



COMPETITIVE
ENTERPRISE
INSTITUTE

Financial Statements

For the Year Ended September 30, 2019

(With Summarized Financial Information for the Year Ended September 30, 2018)



**and
Report Thereon**



COMPETITIVE ENTERPRISE INSTITUTE

TABLE OF CONTENTS
For the Year Ended September 30, 2019

	<i>Page</i>
Independent Auditors' Report.....	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7-13

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Competitive Enterprise Institute

Report on the Financial Statements

We have audited the accompanying financial statements of the Competitive Enterprise Institute (CEI), which comprise the statement of financial position as of September 30, 2019, 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 auditors' 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.

Continued

- 1 -

Opinion

In our opinion, the 2019 financial statements referred to above present fairly, in all material respects, the financial position of the Competitive Enterprise Institute as of September 30, 2019, 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.

Report on Summarized Comparative Information

We have previously audited CEI's 2018 financial statements, and our report dated April 12, 2019, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2018, is consistent, in all material respects, with the financial statements from which it has been derived.

Marcum LLP

Washington, DC
April 1, 2020

COMPETITIVE ENTERPRISE INSTITUTE
STATEMENT OF FINANCIAL POSITION
September 30, 2019
(With Summarized Financial Information as of September 30, 2018)

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 1,674,120	\$ 726,572
Investments	597,266	626,663
Pledges receivable	487,372	272,500
Other receivables	12,017	90,397
Prepaid expenses	202,402	275,526
Deposits and other assets	64,747	72,852
Property and equipment, net	863,350	1,096,317
TOTAL ASSETS	\$ 3,901,274	\$ 3,160,827
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 90,495	\$ 105,910
Accrued salaries and benefits	149,137	164,755
Capital lease obligation	20,240	22,604
Notes payable	-	11,003
Liability for loss on sublease	-	35,581
Deferred rent and lease incentives	1,958,945	2,044,051
TOTAL LIABILITIES	2,218,817	2,383,904
Net Assets		
Without donor restrictions	610,893	772,402
With donor restrictions	1,071,564	4,521
TOTAL NET ASSETS	1,682,457	776,923
TOTAL LIABILITIES AND NET ASSETS	\$ 3,901,274	\$ 3,160,827

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

COMPETITIVE ENTERPRISE INSTITUTE

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2019

(With Summarized Financial Information for the Year Ended September 30, 2018)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Grants and contributions	\$ 4,924,158	\$ 1,084,872	\$ 6,009,030	\$ 5,405,530
Special events	1,265,400	-	1,265,400	1,060,000
In-kind contributions	93,029	-	93,029	35,100
Court-awarded fees	81,000	-	81,000	186,313
Rental income	80,727	-	80,727	84,589
Investment income, net	10,405	-	10,405	9,803
Miscellaneous	75,403	-	75,403	15,194
Net assets released from restrictions:				
Satisfaction of purpose restrictions	17,829	(17,829)	-	-
TOTAL REVENUE AND SUPPORT	6,547,951	1,067,043	7,614,994	6,796,529
EXPENSES				
Program Services				
Communication	1,296,364	-	1,296,364	1,017,961
Center for Economic Freedom	710,787	-	710,787	701,702
Center for Energy and Environment	804,146	-	804,146	761,357
Center for Litigation	940,630	-	940,630	1,628,741
Center for Technology and Innovation	596,438	-	596,438	418,025
Other programs	977,667	-	977,667	1,234,854
Total Program Services	5,326,032	-	5,326,032	5,762,640
Supporting Services:				
General and administrative	404,340	-	404,340	373,104
Fundraising	815,468	-	815,468	904,151
Fundraising – cost of direct benefit to donors	163,620	-	163,620	155,837
Total Supporting Services	1,383,428	-	1,383,428	1,433,092
TOTAL EXPENSES	6,709,460	-	6,709,460	7,195,732
CHANGE IN NET ASSETS	(161,509)	1,067,043	905,534	(399,203)
NET ASSETS, BEGINNING OF YEAR	772,402	4,521	776,923	1,176,126
NET ASSETS, END OF YEAR	\$ 610,893	\$ 1,071,564	\$ 1,682,457	\$ 776,923

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

COMPETITIVE ENTERPRISE INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2019
(With Summarized Financial Information for the Year Ended September 30, 2018)

	Program Services						Supporting Services			2019 Total	2018 Total	
	Communication	Center for Economic Freedom	Center for Energy and Environment	Center for Litigation	Center for Technology and Innovation	Other Programs	Total Program Services	General and Administrative	Fundraising			Total Supporting Services
Salaries, benefits and payroll taxes	\$ 557,160	\$ 504,650	\$ 552,269	\$ 506,965	\$ 367,220	\$ 549,117	\$ 3,037,381	\$ 188,005	\$ 289,275	\$ 477,280	\$ 3,514,661	\$ 4,188,748
Occupancy	125,245	106,826	84,928	95,775	84,724	88,573	586,071	22,102	58,939	81,041	667,112	686,906
Professional services	63,242	16,494	61,531	78,234	56,552	27,689	303,742	106,568	162,340	268,908	572,650	764,044
Travel and meetings	7,972	6,695	8,009	9,599	20,745	173,810	226,830	569	337,431	338,000	564,830	572,167
Advertising	419,056	-	-	-	-	-	419,056	-	-	-	419,056	70,535
Depreciation and amortization	44,548	37,997	30,135	34,066	30,135	31,445	208,326	7,861	20,964	28,825	237,151	299,683
Supplies and office expense	58,690	16,612	13,112	14,841	13,112	20,985	137,352	14,832	47,062	61,894	199,246	172,949
Grant expense	47	40	32	153,036	32	35,033	188,220	8	22	30	188,250	1,000
Direct mail	1,835	9,207	35,137	789	12,263	93	59,324	29,518	13,780	43,298	102,622	120,402
Printing and postage	1,940	705	525	7,966	867	38,068	50,071	367	33,772	34,139	84,210	104,200
Fees, dues and subscriptions	4,259	1,209	7,800	29,192	2,355	2,536	47,351	21,924	8,173	30,097	77,448	120,866
Insurance	8,201	6,995	5,548	6,271	5,548	5,810	38,373	1,447	3,905	5,352	43,725	58,513
Telephone	1,925	1,444	3,603	1,921	1,339	1,719	11,951	635	1,194	1,829	13,780	14,010
Miscellaneous	703	599	475	797	504	1,701	4,779	3,232	1,506	4,738	9,517	15,694
Interest	1,541	1,314	1,042	1,178	1,042	1,088	7,205	272	725	997	8,202	6,015
Bad debt	-	-	-	-	-	-	-	7,000	-	7,000	7,000	-
TOTAL EXPENSES	\$ 1,296,364	\$ 710,787	\$ 804,146	\$ 940,630	\$ 596,438	\$ 977,667	\$ 5,326,032	\$ 404,340	\$ 979,088	\$ 1,383,428	\$ 6,709,460	\$ 7,195,732

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

COMPETITIVE ENTERPRISE INSTITUTE

STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2019

(With Summarized Financial Information for the Year Ended September 30, 2018)

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 905,534	\$ (399,203)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized and unrealized loss on investments	186	1,362
Loss on disposal of property and equipment	643	6,165
Depreciation and amortization	237,151	299,684
Amortization of deferred lease incentives	(109,424)	(109,424)
Proceeds from securities contributed without donor restrictions	(7,429)	(31,207)
Changes in assets and liabilities:		
Pledges receivable	(214,872)	65,000
Other receivables	78,380	(40,408)
Prepaid expenses	73,124	(112,400)
Deposits and other assets	8,105	990
Accounts payable and accrued expenses	(15,415)	9,256
Accrued salaries and benefits	(15,618)	(10,509)
Liability for loss on sublease	(35,581)	(335,869)
Deferred rent and lease incentives	24,318	128,147
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>929,102</u>	<u>(528,416)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(4,827)	(57,493)
Purchase of investments	(10,687)	(36,171)
Sale of investments	47,327	260,931
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>31,813</u>	<u>167,267</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on note payable	(11,003)	(10,996)
Principal payments on capital lease obligation	(2,364)	(4,463)
NET CASH USED IN FINANCING ACTIVITIES	<u>(13,367)</u>	<u>(15,459)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	947,548	(376,608)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>726,572</u>	<u>1,103,180</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,674,120</u>	<u>\$ 726,572</u>
NONCASH INVESTING AND FINANCING ACTIVITIES		
Equipment acquired under a capital lease	\$ -	\$ 13,918
Obligation of equipment acquired under a capital lease	-	(13,918)
Net cash outlay	<u>\$ -</u>	<u>\$ -</u>

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

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

1. Organization and Summary of Significant Accounting Policies

Organization

The Competitive Enterprise Institute (CEI) was incorporated in the District of Columbia in 1984 as a nonprofit organization. CEI serves as a link between the academic community of free market scholars and the general public. CEI works to promote a better understanding of the values of a free society and the policies necessary for its survival by using policy analysis, public education and litigation. These activities are funded primarily through contributions and grants from individuals, corporations and foundations.

On October 1, 2015, CEI entered into an agreement with the Center for Class Action Fairness (CCAF) in which CCAF agreed to transfer to CEI all assets and liabilities. After the transfer, CCAF ceased operations as a separate entity and was integrated into the program activities of CEI. Effective January 31, 2019, CEI and CCAF entered into a separation agreement to transfer certain program activities to a new anticipated conservative public-interest litigation nonprofit organization named Hamilton Lincoln Law Institute.

Cash Equivalents

CEI considers all money market funds to be cash equivalents.

Pledges Receivable

All unconditional promises to give are expected to be collected within one to five years and are recorded as pledges receivable at net realizable value. Conditional promises to give are not included as support until the conditions are substantially met. CEI believes all pledges are fully collectible, and therefore does not have an allowance for uncollectible amounts.

Investments

Investments consist of insurance annuity contracts which are recorded in the accompanying financial statements at fair value. The change in unrealized appreciation or depreciation of investments is included in investment income in the accompanying statement of activities. Realized gains and losses on sales of investments are computed using an average cost method, recorded on the trade date of the transactions and included in net investment income in the accompanying statement of activities.

Fair Value Measurement

Applicable financial assets and liabilities measured at fair value on a recurring basis are categorized in the fair value hierarchy as follows:

Level 1 – Valuation based on quoted prices in active markets for identical assets or liabilities as of the reporting date, without adjustment.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability, such as quoted prices for similarly structured securities in active markets.

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurement (continued)

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management’s own assumptions about the assumptions a market participant would use in pricing the assets or liability.

As of September 30, 2019, only CEI’s investments, as described in Note 3 of these financial statements, were measured at fair value on a recurring basis.

Property and Equipment and Related Depreciation and Amortization

Property and equipment are stated at cost and are depreciated using the straight-line method over three to seven years, with no salvage value. Leasehold improvements are amortized over the shorter of the lease period or useful life of the improvements. Expenditures for major repairs and improvements over \$1,000 and an economic life in excess of one year are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation or amortization are eliminated from the respective accounts and the resulting gain or loss is included in revenue or expenses.

Classification of Net Assets

Net assets without donor restrictions represent the portion of expendable funds that are available for any purpose in performing the primary objectives of CEI at the discretion of CEI’s management and the Board of Directors (the Board). Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of CEI or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. As of September 30, 2019, CEI had no net assets with donor restrictions that are required to be maintained in perpetuity.

Revenue Recognition

Grants and contributions are reported as revenue in the year in which payments are received and/or unconditional promises to give are made. CEI reports gifts of cash and other assets that are received with donor stipulations limiting the use of the donated assets as net assets without donor restrictions if all such donor restrictions are met in the fiscal year in which the award is received. CEI reports gifts of cash and other assets as having donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose of a restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions.

Donated goods and services consisting principally of advertising are recorded as in-kind contributions at their estimated fair value as of the date of the donation.

Continued

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

1. Organization and Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Expenses directly attributed to a specific functional area of CEI are reported as expenses of those functional areas, while shared costs that benefit multiple functional areas have been allocated among the various functional areas based on estimates determined by management to be equitable. Occupancy, depreciation and other shared costs are allocated based on the number of employees working the related department. Costs that are part of the direct mail campaigns are allocated based on the line counts of the direct mail pieces.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return for nonprofit organizations. CEI has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to the summarized comparative information presented for the year ended September 30, 2018.

2. Pledges Receivable

As of September 30, 2019, CEI's pledges receivable were as follows:

Less than one year	\$ 402,500
One to five years	<u>100,000</u>
Total Pledges Receivable	502,500
Less: Discount to Present Value (3.32%)	<u>(15,128)</u>
Pledges Receivable, Net	<u>\$ 487,372</u>

Continued

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

3. Investments

The following table summarizes CEI's investments measured at fair value on a recurring basis as of September 30, 2019:

	<u>Total Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Insurance annuity contracts	<u>\$ 597,266</u>	<u>\$ -</u>	<u>\$ 597,266</u>	<u>\$ -</u>
Total Investments Carried at Fair Value	<u>\$ 597,266</u>	<u>\$ -</u>	<u>\$ 597,266</u>	<u>\$ -</u>

The insurance contracts are fixed annuities valued based upon published market valuation quotes for the underlying securities held by the annuities and have been classified as Level 2 by CEI.

4. Property and Equipment

CEI's property and equipment consisted of the following as of September 30, 2019:

Leasehold improvements	\$ 983,556
Computers and equipment	449,421
Furniture	232,550
Leased equipment	<u>13,918</u>
Total Property and Equipment	1,679,445
Less: Accumulated Depreciation and Amortization	<u>(816,095)</u>
Property and Equipment, Net	<u>\$ 863,350</u>

Depreciation and amortization expense totaled \$237,151 for the year ended September 30, 2019.

5. Commitments, Risks and Contingencies

Concentration of Credit Risk

The cash and cash equivalents of CEI are composed of amounts in accounts at various financial institutions. While the amounts, at times, exceed the amount guaranteed by federal agencies and, therefore, bear some risk, CEI has not experienced, nor does it anticipate, any loss of funds. As of September 30, 2019, the Federal Deposit Insurance Corporation (FDIC) insured balances of a depositor at each FDIC-insured institution up to \$250,000. The amounts held by CEI in excess of the FDIC-insured limit as of September 30, 2019, was \$1,446,047.

Continued

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

5. Commitments, Risks and Contingencies (continued)

Operating Leases

In July 2016, CEI entered into a noncancelable operating lease for its current office space in Washington, D.C. The lease commenced August 1, 2016, and expires November 30, 2027. The lease includes a fixed escalation clause for increases in the annual minimum rent. CEI was also provided with a 16-month rental abatement and an allowance for tenant improvements of up to \$1,411,784, of which up to \$160,430 could either be used for leasehold improvements or applied to the rent balance. Of this amount, CEI used \$1,251,354 for various leasehold improvements and the remaining \$160,430 was applied as a credit against future rental payments.

Under GAAP, all fixed rent increases and lease incentives are recognized on a straight-line basis over the term of the lease. The difference between this expense and the required lease payments is reflected as deferred rent and lease incentives in the accompanying statement of financial position.

Rent expense under this lease for the year ended September 30, 2019, was \$667,112.

As of September 30, 2019, total future minimum lease payments required and future minimum rentals to be received under each of these operating leases were as follows:

For the Years Ending <u>September 30,</u>	
2020	\$ 734,328
2021	825,332
2022	858,969
2023	880,413
2024	902,472
Thereafter	<u>3,010,523</u>
Total	<u>\$ 7,212,037</u>

6. Net Assets With Donor Restrictions

As of September 30, 2019, net assets with donor restrictions were restricted for the following purposes or period:

Center for Energy and Environment	\$ 561,173
Communications	320,998
Warren Brooks Fellowship	<u>4,521</u>
Total Subject to Expenditure for Specified Purpose	<u>886,692</u>
Time-restricted pledges	<u>184,872</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,071,564</u>

Continued

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

7. Availability and Liquidity

CEI regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. CEI's financial assets available within one year of the statement of financial position date for general expenditures at September 30, 2019, were as follows:

Cash and cash equivalents	\$ 1,674,120
Pledges receivable	487,372
Other receivables	12,017
Investments	<u>597,266</u>
Total Financial Assets	2,770,775
Less:	
Amounts unavailable for general expenditures due to donor restrictions	<u>(1,071,564)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 1,699,211</u>

CEI has various sources of liquidity at its disposal, including cash and cash equivalents and investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of CEI throughout the year. This is done through monitoring and reviewing CEI's cash flow needs on a weekly basis. As a result, management is aware of the cyclical nature of CEI's cash flow related to CEI's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs. As part of its liquidity plan, excess cash is invested in fixed income annuities. CEI can liquidate its investments anytime, and therefore the investments are available to meet current cash flow needs.

8. Income Taxes

CEI has been classified as a public charity under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal taxes on income other than net unrelated business income. There was no provision for income tax for CEI for the year ended September 30, 2019, as CEI had no net taxable unrelated business income. CEI reviews and assesses all activities annually to identify any changes in the scope of the activities and revenue sources and the tax treatment thereof, to identify any uncertainty in income taxes. For the year ended September 30, 2019, management did not identify any uncertainty in income taxes requiring recognition or disclosure in these financial statements. CEI's tax returns are subject to possible examination by the taxing authorities; however, no examinations are in progress. For federal tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

Continued

COMPETITIVE ENTERPRISE INSTITUTE

NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2019

9. Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with CEI's financial statements for the year ended September 30, 2018, from which the summarized information was derived.

10. Reclassifications

Certain reclassifications have been made to the 2018 financial statement balances to conform to the presentation of these 2019 financial statements.

11. Subsequent Events

The COVID-19 outbreak in the United States has cause business disruption through mandated and voluntary closings of businesses across the country for non-essential services. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of closings. CEI has been able to continue most of its operation in a remote environment; however, at this point, the extent to which COVID-19 may impact CEI's financial condition or results of operations is uncertain.

CEI's management has evaluated the effect of subsequent events on the financial statements through April 1, 2020, the date these financial statements were available to be issued. Except as described above, there were no subsequent events identified that require recognition or disclosure in these financial statements.