined temporarily restricted net assets were understated at August 31, 2014 by $75,000 due to a pledge not recorded in the proper accounting period. The Organization has restated temporarily restricted net assets to properly reflect the pledge receivable as of August 31, 2014. The effect of this restatement increased pledges receivable and foundation grants income by $75,000 for the year ended August 31, 2014.

11. SUBSEQUENT EVENTS

The Organization's management has reviewed the results of activities for the period of time from its year ended August 31, 2015 through January 15, 2016, 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.