

**Harbor Community Benefit Foundation,
Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund**

Combined Financial Statements
and Supplementary Information

December 31, 2020



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INDEPENDENT AUDITOR'S REPORT

To the Audit Committee of
Harbor Community Benefit Foundation, Port Community
Mitigation Trust Fund and Air Quality Mitigation Fund
San Pedro, California

We have audited the accompanying combined financial statements of Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund and Air Quality Mitigation Fund (collectively, the "Organization"), which comprise the combined statement of financial position as of December 31, 2020, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund and Air Quality Mitigation Fund as of December 31, 2020, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Organization has adopted the Financial Accounting Standards Board Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Made*. Our opinion is not modified with respect to that matter.

Emphasis of Matter

As discussed in Note 8 to the financial statements, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The information on pages 14 - 17 is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.



Armanino^{LLP}
Los Angeles, California

March 26, 2021

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combined Statement of Financial Position
December 31, 2020

ASSETS

Cash	\$	426,238
Investments held in trust funds		5,865,678
Prepaid expenses and other assets		<u>3,300</u>
 Total assets		 <u><u>\$ 6,295,216</u></u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accrued expenses	\$	18,367
Grants payable		<u>246,050</u>
Total liabilities		264,417
 Net assets		
Without donor restrictions		60,881
With donor restrictions		<u>5,969,918</u>
Total net assets		<u>6,030,799</u>
 Total liabilities and net assets		 <u><u>\$ 6,295,216</u></u>

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

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combined Statement of Activities
For the Year Ended December 31, 2020

Net assets without donor restrictions	
Revenues and gains	
Net assets released from restriction	
Admin. and investment management fees	\$ 262,376
Restricted purpose	<u>219,343</u>
Total net assets released from restriction	<u>481,719</u>
Other revenues and gains	
Interest and dividends	<u>27</u>
Total other revenues and gains	<u>27</u>
Total revenues and gains	<u>481,746</u>
Functional expenses	
Program services	449,406
Management and general	<u>77,234</u>
Total functional expenses	<u>526,640</u>
Change in net assets without donor restrictions	<u>(44,894)</u>
Net assets with donor restrictions	
Investment income, net	46,851
Net assets released from restriction	<u>(481,719)</u>
Change in net assets with donor restrictions	<u>(434,868)</u>
Change in net assets	(479,762)
Net assets, beginning of year	<u>6,510,561</u>
Net assets, end of year	<u>\$ 6,030,799</u>

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

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combined Statement of Functional Expenses
For the Year Ended December 31, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Restricted purpose			
Community benefit grants	\$ 209,169	\$ -	\$ 209,169
COVID-19 grants	<u>20,500</u>	<u>-</u>	<u>20,500</u>
Total restricted purpose	<u>229,669</u>	<u>-</u>	<u>229,669</u>
Other expenses			
Building and occupancy	10,430	1,841	12,271
Insurance	-	4,056	4,056
Legal and professional fees	11,886	36,485	48,371
Marketing	2,220	-	2,220
Office expenses	4,355	1,173	5,528
Salaries and payroll expenses	189,321	33,409	222,730
Travel, meetings and conferences	<u>1,525</u>	<u>270</u>	<u>1,795</u>
Total other expenses	<u>219,737</u>	<u>77,234</u>	<u>296,971</u>
	<u>\$ 449,406</u>	<u>\$ 77,234</u>	<u>\$ 526,640</u>

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

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combined Statement of Cash Flows
For the Year Ended December 31, 2020

Cash flows from operating activities	
Change in net assets	\$ (479,762)
Adjustments to reconcile change in net assets to net cash used in operating activities	
Interest and dividends, net	(60,262)
Unrealized losses on investments	13,411
Changes in operating assets and liabilities	
Other receivables	507,050
Prepaid expenses and other assets	1,493
Accounts payable and accrued expenses	4,301
Grants payable	<u>(261,000)</u>
Net cash used in operating activities	<u>(274,769)</u>
Cash flows from investing activities	
Proceeds from sales of investments	<u>432,135</u>
Net cash provided by investing activities	<u>432,135</u>
Net increase in cash	157,366
Cash, beginning of year	<u>268,872</u>
Cash, end of year	<u><u>\$ 426,238</u></u>

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

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

1. NATURE OF OPERATIONS

Background

Harbor Community Benefit Foundation ("HCBF") is a California tax exempt nonprofit corporation that was formed in May 2011 to address the negative cumulative environmental and public health impacts of The Port of Los Angeles ("POLA") business operations on its neighbors – local port communities and residents.

Currently, HCBF administers two funds established by the POLA: the Port Community Mitigation Trust Fund ("PCMTF"), established in 2011, managed by JP Morgan Chase and the Air Quality Mitigation Fund ("AQMF"), established in 2016, managed by California Community Foundation ("CCF").

Combined entities

These financial statements are presented as combined because the funds are not separate legal entities and neither HCBF, the Board of Harbor Commissioners ("BOHC"), nor the investment custodian has unilateral variance power over the funds. However, HCBF is entrusted with using funds to execute its exempt purposes. Therefore, these combined financial statements include both HCBF controlled funds and the PCMTF and the AQMF (collectively referred to as the "Organization").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Change in accounting principle

The Organization has adopted the Financial Accounting Standards Board Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Made*. This standard clarifies that when both a barrier to be overcome and a right of return exist, a donor-imposed condition exists and charitable giving should not be recognized until the condition has been met. A probability assessment about whether the recipient is likely to meet the stipulation is not a factor when determining whether an agreement contains a barrier. The Organization has adopted the standard on a modified prospective basis, meaning that it has been applied to all new arrangements and any charitable giving that had not been recognized from arrangements that existed as of January 1, 2020. The adoption of this accounting principle did not result in any changes to beginning net assets without donor restrictions.

Income tax status

HCBF is a nonprofit public benefit corporation organized under the laws of California and, as such, is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and corresponding state provisions.

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial statement presentation

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

- *Net assets without donor restrictions* - Include contributions received from PCMTF and AQMF for general operating expenditures of HCBF.
- *Net assets with donor restrictions* - Includes the balance of PCMTF and AQMF funds held in trusts as well as contributions received by HCBF from PCMTF and AQMF for approved public benefit projects.

Use of estimates

Management uses estimates and assumptions in preparing combined financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and cash equivalents

The Organization considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at December 31, 2020.

Concentration of risk

Occasionally, the Organization's cash balances exceed FDIC insured limits. The Organization has not experienced and does not anticipate any losses related to these balances.

Investments held in trust funds

The investments held in trust funds are monitored by the Board of Directors and are stated at fair value. Unrealized gains and losses are recognized aggregately. Realized gains and losses are recognized at the time of sale and are computed using the specific identification method.

Contributions

Contributions consist primarily of transfer of funds from the PCMTF and AQMF for general operations and public benefit projects. Contributions are recognized upon approval by the HCBF Board and BOHC.

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expense classification. Other expenses that are common to several functions are allocated using bases determined by management to be reasonable.

Subsequent events

The Organization has evaluated events subsequent to December 31, 2020, to assess the need for potential recognition or disclosure in the combined financial statements. Such events were evaluated through March 26, 2021, the date the combined financial statements were available to be issued.

3. INVESTMENTS HELD IN TRUSTS

The investments held in trusts by PCMTF and AQMF are to be transferred to HCBF upon approval by the BOHC. The funds are then to be used to execute HCBF's exempt purposes.

The Organization must report its investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Cash and accrued interest	\$ 3,384,533	\$ -	\$ -	\$ 3,384,533
U.S. fixed income	<u>-</u>	<u>2,481,145</u>	<u>-</u>	<u>2,481,145</u>
	<u>\$ 3,384,533</u>	<u>\$ 2,481,145</u>	<u>\$ -</u>	<u>\$ 5,865,678</u>

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

3. INVESTMENTS HELD IN TRUSTS (continued)

Activity in the investments during the year was as follows:

Balance, beginning of year	\$ 6,250,962
Proceeds from sales of investments	(432,135)
Reinvested dividends and interest	80,838
Unrealized losses on investments	(13,411)
Investment management fees - AQMF	<u>(20,576)</u>
 Balance, end of year	 <u><u>\$ 5,865,678</u></u>

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Funds held in trust (See Note 3)	\$ 5,865,678
Land use study	10,735
AQMF administrative funds	<u>93,505</u>
	<u><u>\$ 5,969,918</u></u>

5. COMMITMENTS AND CONTINGENCIES

Operating lease

During 2015, HCBF entered in an operating lease for office rental space with monthly payments of \$1,237. In November 2017, HCBF entered into a lease amendment that reduced its office space and extended the lease term by twenty nine months, or December 2020, with monthly payments of \$819 . In July 2020, HCBF executed a second amendment to the lease agreement. Under the amended lease, HCBF extended the term by twenty nine months through December 2022. HCBF's monthly rental is \$895, effective December 15, 2020, with a scheduled increase to \$922 per month, effective December 15, 2021.

Rent expense recognized on a straight line basis for the year ended December 31, 2020, was \$12,271.

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

5. COMMITMENTS AND CONTINGENCIES (continued)

Operating lease (continued)

Future maturities of operating lease obligations are as follows:

Year ending December 31,

2021		\$	16,570
2022			<u>10,601</u>
		\$	<u><u>27,171</u></u>

6. RETIREMENT PLAN

The Organization has established a safe harbor 401(k) plan (the "Plan"), which allows eligible employees (as defined) to contribute, on a deferred tax basis, up to the statutory maximum. The Organization makes matching contributions of 100% of an employee's contribution, up to 4% of compensation. During the year, the Organization contributed \$7,837 to the Plan.

7. LIQUIDITY AND FUNDS AVAILABLE

As part of the Organization's liquidity management, the Organization maintains enough cash in the operating account in order to fund its operating budget that is approved each year. The Organization approves transfers from PCMTF to HCBF as its general expenditures, liabilities and other obligations become due.

The following represents the Organization's financial assets reported on the combined statement of financial position, reduced by amounts not available for general use within one year because of contractual or donor imposed restrictions. Consequently, amounts available exclude net assets with donor-restrictions (Note 4) as of December 31, 2020. Additionally, investments held in trust funds are excluded because they are not available for general operations.

Liquidity of financial assets as of December 31, 2020, is as follows:

Cash		\$	<u>426,238</u>
Less:			
Land use study			(10,735)
AQMF administrative funds			<u>(93,505)</u>
			<u><u>(104,240)</u></u>
Financial assets available for operations		\$	<u><u>321,998</u></u>

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Notes to Combined Financial Statements
December 31, 2020

8. RISKS AND UNCERTAINTIES

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders. In response, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which includes significant provisions to provide relief and assistance to affected organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders and the ultimate impact of the CARES Act and other governmental initiatives. It is at least reasonably possible that this matter could negatively impact the Organization. However, the financial impact and duration cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combining Statement of Financial Position
December 31, 2020

	HCBF	PCMTF	AQMF	Eliminating Entries	Total
ASSETS					
Assets					
Cash	\$ 426,238	\$ -	\$ -	\$ -	\$ 426,238
Investments held in trust funds	-	1,491,303	4,374,375	-	5,865,678
Prepaid expenses and other assets	3,300	-	-	-	3,300
Total assets	<u>\$ 429,538</u>	<u>\$ 1,491,303</u>	<u>\$ 4,374,375</u>	<u>\$ -</u>	<u>\$ 6,295,216</u>
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable and accrued expenses	\$ 18,367	\$ -	\$ -	\$ -	\$ 18,367
Grants payable	246,050	-	-	-	246,050
Total liabilities	<u>264,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>264,417</u>
Net assets					
Without donor restrictions	60,881	-	-	-	60,881
With donor restrictions	104,240	1,491,303	4,374,375	-	5,969,918
Total net assets	<u>165,121</u>	<u>1,491,303</u>	<u>4,374,375</u>	<u>-</u>	<u>6,030,799</u>
Total liabilities and net assets	<u>\$ 429,538</u>	<u>\$ 1,491,303</u>	<u>\$ 4,374,375</u>	<u>\$ -</u>	<u>\$ 6,295,216</u>

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combining Statement of Activities
For The Year Ended December 31, 2020

	<u>HCBF</u>	<u>PCMTF</u>	<u>AQMF</u>	<u>Eliminating Entries</u>	<u>Total</u>
Net assets without donor restrictions					
Revenues and gains					
Net assets released from restriction					
General operations	\$ 222,966	\$ -	\$ -	\$ -	\$ 222,966
Administrative fees	39,410	-	-	-	39,410
Restricted purpose	<u>219,343</u>	<u>432,135</u>	<u>-</u>	<u>(432,135)</u>	<u>219,343</u>
Total net assets released from restriction	<u>481,719</u>	<u>432,135</u>	<u>-</u>	<u>(432,135)</u>	<u>481,719</u>
Other revenues and gains					
Interest and dividends	<u>27</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27</u>
Total other revenues and gains	<u>27</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27</u>
Total revenues and gains	<u>481,746</u>	<u>432,135</u>	<u>-</u>	<u>(432,135)</u>	<u>481,746</u>
Functional expenses					
Program services	449,406	432,135	-	(432,135)	449,406
Management and general	<u>77,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,234</u>
Total functional expenses	<u>526,640</u>	<u>432,135</u>	<u>-</u>	<u>432,135</u>	<u>526,640</u>
Changes in net assets without donor restrictions	<u>(44,894)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,894)</u>
Net assets with donor restriction					
Revenues and gains					
Contributions restricted for grant purposes	209,169	-	-	(209,169)	-
Contributions for general operations	222,966	-	-	(222,966)	-
Investment income, net	-	23,667	23,184	-	46,851
Net assets released from restriction	<u>(481,719)</u>	<u>(432,135)</u>	<u>-</u>	<u>432,135</u>	<u>(481,719)</u>
Change in net assets with donor restriction	<u>(49,584)</u>	<u>(408,468)</u>	<u>23,184</u>	<u>-</u>	<u>(434,868)</u>
Total change in net assets	(94,478)	(408,468)	23,184	-	(479,762)
Net assets, beginning of year	<u>259,599</u>	<u>1,899,771</u>	<u>4,351,191</u>	<u>-</u>	<u>6,510,561</u>
Net assets, end of year	<u>\$ 165,121</u>	<u>\$ 1,491,303</u>	<u>\$ 4,374,375</u>	<u>\$ -</u>	<u>\$ 6,030,799</u>

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combining Statement of Functional Expenses
For The Year Ended December 31, 2020

	<u>HCBF</u>		<u>PCMTF</u>	<u>AQMF</u>	<u>Eliminating Entries</u>		<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Program Services</u>	<u>Program Services</u>	<u>Program Services</u>	<u>Management and General</u>	
Restricted purpose							
Community benefit grants	\$ 209,169	\$ -	\$ 209,169	\$ -	\$ (209,169)	\$ -	\$ 209,169
COVID-19 grants	20,500	-	-	-	-	-	20,500
General operations	-	-	222,966	-	(222,966)	-	-
Total restricted purpose	<u>229,669</u>	<u>-</u>	<u>432,135</u>	<u>-</u>	<u>(432,135)</u>	<u>-</u>	<u>229,669</u>
Other expenses							
Building and occupancy	10,430	1,841	-	-	-	-	12,271
Insurance	-	4,056	-	-	-	-	4,056
Legal and professional fees	11,886	36,485	-	-	-	-	48,371
Marketing	2,220	-	-	-	-	-	2,220
Office expenses	4,355	1,173	-	-	-	-	5,528
Salaries and payroll expenses	189,321	33,409	-	-	-	-	222,730
Travel, meetings and conferences	<u>1,525</u>	<u>270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,795</u>
Total other expenses	<u>219,737</u>	<u>77,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,971</u>
	<u>\$ 449,406</u>	<u>\$ 77,234</u>	<u>\$ 432,135</u>	<u>\$ -</u>	<u>\$ (432,135)</u>	<u>\$ -</u>	<u>\$ 526,640</u>

Harbor Community Benefit Foundation, Port Community Mitigation Trust Fund
and Air Quality Mitigation Fund
Combining Statement of Cash Flows
For The Year Ended December 31, 2020

	<u>HCBF</u>	<u>PCMTF</u>	<u>AQMF</u>	<u>Eliminating Entries</u>	<u>Total</u>
Cash flows from operating activities					
Change in net assets	\$ (94,478)	\$ (408,468)	\$ 23,184	\$ -	\$ (479,762)
Adjustments to reconcile change in net assets to net cash provided by operating activities					
Interest and dividends, net	-	(22,762)	(37,500)	-	(60,262)
Unrealized gains (losses) on investments	-	(905)	14,316	-	13,411
Changes in operating assets and liabilities					
Other receivables	507,050	-	-	-	507,050
Prepaid expenses and other assets	1,493	-	-	-	1,493
Accounts payable and accrued expenses	4,301	-	-	-	4,301
Grants payable	(261,000)	-	-	-	(261,000)
Net cash provided by operating activities	<u>157,366</u>	<u>(432,135)</u>	<u>-</u>	<u>-</u>	<u>(274,769)</u>
Cash flows from investing activities					
Proceeds from sales of investments	-	432,135	-	-	432,135
Net cash provided by investing activities	<u>-</u>	<u>432,135</u>	<u>-</u>	<u>-</u>	<u>432,135</u>
Net increase in cash	157,366	-	-	-	157,366
Cash, beginning of year	<u>268,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,872</u>
Cash, end of year	<u>\$ 426,238</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,238</u>