

STAND

Financial Statements
December 31, 2018
(With Comparative Totals for December 31, 2017)

STAND

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Stand
San Francisco, California**

I have audited the accompanying financial statements of Stand (a California non-profit public benefit corporation), which comprise the statements of financial position as of December 31, 2018, and the related statements of activities, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

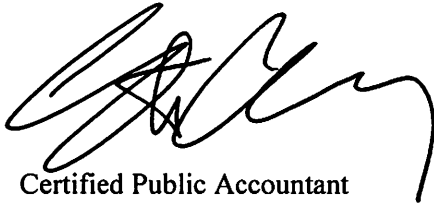
Opinion

In my audit, the financial statements referred to above present fairly, in all material respects, the financial position of Stand as of December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT (Continued)

Report on Summarized Comparative Information

I have previously audited the Stand December 31, 2017 financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated June 25, 2018. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountant
San Francisco, California
September 27, 2019

STAND
STATEMENTS OF FINANCIAL POSITION
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents (note 3)	\$ 1,171,602	\$ 1,099,965
Investment - Short term (note 4)	2,088	2,109
Grants and pledges receivable (note 2)	423,823	517,073
Contracts and other receivables	2,796	1,374
Prepaid expenses	11,089	20,698
Total Current Assets	1,611,398	1,641,219
Other Assets		
Deposits	10,720	5,825
Other Assets	613	-
Total Other Assets	11,333	5,825
Fixed Assets		
Property and Equipment (note 6)	44,157	22,088
TOTAL ASSETS	\$ 1,666,888	\$ 1,669,132
Current Liabilities		
Accounts payable	\$ 54,804	\$ 71,325
Accrued expenses	69,347	65,965
Total Current Liabilities	124,151	137,290
TOTAL LIABILITIES	124,151	137,290
Net Assets		
Net assets without donor restriction	592,296	566,102
Net assets with donor restriction (note 8)	950,441	965,740
Total Net Assets	1,542,737	1,531,842
TOTAL LIABILITIES AND NET ASSETS	\$ 1,666,888	\$ 1,669,132

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

STAND
STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2018</u>	<u>2017</u>
REVENUES AND SUPPORTS				
Foundation grants	\$ -	\$ 3,054,277	\$ 3,054,277	\$ 2,670,036
Contributions	356,883	-	356,883	298,745
Contract revenue	-	91,123	91,123	115,565
Other event revenue	-	-	-	62,999
Interest income	389	-	389	537
Exchange gain (loss)	1,428	-	1,428	(4,999)
Miscellaneous Income	19,964	-	19,964	4,617
Investment Realized gain (loss)	196	-	196	317
Investment Unrealized gain (loss)	89	-	89	-
Net assets released from restrictions (note 9)				
Satisfaction of program restrictions	2,413,250	(2,413,250)	-	-
Expiration of time restrictions	747,449	(747,449)	-	-
Total net assets released from restrictions	<u>3,160,699</u>	<u>(3,160,699)</u>	<u>-</u>	<u>-</u>
Total Revenues and Support	<u>3,539,648</u>	<u>(15,299)</u>	<u>3,524,349</u>	<u>3,147,817</u>
EXPENSES				
Program services	2,757,258	-	2,757,258	2,372,542
Lobbying	8,745	-	8,745	-
General and administrative	349,412	-	349,412	366,231
Development	398,039	-	398,039	342,516
Total Expenses	<u>3,513,454</u>	<u>-</u>	<u>3,513,454</u>	<u>3,081,289</u>
CHANGE IN NET ASSETS	<u>26,194</u>	<u>(15,299)</u>	<u>10,895</u>	<u>66,528</u>
NET ASSETS, beginning of the year.	<u>566,102</u>	<u>965,740</u>	<u>1,531,842</u>	<u>1,465,314</u>
NET ASSETS, end of year	<u>\$ 592,296</u>	<u>\$ 950,441</u>	<u>\$ 1,542,737</u>	<u>\$ 1,531,842</u>

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

STAND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	BEN	Healthy Forest	Cruise Ships	Extreme Oil-US	Extreme Oil-Canada	Fashion	2018 Program Services	Lobbying	2017 Program Services
Wages	\$ 43,547	\$ 258,706	\$ 334,415	\$ 311,917	\$ 187,769	\$ 108,579	\$ 1,244,933	\$ 3,905	\$ 1,117,211
Payroll taxes	3,850	22,568	29,208	27,627	16,399	9,654	109,306	-	106,143
Other benefits	6,189	55,343	73,059	68,150	37,170	24,546	264,457	-	247,790
Payroll fees	1,351	5,473	7,058	7,035	3,809	2,562	27,288	-	23,433
Professional fees	-	6,279	-	4,723	-	-	11,002	4,000	6,720
Contract services	16,490	225,336	145,679	57,986	102,040	99,502	647,033	-	530,661
Rent	5,393	12,730	7,595	6,304	20,894	5,253	58,169	-	67,441
Utilities	818	1,810	1,106	948	3,410	790	8,882	-	10,056
Repair & maintenance	-	-	-	-	-	-	-	-	331
Office supplies	21	140	240	1,257	206	122	1,986	-	352
Office expenses	44	6,341	27,954	898	1,862	1,999	39,098	-	28,672
Telephone, fax & internet	1,137	3,098	3,616	1,735	3,927	1,302	14,815	-	16,301
Postage & delivery	11	58	689	40	105	37	940	-	1,117
Printing & photocopy	2	3,663	645	579	323	837	6,049	-	5,348
Advertising & promotion	-	7,406	24,753	5,005	6,490	6,408	50,062	677	15,656
Travel	2,287	20,848	41,727	22,053	20,262	12,585	119,762	163	87,101
Food and reception	102	4,381	3,148	2,695	2,118	2,608	15,052	-	16,552
Staff development & recognition	597	483	512	602	654	377	3,225	-	8,293
Stipend/Honorarium	-	22	24	17	40	12	115	-	107
Fundraising & special events	90	798	31,828	9,435	1,075	6,073	49,299	-	10,669
Meetings	35	989	958	1,659	1,030	503	5,174	-	9,240
Dues & subscriptions	654	6,652	12,179	14,027	3,484	8,240	45,236	-	29,642
Insurance	555	1,247	765	656	2,159	547	5,929	-	6,358
Miscellaneous	158	1,863	7,646	192	1,047	3,050	13,956	-	2,055
Depreciation	38	683	2,204	2,733	1,160	1,172	7,990	-	5,747
Grants to other organizations	-	-	-	7,500	-	-	7,500	-	19,546
Total	\$ 83,369	\$ 646,917	\$ 757,008	\$ 555,773	\$ 417,433	\$ 296,758	\$ 2,757,258	\$ 8,745	\$ 2,372,542

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

STAND
STATEMENT OF FUNCTIONAL EXPENSES (Continued)
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Support</u>			<u>2018</u> <u>Expense</u>	<u>2017</u> <u>Expense</u>
	<u>General &</u> <u>Administrative</u>	<u>Development</u>	<u>2018</u> <u>Total</u> <u>Support</u>		
Wages	\$ 109,307	\$ 212,278	\$ 321,585	\$ 1,570,423	\$ 1,423,364
Payroll taxes	9,395	18,637	28,032	137,338	134,040
Other benefits	24,612	43,370	67,982	332,439	311,254
Payroll fees	20,198	4,596	24,794	52,082	48,782
Professional fees	16,525	-	16,525	31,527	27,218
Contract services	44,045	59,918	103,963	750,996	603,761
Rent	46,079	2,415	48,494	106,663	119,201
Utilities	6,937	359	7,296	16,178	17,804
Repair & maintenance	-	-	-	-	855
Office supplies	4,795	70	4,865	6,851	6,256
Office expenses	2,168	246	2,414	41,512	33,943
Telephone, fax & internet	8,211	3,559	11,770	26,585	28,181
Postage & delivery	1,069	468	1,537	2,477	3,475
Printing & photocopy	959	553	1,512	7,561	7,874
Advertising & promotion	3,488	1,241	4,729	55,468	21,222
Travel	19,280	14,040	33,320	153,245	120,646
Food and reception	2,907	4,554	7,461	22,513	29,595
Staff development & recognition	1,413	2,877	4,290	7,515	18,084
Stipend/Honorarium	1,296	1,165	2,461	2,576	3,210
Fundraising & special events	770	6,655	7,425	56,724	18,382
Meetings	421	1,594	2,015	7,189	9,436
Dues & subscriptions	7,987	12,267	20,254	65,490	36,683
Insurance	4,751	255	5,006	10,935	11,200
Miscellaneous	6,575	4,019	10,594	24,550	14,474
Depreciation	6,224	2,903	9,127	17,117	12,803
Grants to other organizations	-	-	-	7,500	19,546
Total	\$ 349,412	\$ 398,039	\$ 747,451	\$ 3,513,454	\$ 3,081,289

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

STAND
STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	2018	2017
Cash Flows from Operating Activities		
Change in Net Assets	\$ 10,895	\$66,528
Adjustments from Operating Activities		
Depreciation	17,117	12,803
(Increase) Decrease in Operating Assets		
Grants and pledges receivable	93,250	(41,500)
Contract and other receivable	(1,422)	199,205
Prepaid expenses	9,609	1,945
Deposit	(4,894)	-
Other assets	(613)	-
Increase (Decrease) in Operating Liabilities		
Accounts payable	(16,521)	(4,847)
Accrued expenses	3,382	(6,238)
	110,803	227,896
Cash Flows from Investing Activities		
Sale of Investments	21	(2,109)
Fixed asset acquisitions	(39,187)	(18,278)
	(39,166)	(20,387)
Net Increase (Decrease) in Cash and Cash Equivalents	71,637	207,509
CASH, beginning of year	1,099,965	892,456
Unrestricted Cash and Cash Equivalents at End of Year	\$ 1,171,602	\$1,099,965
Supplemental Cash Flow Information		
Interest paid	\$ -	\$ -

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

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 1 - NATURE OF ORGANIZATION

Our Mission: Stand. Earth challenges corporations and governments to treat people and the environment with respect, because our lives depend on it.

Our Vision: A world where respect for people and the environment comes first.

Our campaigns challenge destructive corporate and governmental practices, demand accountability, and create solutions that protect the forests and the stable climate required to keep our planet – and us – thriving. As we've done since our founding, we pursue audacious solutions, campaign for as long as it takes to see them through, punch way above our weight, and treat everyone, including our adversaries, with respect. Our work has resulted in sweeping industry-wide changes and environmental protection on a massive scale.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction, and net assets with donor restriction.

Descriptions of Net Assets

Net assets without donor restriction

The portion of net assets that is not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net assets with donor restriction

The portion of net assets that is subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Basis of Accounting

The Organization maintains its records using the accrual method of accounting.

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The Organization maintains its cash balances at one financial institution located in the San Francisco Bay Area. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. All funds in a noninterest-bearing transaction account are insured in full by the FDIC through December 31, 2018. At various times during the year the Organization had cash balances in excess of insured amounts.

Property and Equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are depreciated using the straight-line method over their estimated useful lives, generally 3 to 7 years.

Functional Expense

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Grants and Contributions

Grant and contributions, including unconditional promises to give, are reported as revenues in the period received except those grants that are deemed to be exchange transactions, which are reported as revenue as expenses are incurred. Grants receivable are considered fully collectible within one year. Accordingly, no allowance for uncollectible grants has been established. Amounts received in excess of amounts recognized are included in deferred revenue.

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the California Revenue and Taxation Code Section 23701(d). The Organization has evaluated its current tax positions as of December 31, 2018, and is not aware of any significant uncertain tax positions for which a reserve would be necessary. The Organization’s tax returns are generally subject to examination by federal and state taxing authorities for three and four years, respectively after they are filed.

Promise to Give

The Organization recognizes all unconditional gifts and pledges in the period notified. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Amounts that are restricted by the donor/grantor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are net assets without donor restriction.

Receivables

Grants and pledges receivable represent unconditional promises to give at December 31, 2018 and 2017 as follows:

	<u>2018</u>	<u>2017</u>
Foundation and corporate grants receivable	\$ 423,823	\$ 517,073
Individual pledges receivable	-	-
Current grants and individual pledges receivable	<u>423,823</u>	<u>517,073</u>
Grants and pledges receivable, one to five years	-	-
Total grants and pledges receivable	<u>\$ 423,823</u>	<u>\$ 517,073</u>

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Stand's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

Accounting for Restricted Support

The Organization reports gifts of cash and other assets as restricted support if they are received with donor's stipulation limiting the use of the donated assets. When a donor's restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Pledges Received

Pledges of grants or donations are recorded as revenue when they are received in writing. The receivables are recorded net of allowance for estimated uncollectible amounts.

Allocation of Expenses

Shared expenses are allocated to programs and supporting services based on the ratio of each activity's direct salary cost to total salary expense.

Reclassifications

Certain accounts in the prior's year's summarized information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

At the time of the audit, Stand has evaluated all subsequent events through September 27, 2019, the date the financial statements were available to be issued and determined that there is no material impact from the subsequent events.

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 3 – CASH AND CASH EQUIVALENTS

Investments in certificate deposits, money market fund, treasury bills, and commercial paper with original maturities of three months or less are considered cash equivalents.

NOTE 4 – INVESTMENT – SHORT TERM

	<u>2018</u>	<u>2017</u>
Equity	\$ 2,088	\$ 2,109
Business Money Market	-	-
Certificates of Deposit	-	-
	<u>\$ 2,088</u>	<u>\$ 2,109</u>

The investment earned interest income of \$389 and \$537 for 2018 and 2017, respectively.

NOTE 5 – FAIR VALUE MEASUREMENTS

Fair value of Financial Instruments

In conformity with accounting principles generally accepted in the United States of America, the Organization established a hierarchal disclosure framework that prioritizes and ranks the level of market price observability used in measuring assets and liabilities reported at fair value. The estimated fair value amounts have been determined using available market information, assumptions, estimates and valuation methodologies. When determining fair value, the Organization considers the principal or most advantageous market in which it would transact, and considers assumptions that market participants would use when pricing the asset or liability.

The fair value hierarchy distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 5 – FAIR VALUE MEASUREMENTS (continued)

Level 1 – Unadjusted quoted prices in active markets that are readily accessible at the measurement date for identical, unrestricted net assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities. Valuations for assets and liabilities traded in less active dealer or broker markets are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Inputs that are both significant to the fair value measurement and unobservable. Valuations for assets and liabilities are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The following tables present the Organization’s assets and liabilities that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of December 31, 2018 and 2017:

	December 31, 2018			
	Level 1	Level 2	Level 3	Fair Value Measurements
Other Asset/Investment	\$ 2,088	\$ -	\$ -	\$ 2,088
Total Other Assets/Investments	\$ 2,088	\$ -	\$ -	\$ 2,088

	December 31, 2017			
	Level 1	Level 2	Level 3	Fair Value Measurements
Other Asset/Investment	\$ 2,109	\$ -	\$ -	\$ 2,109
Total Other Assets/Investments	\$ 2,109	\$ -	\$ -	\$ 2,109

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 6 – PROPERTY AND EQUIPMENT

		<u>December 31, 2018</u>	<u>December 31, 2017</u>
	<u>Depreciable Life</u>		
Computer Equipment	3 years	\$ 140,207	\$ 101,020
Furniture & Fixture	7 years	-	-
Less: Accumulated Depreciation		<u>96,050</u>	<u>78,932</u>
Net Property and Equipment		<u>\$ 44,157</u>	<u>\$ 22,088</u>

NOTE 7 – COMMITMENTS

Minimum annual rental payments required under the leases in effect on December 31, 2018 are as follows:

Year ending December 31,

	<u>San Francisco, CA</u>	<u>Bellingham, WA</u>
2019	\$ 78,505	\$ 35,043
2020	80,860	14,781
2021	44,501	-
	<u>\$ 203,866</u>	<u>\$ 49,824</u>

For the years ended December 31, 2018 and 2017, rent expense amounted to \$106,662 and \$119,201 respectively.

On June 13, 2018, STAND entered into a new lease for San Francisco, CA from July 15, 2018 to July 14, 2021. The previous lease will expire on July 31, 2018. In May 2017, the lease for Bellingham, WA was extended to May 31, 2020.

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 8 – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions are restricted for the following:

	<u>2018</u>	<u>2017</u>
<u>Subject for specified purpose:</u>		
Climate Campaign	\$ 235,683	\$ 245,300
Boreal Forest Campaign	-	2,167
Healthy Forest	298,152	174,031
Business Ethics	-	65,119
First Amendment	-	6,399
Cruise Ships	201,606	207,724
Sub Total	<u>735,441</u>	<u>700,740</u>
 <u>Subject to passage of time:</u>		
For periods after December 31, 2018	215,000	265,000
Total	<u>\$ 950,441</u>	<u>\$ 965,740</u>

NOTE 9 – NET ASSETS RELEASED FROM RESTRICTION

In 2018, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time.

Purpose restrictions accomplished:

Program services expenses	
Climate Campaign	\$ 925,957
Healthy Forest	646,917
Business Ethics	83,368
Cruise Ships Campaign	757,008
Sub Total	<u>2,413,250</u>

Time restrictions expired:

Passage of specified time	747,449
Total	<u>\$ 3,160,699</u>

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 10 – RETIREMENT PLAN

The Organization has a defined contribution plan covering employees with at least 1,000 hours of service in the initial 12 months of employment or in any subsequent plan year. The Organization matches participants' contributions to the plan equal to 70% of the first 6% of before-tax savings. Participants can contribute before-tax contributions of 1 to 15% of their total compensation, up to the IRS indexed maximum for a calendar year. The total 2018 and 2017 employer's contribution was \$0 and \$0, respectively. Employer contribution plan is on hold since January 2009.

NOTE 11 – FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the rates of exchange in effect on the transaction date. Assets and liabilities denominated in foreign currencies other than the U.S. dollar are translated at rates of exchange in effect at the balance sheet date. The resulting foreign currency transaction loss for 2018 was \$1,428 and gain for 2017 was \$4,999, respectively.

NOTE 12 – CONCENTRATIONS

Financial instruments that potentially subject the Organization to concentrations of credit risk are primarily cash, short term investments and accounts receivable. The Organization places its cash in financial institutions that are insured in limited amounts by the Securities Investor Protection Corporation and the Federal Deposit Insurance Corporation. Cash balances at December 31, 2018 and 2017 exceed the balances covered by such insurance by \$390,016 and \$659,486, respectively.

NOTE 13 – LOBBYING

Through its lobbying program, Stand uses unrestricted resources to influence state, local, and federal legislation related to its exempt purpose through grassroots organizing and direct contact with elected officials or their staff.

Stand is funded by an array of foundations grants, individual gifts and organizational donations. Stand uses only unrestricted individual gifts to support its state, local and Federal legislation related lobbying activities.

STAND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

NOTE 14 – LIQUIDITY MANAGEMENT

Stand has \$1,666,688 of financial assets as of December 31, 2018. From the financial assets, \$ 950,441 is restricted for program spending, and \$1,542,738 is available 1 year of the balance sheet date to meet cash needs for general expenditures consisting of the following:

Cash and cash equivalents	\$ 1,171,602
Grants and pledges receivable	423,823
Contracts and other receivables	<u>2,796</u>
Total	<u><u>\$ 1,598,221</u></u>

No other restrictions have been imposed by board of this organization regarding use of general operating cash. Stand maintains and monitors its cash flow periodically to ensure funds are available for next 90 days of operation. However, available cash balance fluctuates throughout the year. Restricted funds are released upon expiration of time restrictions, or completion of program requirements.