

**LIBERTY IN NORTH KOREA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2015**



**LIBERTY IN NORTH KOREA  
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Liberty in North Korea

We have audited the accompanying financial statements of Liberty in North Korea (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Liberty in North Korea as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Adjustments to Prior Period Financial Statements**

As discussed in Note 12 to the financial statements, Liberty in North Korea has restated its 2014 financial statements during the current year to adjust cash, fixed assets, accounts payable and other assets in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.



Onisko & Scholz, LLP  
Long Beach, California  
October 20, 2016

**LIBERTY IN NORTH KOREA**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2015**

ASSETS	Unrestricted	Temporarily Restricted	Total
Current Assets			
Cash and cash equivalents	\$ 7,627	\$ 179,635	\$ 187,262
Contributions receivable	166,671	1,416	168,087
Inventory	5,799	-	5,799
Prepaid expenses	3,116	-	3,116
Total Current Assets	183,213	181,051	364,264
Noncurrent Assets			
Property and equipment, net	108,771	-	108,771
Deposits	28,102	-	28,102
Total Noncurrent Assets	136,873	-	136,873
<b>TOTAL ASSETS</b>	<b>\$ 320,086</b>	<b>\$ 181,051</b>	<b>\$ 501,137</b>
 LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	\$ 46,757	\$ -	\$ 46,757
Accrued liabilities	2,546	-	2,546
Total Current Liabilities	49,303	-	49,303
Total Liabilities	49,303	-	49,303
Net Assets			
Unrestricted net assets	270,783	-	270,783
Temporarily restricted net assets	-	181,051	181,051
Total Net Assets	270,783	181,051	451,834
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 320,086</b>	<b>\$ 181,051</b>	<b>\$ 501,137</b>

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

**LIBERTY IN NORTH KOREA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>SUPPORT</b>			
Contributions	\$ 1,422,649	\$ 268,718	\$ 1,691,367
Grants	395,000	-	395,000
Total Support	<u>1,817,649</u>	<u>268,718</u>	<u>2,086,367</u>
<b>REVENUE</b>			
Special events	94,240	-	94,240
Less: cost of direct benefits to donors	(57,328)	-	(57,328)
Net special events	<u>36,912</u>	<u>-</u>	<u>36,912</u>
Inventory sales	184,144	-	184,144
Other revenue	(6,873)	-	(6,873)
Net realized loss on disposal of assets	(6,176)	-	(6,176)
Total Revenue	<u>208,007</u>	<u>-</u>	<u>208,007</u>
Net assets released from restrictions	<u>538,273</u>	<u>(538,273)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>2,563,929</u>	<u>(269,555)</u>	<u>2,294,374</u>
<b>EXPENSES</b>			
Program services	1,827,154	-	1,827,154
Fund-raising	201,034	-	201,034
Management and general	483,406	-	483,406
<b>TOTAL EXPENSES</b>	<u>2,511,594</u>	<u>-</u>	<u>2,511,594</u>
<b>CHANGE IN NET ASSETS</b>	<u>52,335</u>	<u>(269,555)</u>	<u>(217,220)</u>
<b>BEGINNING NET ASSETS PREVIOUSLY REPORTED</b>	193,504	450,606	644,110
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>24,944</u>	<u>-</u>	<u>24,944</u>
<b>BEGINNING NET ASSETS AS RESTATED</b>	<u>218,448</u>	<u>450,606</u>	<u>669,054</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 270,783</u>	<u>\$ 181,051</u>	<u>\$ 451,834</u>

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

**LIBERTY IN NORTH KOREA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Program Services</u>	<u>Fund-raising</u>	<u>Management and General</u>	<u>Total</u>
Payroll Expenses				
Salaries and Wages	\$ 667,485	\$ 93,590	\$ 231,081	\$ 992,156
Employee Benefits	79,943	11,420	28,184	119,547
Payroll Taxes	46,746	8,287	19,242	74,275
Total Payroll Expenses	<u>794,174</u>	<u>113,297</u>	<u>278,507</u>	<u>1,185,978</u>
Advertising	-	1,677	6,000	7,677
Bank Service Charges	93	1,787	-	1,880
Client Assistance	114,416	1,200	522	116,138
Conferences	725	-	-	725
Consultants	84,957	-	-	84,957
Depreciation Expense	27,182	2,577	1,038	30,797
Dues and Subscriptions	18,842	13,612	5,131	37,585
Equipment Expense	4,499	1,430	112	6,041
Facility and Equipment Rentals	7,004	52,594	250	59,848
Fuel	28,367	1,133	1,637	31,137
Gifts and Appreciation	3,529	3,093	1,217	7,839
Insurance	41,518	-	5,741	47,259
Interest Expense	-	-	2,467	2,467
Inventory Purchases	122,737	-	-	122,737
Legal and Professional Fees	8,841	9,300	54,005	72,146
Meals and Food	26,362	2,868	9,351	38,581
Merchant Account Fees	-	-	38,714	38,714
Miscellaneous Expenses	-	107	3,228	3,335
Payroll Fees	2,389	-	-	2,389
Postage	1,746	3,822	2,128	7,696
Printing and Reproduction	9,886	16,830	628	27,344
Professional Fundraising	-	5,988	-	5,988
Rent Expense	46,227	6,087	15,216	67,530
Repairs and Maintenance	35,709	216	2,002	37,927
Rescue Expense	233,679	-	-	233,679
Research and Development	3,230	-	-	3,230
Staff Development	1,186	-	375	1,561
Staff/Intern Housing	64,563	4,620	5,661	74,844
Supplies	7,466	2,625	4,613	14,704
Taxes and Licenses	138	-	2,829	2,967
Travel	111,025	10,805	33,896	155,726
Utilities	22,062	1,928	6,385	30,375
Worker's Compensation	4,602	766	1,753	7,121
Total expenses	<u>1,827,154</u>	<u>258,362</u>	<u>483,406</u>	<u>2,568,922</u>
Less expenses included in revenue section of the statement of activities	<u>-</u>	<u>(57,328)</u>	<u>-</u>	<u>(57,328)</u>
Total expenses included in the expense section of the statement of activities	<u>\$ 1,827,154</u>	<u>\$ 201,034</u>	<u>\$ 483,406</u>	<u>\$ 2,511,594</u>

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

**LIBERTY IN NORTH KOREA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	\$ 52,335	\$ (269,555)	\$ (217,220)
Adjustments to reconcile changes in net assets to net cash used by operating activities:			
Depreciation	30,797	-	30,797
Net realized loss on disposal of assets	6,176	-	6,176
Contributions receivable	(107,256)	(1,416)	(108,672)
Inventory	(2,388)	-	(2,388)
Prepaid expenses	(3,116)	-	(3,116)
Deposits	(10,087)	-	(10,087)
Accounts payable	7,654	-	7,654
Accrued liabilities	1,982	-	1,982
NET CASH USED BY OPERATING ACTIVITIES	<u>(23,903)</u>	<u>(270,971)</u>	<u>(294,874)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of equipment	(16,461)	-	(16,461)
Proceeds from sale of property and equipment	1,410	-	1,410
NET CASH USED BY INVESTING ACTIVITIES	<u>(15,051)</u>	<u>-</u>	<u>(15,051)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(38,954)	(270,971)	(309,925)
BEGINNING CASH AND CASH EQUIVALENTS	<u>46,581</u>	<u>450,606</u>	<u>497,187</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 7,627</u>	<u>\$ 179,635</u>	<u>\$ 187,262</u>

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

**LIBERTY IN NORTH KOREA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Liberty in North Korea (the “Organization”) is a 501(c)(3) nonprofit organization based out of Torrance, California, United States, with overseas operations in Seoul, South Korea and Southeast Asia. The Organization’s main purpose is to work alongside the North Korean people to accelerate change, by focusing on two primary strategic areas: working directly with North Korean refugees, and changing the way the world sees North Korea.

**Refugee Work**

The organization’s work with North Korean refugees is divided into three key programs:

- 1) **Refugee Rescues:** North Koreans who have escaped into China face the twin threats of repatriation and exploitation. The Organization brings these North Korean refugees through their networks that cover 3,000 miles of secret rescue routes, helping them safely resettle in South Korea and the U.S. without cost or condition.
- 2) **Resettlement Assistance:** Newly arriving refugees face a range of resettlement challenges in their new societies, particularly in their first 24 months. The Organization’s Resettlement Assistance Program is designed to help refugees make a smooth adjustment and quick transition to self-sufficiency.
- 3) **Empowerment Programs:** As resettled North Koreans pursue their long-term dreams and ambitions in their new societies they still do not face a level playing field. The Organization’s Empowerment Programs are designed to provide opportunities and enhanced support in the areas of education, personal development and career development so that resettled North Koreans can fulfill their potential.

**Changing the Narrative**

The Organization works directly with North Korean defectors and other experts to develop new insights and ways of understanding the issue in order to change and broaden the public’s perception of North Korea, and ultimately to mobilize increased support and attention.

- 1) **Creating Media & Documentaries:** The Organization creates short and long-form videos and other media that focus on the North Korean people’s challenges as well as their potential.
- 2) **Engaging with International Journalists and Policymakers:** The Organization engages with international journalists, filmmakers, diplomats and other policymakers to influence the way the media reports on North Korea as well as the way that governments and policymakers think about the issue.
- 3) **Direct Grassroots Engagement:** Through global online campaigns and tours across North America, the Organization shares the stories of the North Korean people and promotes a broader perspective on the issue. Hundreds of Liberty in North Korea Rescue Teams (chapters) exist around the world working to raise funds to support North Korean refugees and build support for the North Korean people on a local level.



**LIBERTY IN NORTH KOREA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The Organization uses the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

**Description of Net Asset Classes**

The net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

***Unrestricted*** - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

***Temporarily restricted*** - Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization, pursuant to those stipulations, or that expire by the passage of time.

***Permanently restricted*** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on assets. There were no permanently restricted net assets as of December 31, 2015.

**Accounting for Contributions**

Generally accepted accounting principles require that the Organization reports information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Contributions are recognized when the donor makes a promise to give to the Organization that is unconditional. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other 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 (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Cash and Cash Equivalents**

For purposes of the statement of financial position and the statement of cash flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in certificates of deposit and money market funds, with an original maturity of three months or less when purchased.

**Inventories**

Inventories, which consist primarily of store items such as T-shirts, sweatshirts, tote bags, books, and DVDs, are valued at the lower of cost or market. Cost is determined by using the average cost method.

**LIBERTY IN NORTH KOREA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and Equipment**

Property and equipment are stated at cost, if purchased or at fair value at the date of the gift, if donated and significant. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Expenditures for major additions and improvements that exceed \$500 are capitalized. Minor replacements, maintenance, and repairs are charge to expense as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets ranging from five to seven years.

**Long Lived Assets**

The Organization reviews long lived assets such as property and equipment to determine if there has been an impairment of value whenever events or changes occur that indicate the carrying value of the assets may have declined and not be recoverable. No circumstances have occurred during the year to cause the Organization to believe there has been any impairment of the carrying value of its long lived assets as of December 31, 2015. There can be no assurance, however, that market or other conditions will not change in the future resulting in impairment of long lived assets.

**Contributed Services**

The Organization receives periodic donations of professional services, such as bookkeeping, legal fees, and media consulting, which are recorded at estimated fair market value at the date of donation, if significant. The amount of contributed services for the year ended December 31, 2015 was \$15,416.

A substantial number of volunteers have donated significant amounts of their time to the Organization and its educational programs. These services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

**Compensated Absences**

Employees of the Organization are entitled to unlimited paid vacation days with approval of supervisors. No payout of vacation days will be made upon termination of employment; therefore, no liability for such absences is included in accrued liabilities on the statement of financial position. Employees are also granted unlimited sick days, which is not an earned benefit. No payment of sick leave will be made upon termination of employment.

**Concentration of Credit Risk**

The Organization's cash and cash equivalents are maintained in various banks and financial institutions. The Organization has exposure to credit risk to the extent that its cash and cash equivalents exceed amounts covered by federal deposit insurance (FDIC) up to \$250,000. At December 31, 2015, the Organization had \$1,077 in uninsured cash balances. The Organization has two foreign bank accounts held in South Korea. The foreign bank accounts are covered by Korea Deposit Insurance Corporation (KDIC) up to 50,000,000 Korean Won (approx. \$42,000 at December 31, 2015 after conversion to U.S. dollars). Cash balances held in foreign bank accounts did not exceed the KDIC insured limit in 2015.

**LIBERTY IN NORTH KOREA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Income Taxes**

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (“IRC”) and Section 23701(d) of the California Tax Code. Consequently, the accompanying financial statements do not reflect any provision for income taxes. Contributions to the Organization are deductible for tax purposes under Section 170(b)(1) of the IRC.

GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization returns are more likely than not to be sustained upon examination. The Organization’s returns are subject to examination by federal and state taxing authorities, generally for three and four years after they are filed, respectively.

**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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual events and results could differ from those assumptions and estimates.

**Advertising Costs**

The Organization uses advertising to raise awareness of the human rights issues in North Korea. Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2015 was \$7,677.

**Fair Value of Financial Instruments**

The Organization’s financial instruments, including cash and cash equivalents, and accounts payable, and accrued expenses, are carried at cost, which approximates fair value because of the short-term nature of these instruments.

**Expense Allocation**

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**NOTE 3 – CONTRIBUTIONS RECEIVABLE**

Contributions receivable as of December 31, 2015 are expected to be collected in the following periods:

Less than one year	<u>\$ 168,087</u>
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**LIBERTY IN NORTH KOREA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 4 – PROPERTY AND EQUIPMENT**

Property and equipment at December 31, 2015 consists of the following:

Furniture and fixtures	\$ 7,507
Computer equipment	55,516
Vehicles	116,481
Camera Equipment	8,499
	<u>188,003</u>
Less accumulated depreciation	(79,232)
	<u>\$ 108,771</u>

Depreciation expense for the year ended December 31, 2015 was \$30,797.

**NOTE 5 – OPERATING LEASES**

The Organization is committed under four real property leases for premises in Harbor City and Torrance, California expiring July 31, 2016 and March 15, 2016, respectively. Leases are also held in Long Beach, California and South Korea expiring July 31, 2021 and October 5, 2017, respectively.

Minimum lease payments required under the leases are as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2016	\$ 117,283
2017	96,299
2018	85,529
2019	87,776
2020	90,128
Thereafter	<u>53,375</u>
	<u>\$ 530,390</u>

Rental expenses for all operating leases, except those with terms of a month or less that were not renewed, were \$92,530 for the year ended December 31, 2015.

**LIBERTY IN NORTH KOREA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS**

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

Memorial fund	3,324
Rescue fund	<u>177,727</u>
	<u>\$ 181,051</u>

Net assets were released from restrictions during the year ended December 31, 2015 by incurring expenses satisfying the restricted purpose as follows:

Rescue fund	<u>\$ 538,273</u>
	<u>\$ 538,273</u>

**NOTE 7 – FOREIGN OPERATIONS**

Operations outside the United States include offices in South Korea and Southeast Asia. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange. Total property and equipment held outside of the United States at December 31, 2015 was \$56,191. See Note 2 for foreign cash amounts held in the Organization.

**NOTE 8 – CONCENTRATIONS**

Approximately 30 percent of the Organization's support was received from three donors.

**NOTE 9 – RELATED PARTIES**

The Organization received donations from board members in the amount of \$86,650 during the year ended December 31, 2015.

**NOTE 10 – SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

During the year ended December 31, 2015, the Organization paid \$2,467 in interest and no income taxes.

**LIBERTY IN NORTH KOREA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 11 – RETIREMENT PLAN**

The Organization started a Savings Incentive Match Plan for Employees (SIMPLE) IRA on May 1, 2015. Under the SIMPLE IRA plan, eligible employees may make elective contributions of up to \$12,500. The Organization will make a matching contribution equal to the 100% of the employee's contribution up to a limit of 3% of the employee's compensation for the calendar year. Organization's contributions were \$9,934 for the year ended December 31, 2015.

In addition to the SIMPLE IRA, the Organization also participates in government-mandated pension plan contributions for its employees in South Korea. Under this plan, both the employee and the employer are required to contribute 4.5% of an employee's gross pay towards retirement. Organization's contributions were \$12,502 for the year ended December 31, 2015.

**NOTE 12 – PRIOR PERIOD ADJUSTMENTS**

Net assets beginning January 1, 2015 have been adjusted for corrections to the prior year. The previously issued financial statements have been restated. The effect of these corrections was to increase net assets by \$24,944 as of January 1, 2015.

Security deposits were incorrectly expensed in the prior year, causing security deposits to be understated by \$14,845. Security deposits were adjusted to record deposits on three buildings rented out by the Organization. The effect of the correction was to increase security deposits by \$14,845 and increase beginning unrestricted net assets by \$14,845.

Fixed assets were not capitalized properly in the prior year, causing fixed assets to be understated by \$2,266. Fixed assets were adjusted to record previously expensed laptops that are currently in use in South Korea. The effect of the correction was to increase fixed assets by \$2,266 and increase beginning unrestricted net assets by \$2,266.

Accounts payable were inadvertently excluded in the prior year, causing accounts payable to be understated by \$232. Accounts payable were adjusted to record additional expenses incurred in the prior year. The effect of the correction was to increase accounts payable by \$232 and decrease beginning unrestricted net assets by \$232.

Cash was not reconciled properly in the prior year, causing cash to be understated by \$8,065. Cash was adjusted to reconcile petty cash to beginning balances and to record the beginning balance amount in the Organization's PayPal account. The effect of the correction was to increase cash by \$8,065 and increase beginning unrestricted net assets by \$8,065.

**NOTE 13 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 20, 2016, the date the financial statements were available to be issued.