



Asylum Access

Audited Financial Statements

For the Years Ended

June 30, 2018 and 2017

With Independent Auditor's Report Thereon

Asylum Access

(A California Non-Profit Corporation)
June 30, 2018 and 2017

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Asylum Access

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INDEPENDENT AUDITORS' REPORT

The Board of Directors Asylum Access

We have audited the accompanying financial statements of Asylum Access (a California nonprofit corporation) which comprise the statements of financial position as of June 30, 2018 and 2017 and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 Asylum Access as of June 30, 2018 and 2017 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Danville, California
October 31, 2018***

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Statements of Financial Position June 30, 2018 and 2017

Assets

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 201,524	\$ 462,507
Receivables	561,597	1,018,849
Prepaid expenses	8,458	33,372
Property and equipment, net of accumulated depreciation	-	16,685
Deposits	7,028	14,468
	<hr/>	<hr/>
Total assets	\$ 778,607	\$1,545,881

Liabilities and Net Assets

Accounts payable and accrued liabilities	\$ 49,806	\$ 74,911
Accrued payroll liabilities	53,800	95,260
Deferred Revenue	20,991	281,166
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Total liabilities	124,597	451,337
Net assets:		
Unrestricted	171,921	238,002
Temporarily restricted	482,089	856,542
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Total net assets	654,010	1,094,544
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Total liabilities and net assets	\$ 778,607	\$1,545,881

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Statements of Activities and Changes in Net Assets For the Years Ended June 30, 2018 and 2017

	June 30, 2018			June 30, 2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support:						
Government grants	\$ 619,292	\$ -	\$ 619,292	\$1,660,154	\$ -	\$1,660,154
Contributions	161,153	-	161,153	171,632	25,000	196,632
Foundation and corporate grants	930,605	807,347	1,737,952	535,731	1,175,410	1,711,141
Interest and dividends	119	-	119	71	-	71
Other income	6,755	-	6,755	3,759	-	3,759
Net assets released from restrictions	1,181,800	(1,181,800)	-	1,118,868	(1,118,868)	-
Total revenue and support	2,899,724	(374,453)	2,525,271	3,490,215	81,542	3,571,757
Expenses:						
Programs	2,184,195	-	2,184,195	2,882,454	-	2,882,454
Management and general	471,574	-	471,574	600,524	-	600,524
Fundraising	310,036	-	310,036	324,240	-	324,240
Total expenses	2,965,805	-	2,965,805	3,807,218	-	3,807,218
Increase (decrease) in net assets	(66,081)	(374,453)	(440,534)	(317,003)	81,542	(235,461)
Net assets at beginning of year	238,002	856,542	1,094,544	555,005	775,000	1,330,005
Net assets at end of year	\$ 171,921	\$ 482,089	\$ 654,010	\$ 238,002	\$ 856,542	\$1,094,544

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Statements of Cash Flows For the Years Ended June 30, 2018 and 2017

	2018	2017
<i>Cash flows from operating activities:</i>		
Decrease in net assets	\$ (440,534)	\$ (235,461)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation and amortization	3,605	3,606
Foreign currency loss	13,890	22,381
Loss on disposition of property and equipment	8,555	-
Changes in:		
Receivables	443,362	(246,676)
Prepaid expenses	24,914	(3,754)
Deposits	7,440	(1,430)
Accounts payable and accrued liabilities	(25,105)	4,145
Accrued payroll liabilities	(41,460)	14,857
Deferred Revenue	(260,175)	76,945
Net cash used for operating activities	(265,508)	(365,387)
<i>Cash flows from investing activities:</i>		
Proceeds from disposition of property and equipment	4,525	-
Net cash provided by investing activities	4,525	-
Decrease in cash and cash equivalents	(260,983)	(365,387)
Cash and cash equivalents at beginning of year	462,507	827,894
Cash and cash equivalents at end of year	\$ 201,524	\$ 462,507
<i>Supplemental Disclosures:</i>		
Interest expense	\$ -	\$ -
State registration taxes paid	\$ 150	\$ 150

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**Statement of Functional Expenses
For the Year Ended June 30, 2018**

	Program Services					Supporting Services			Totals
	Legal Assistance	Policy Advocacy	Movement Building	Strategic Litigation	Community Legal Empowerment	Total Programs	Management and General	Fundraising	
<u>Compensation</u>									
Salaries and wages	\$ 651,011	\$ 229,374	\$ 209,273	\$ 34,392	\$ 195,740	\$ 1,319,790	\$ 268,515	\$ 225,920	\$ 1,814,225
Payroll taxes	69,427	18,233	16,010	2,880	14,754	121,304	25,423	16,795	163,522
Benefits	56,662	19,719	20,200	3,530	12,312	112,423	24,658	20,088	157,169
Total compensation	777,100	267,326	245,483	40,802	222,806	1,553,517	318,596	262,803	2,134,916
Accounting services	-	-	-	-	-	-	34,025	607	34,632
Advertising and promotion	15	3	1	-	7	26	3	96	125
Bank fees	1,542	497	265	72	363	2,739	9,126	315	12,180
Book subscriptions	89	-	-	-	28	117	-	-	117
Conferences, conventions, and meetings	22,686	11,694	1,165	144	14,851	50,540	1,436	609	52,585
Corporate fees	5,451	1,065	195	33	2,949	9,693	1,463	353	11,509
Currency conversion and other expense	1,985	640	407	45	7,666	10,743	27,307	252	38,302
Depreciation	503	675	670	124	237	2,209	654	742	3,605
Dues, licenses, services fees	709	1,752	693	124	398	3,676	668	739	5,083
Equipment and furnishings	3,759	495	169	543	1,017	5,983	969	682	7,634
Equipment rental and maintenance	4,727	1,492	779	117	1,663	8,778	945	667	10,390
Grants	657	155	30	6	64	912	67	21	1,000
Information technology	5,362	875	825	153	1,478	8,693	804	913	10,410
Insurance	3,174	4,254	4,222	782	1,497	13,929	4,119	4,673	22,721
Interpreters and other contractors	62,858	10,542	7,508	1,116	21,517	103,541	29,795	5,852	139,188
Legal fees	33,476	135	134	25	248	34,018	(5,504)	149	28,663
Occupancy	103,063	27,452	15,718	6,326	28,122	180,681	31,376	16,991	229,048
Postage and shipping	3,925	774	369	86	372	5,526	528	617	6,671
Printing and copying	4,306	2,211	1,353	51	1,490	9,411	422	2,016	11,849
Staff development	3,125	808	666	53	1,572	6,224	1,719	810	8,753
Supplies	12,851	2,984	1,500	236	5,401	22,972	2,054	1,140	26,166
Telephone	16,086	4,511	1,800	377	4,252	27,026	2,566	1,556	31,148
Travel	53,682	31,214	16,725	3,746	17,874	123,241	8,436	7,433	139,110
Total expenses	\$ 1,121,131	\$ 371,554	\$ 300,677	\$ 54,961	\$ 335,872	\$ 2,184,195	\$ 471,574	\$ 310,036	\$ 2,965,805

See accompanying auditors' report and notes to financial statements.

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**Statement of Functional Expenses
For the Year Ended June 30, 2017**

	<i>Program Services</i>					<i>Supporting Services</i>				Totals
	Legal Assistance	Policy Advocacy	Movement Building	Strategic Litigation	Community Legal Empowerment	Total Programs	Management and General	Fundraising		
<u>Compensation</u>										
Salaries and wages	\$ 1,018,795	\$ 208,770	\$ 188,481	\$ 26,454	\$ 176,314	\$ 1,618,814	\$ 330,092	\$ 217,269	\$	2,166,175
Payroll taxes	103,468	17,801	15,827	2,240	14,400	153,736	33,858	16,701		204,295
Benefits	133,310	14,625	14,614	2,534	14,101	179,184	30,329	14,891		224,404
Total compensation	1,255,573	241,196	218,922	31,228	204,815	1,951,734	394,279	248,861		2,594,874
Accounting services	4,255	361	111	29	522	5,278	46,416	105		51,799
Advertising and promotion	773	281	15	1	382	1,452	719	-		2,171
Bank fees	652	52	20	14	90	828	10,875	17		11,720
Book subscriptions	1,794	79	12	24	150	2,059	243	-		2,302
Conferences, conventions, and meetings	24,535	13,171	7,003	205	34,621	79,535	1,016	101		80,652
Corporate fees	4,040	3,003	57	149	1,163	8,412	1,547	13		9,972
Currency conversion and other expense	6,105	100	1,037	-	436	7,678	23,899	-		31,577
Depreciation	1,678	539	149	-	912	3,278	285	43		3,606
Dues, licenses, services fees	594	544	625	28	339	2,130	1,051	798		3,979
Equipment and furnishings	36,971	3,124	2,977	586	4,639	48,297	22,000	4,723		75,020
Equipment rental and maintenance	3,609	776	414	91	1,166	6,056	1,221	436		7,713
Grants	500	-	-	-	-	500	-	-		500
Information technology	6,021	274	321	13	161	6,790	683	412		7,885
Insurance	7,448	4,524	5,065	209	2,573	19,819	8,058	6,498		34,375
Interpreters and other contractors	91,861	16,210	26,915	866	20,443	156,295	27,248	22,243		205,786
Legal services	52,522	2,774	462	114	2,212	58,084	-	321		58,405
Occupancy	116,123	16,307	10,769	2,121	22,571	167,891	22,570	12,819		203,280
Postage and shipping	4,301	387	206	83	604	5,581	1,647	1,239		8,467
Printing and copying	6,453	1,855	951	60	2,162	11,481	1,744	3,917		17,142
Staff development	9,688	1,088	934	938	1,481	14,129	3,722	953		18,804
Supplies	32,303	3,692	1,245	473	7,994	45,707	4,895	708		51,310
Telephone	21,335	3,304	1,028	604	5,509	31,780	8,270	758		40,808
Travel	125,527	43,348	18,819	12,573	46,393	246,660	18,136	19,275		284,071
Total expenses	\$ 1,814,661	\$ 356,989	\$ 298,057	\$ 50,409	\$ 361,338	\$ 2,881,454	\$ 600,524	\$ 324,240	\$	3,806,218

See accompanying auditors' report and notes to financial statements.

Notes to Financial Statements June 30, 2018 and 2017

1. Organization

Asylum Access (a California tax-exempt, non-profit corporation) is a global leader in refugee human rights. Asylum Access has 17 offices around the world. Asylum Access has a track record of global and national-level policy change, coupled with legal assistance and community support, and has directly impacted more than one million refugees worldwide.

Asylum Access believes all refugees deserve a fair chance at a new life. All over the world, Asylum Access challenges barriers that keep refugees from living safely, moving freely, working and attending school – because when refugees can rebuild their lives, nations thrive. Asylum Access' unique combination of five integrated strategies provides grassroots assistance and changes the legal landscape for refugees and their host communities. More information is available on the organization's website at www.asylumaccess.org.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of Asylum Access have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958.205, *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASC 958.205, Asylum Access is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. There were no permanently restricted net assets as of June 30, 2018 and 2017.

Revenue Recognition

Asylum Access records contributions in accordance with the recommendations of ASC 958.605, *Revenue Recognition of Not-for-Profit Entities*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Notes to Financial Statements

2. Summary of Significant Accounting Policies *(continued)*

Cash and Cash Equivalents

Cash and cash equivalents include savings, cash deposits and money market accounts with maturity dates of three months or less. Asylum Access may occasionally be the recipient of donated securities. Investments or securities received by gift are recorded at market value at the date of contribution in accordance with ASC 958.320, *Investments*. Asylum Access converts such securities to liquid assets, and any realized gains or losses are separately stated on the statements of activities and changes in net assets. Asylum Access maintains its cash balances in highly capitalized financial institutions, which at times may exceed federally insured limits.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities, which represent financial instruments, none of which are held for trading purposes, approximate carrying values of such amounts.

Property and Equipment

Property and equipment are valued at cost or, if donated, at fair market value on the date of donation. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets. The cost of property and equipment which benefit future periods is capitalized and depreciated over the estimated useful life of each class of depreciable asset.

Net Assets

In accordance with accounting principles generally accepted in the United States of America, financial statements must present classes of net assets based on the following categories: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Grants and contributions are classified in the appropriate net asset category based on the absence or existence of donor-imposed restrictions that limit the use of the donated assets if they are designated as support for future periods or future projects when they are received.

Asylum Access reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor's intended purpose is met or a time restriction expires, the temporarily restricted net asset is transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions where restrictions are met in the same reporting period in which they are contributed are reported as unrestricted support.

Unrestricted net assets include all of those donated assets that have no restrictions or limitations imposed on their use. The Board of Directors may elect certain unrestricted funds to be set aside as Board designated funds, which may not be spent without approval by the Board. No such funds were set-aside during the years ended June 30, 2018 and 2017.

Reclassifications

Certain reclassifications have been made to the 2017 financial statements in order to conform to the presentation used in 2018.

Notes to Financial Statements

2. Summary of Significant Accounting Policies *(continued)*

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in unrestricted net assets. Asylum Access reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor's intended purpose is met or a time restriction expires, the temporarily restricted net asset is transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions in which the donor restrictions are never relieved are recorded as permanently restricted support. Donor-restricted contributions where restrictions are met in the same reporting period in which they are contributed are reported as unrestricted support.

Donated property is recorded at the estimated fair value at the date of receipt. Asylum Access reports gifts of property as unrestricted support unless explicit donor stipulations specify how the donated assets are to be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, Asylum Access reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed Services and Costs

Contributed services and costs are reflected at the fair value of the contribution received. The contributions of services and costs are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes

Financial statement presentation follows the recommendations of ASC 740, *Income Taxes*. Under ASC 740, Asylum Access is required to report information regarding its exposure to various tax positions taken by Asylum Access and requires a two-step process that separates recognition from measurement. The first step is determining whether a tax position has met the recognition threshold; the second step is measuring a tax position that meets the recognition threshold. Management believes that Asylum Access has adequately evaluated its current tax positions and has concluded that as of June 30, 2018 and 2017, Asylum Access does not have any uncertain tax positions for which a reserve or an accrual for a tax liability would be necessary.

Asylum Access has received notification from the Internal Revenue Service and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701f of the California Revenue and Taxation Code. This exemption is subject to periodic review by the federal and state taxing authorities and management is confident that the organization continues to satisfy all federal and state statutes in order to qualify for continued tax exemption status. Asylum Access may periodically receive unrelated business income requiring the organization to file separate tax returns under federal and state statutes.

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Notes to Financial Statements

3. Cash and Cash Equivalents

Cash and cash equivalents include all funds in banks (checking and savings) at the time of purchase that have a maturity date of 90 days or less. The components of cash and cash equivalents are as follows at June 30:

	2018	2017
Checking accounts-domestic operations (noninterest-bearing)	\$ 91,141	\$ 231,640
Checking account-foreign operations (noninterest-bearing)	43,951	154,772
Business market savings	64,967	61,980
Petty cash and other (noninterest-bearing)	1,465	14,115
Total cash and cash equivalents	<u>\$ 201,524</u>	<u>\$ 462,507</u>

Fund on deposit in business market savings account bear interest at the rate of 0.02% per annum at June 30, 2018. At certain times during the year, domestic deposits may exceed federally insurance limits. Asylum Access attempts to minimize its credit risk associated with cash equivalents in the United States by utilizing highly rated financial institutions.

4. Receivables

Receivables consist of the following at June 30:

	2018	2017
Accounts receivable	\$ 1,643	\$ 2,986
Pledges receivable	60,000	80,487
Grants receivable	499,954	935,376
Total receivables	<u>\$ 561,597</u>	<u>\$ 1,018,849</u>

Receivables are generally due within one year from the date of the statement of financial position and management considers all amounts to be fully collectible. Accordingly, there is no provision for doubtful accounts at June 30, 2018 and 2017. All receivables are considered to be level 2 assets under fair value measurements (Note 12).

5. Property and Equipment

The following is a summary of property and equipment at June 30:

	2018	2017
Equipment	\$ -	\$ 7,670
Vehicle	-	14,500
Less accumulated depreciation	-	(5,485)
Property and equipment, net	<u>\$ -</u>	<u>\$ 16,685</u>

Depreciation expense amounted to \$3,605 and \$3,606 for the years ended June 30, 2018 and 2017, respectively, and is reported on the statements of functional expenses. During the year ended June 30, 2018, all components of property and equipment were sold. There were no disposals for the year ended June 30, 2017.

Notes to Financial Statements

6. Lease Commitments

Asylum Access is obligated under separate lease agreements for multiple office locations throughout the world including Oakland, California (the location of the organization's headquarters), Ecuador, Malaysia, Tanzania, Mexico, and Thailand (its field offices).

As of June 30, 2018, the headquarters lease in Oakland is under a month-to-month operating lease agreement which requires a monthly remittance of \$2,575.

Office leases for the field offices in foreign locations require monthly remittances ranging from \$236 to \$1,437 (amounts are estimated based on local monetary units and conversion factors).

Asylum Access is also obligated under certain equipment leases with monthly rental payments ranging from \$30 to \$160. These leases have commitment periods running through June 30, 2021.

As of June 30, 2018, minimum annual payments on all operating leases for the next five years with written agreements extending beyond one year are as follows: **Amounts due during year ending June 30, 2019: \$37,941**; **Amounts due during year ending June 30, 2020: \$6,441**; and **Amounts due during year ending June 30, 2021: \$1,366**. Total rent expense for all rental contracts amounted to \$198,539 and \$186,854 for the years ended June 30, 2018 and 2017, respectively.

7. Compensated Absences (Accrued Payroll and Related Benefits)

Financial statement presentation follows the recommendations of ASC 710.25, *Compensated Absences*. Under ASC 710.25, Asylum Access is required to record a liability for the estimated amounts of compensation for future absences. Employees are permitted to accrue a specific number of hours of vacation which is payable upon termination of the employee. Sick leave is not paid upon termination. Annual leave accruals are recorded in the financial statements as an accrued liability on the statement of financial position based on hourly rates in effect at the end of the fiscal year. Accrued vacation amounted to \$45,154 and \$79,776 at June 30, 2018 and 2017, respectively. Other accrued payroll liabilities amounted to \$8,646 and \$15,484 at June 30, 2018 and 2017, respectively.

8. Government Contracts and Concentration Vulnerability

Asylum Access has historically engaged with the United States Department of State to provide programs enhancing human rights in Africa, Asia, and Latin America. The value of these secured Department of State government contracts amounted to \$619,292 and \$1,660,155 for the years ended June 30, 2018 and 2017, respectively. The reduction from 2017 to 2018 is due to the loss of a single government grant which supported Asylum Access's operation in Ecuador. The loss of this grant resulted in the handover of cases to partners, and Asylum Access's withdrawal from Ecuador. In a subsequent restructure, Asylum Access also withdrew from Tanzania. As noted in the previous audits, the remaining government engagement presents a concentration vulnerability.

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Notes to Financial Statements

9. Temporarily Restricted Net Assets

Asylum Access recognizes support from temporarily restricted net assets when the restrictions imposed by the donors have been satisfied or expired. Temporarily restricted net assets consisted of the following at June 30:

Restricted For:		2018		2017
Southeast Asia	\$	25,000	\$	-
Future operations		34,826		517,816
Growth Campaign		60,000		100,000
Mexico		-		105,000
Middle East Expansion Pilot		31,563		80,000
Hospitality Route Program		20,407		24,601
Global Services		250,198		-
Sabbatical		-		29,125
Development Director		60,095		-
Total temporarily restricted net assets	\$	482,089	\$	856,542

During the years ended June 30, 2018 and 2017, contributions to temporarily restricted net assets amounted to \$807,347 and \$1,200,410, respectively. In accordance with the provisions of donor instructions, Asylum Access released \$1,181,800 and \$1,118,868 from temporarily restricted net assets to unrestricted net assets during the years ended June 30, 2018 and 2017, respectively.

10. Commitments and Contingencies

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into contracts and future projects, which are not reflected in the financial statements.

Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) Grant restrictions, donor conditions, and government contracts which obligate Asylum Access to fulfill certain requirements, conditions, and activities, (b) Funding levels which vary based on factors beyond Asylum Access' control, such as generosity of donors and general economic conditions, (c) Employment and service agreements with key management personnel, and (d) Financial risks associated with funds on deposit at bank and investment brokerage accounts.

Management believes that such commitments, contingencies and risks will not have a material adverse effect on the financial statements. Certain of the grants and contracts (including current and prior costs) are subject to audit and final acceptance by the granting organizations.

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Notes to Financial Statements

11. In-Kind Contributions

A substantial number of unpaid volunteers have made significant contributions of time to various departments or programs of Asylum Access. The value of this contributed time is not reflected in the financial statements because it is not susceptible to objective measurement or valuation and therefore did not meet the criteria for recognition under ASC 958.605.30-11 "*Revenue Recognition of Not-For-Profit Entities.*"

12. Fair Value Measurements

Composition of investments utilizing fair value measurements at June 30, 2018 is as follows:

	Total	Level 1	Level 2	Level 3
Receivables	\$ 561,597	\$ -	\$ 561,597	\$ -
Prepaid expenses	8,458	-	-	8,458
Totals	\$ 570,055	\$ -	\$ 561,597	\$ 8,458

Composition of investments utilizing fair value measurements at June 30, 2017 is as follows:

	Total	Level 1	Level 2	Level 3
Receivables	\$ 1,018,849	\$ -	\$ 1,018,849	\$ -
Prepaid expenses	33,372	-	-	33,372
Totals	\$ 1,052,221	\$ -	\$ 1,018,849	\$ 33,372

Fair value measurements establish a fair value hierarchy that prioritizes the input used to measure fair value. This hierarchy consists of three broad levels: (a) Level 1 measurement reflects the value of the investments at quoted prices in active markets for identical assets, generally without any adjustments, (b) Level 2 assets and liabilities are valued based on "observable inputs" other than quoted active market prices, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and interest rates and yield curves, and (c) Level 3 assets and liabilities are valued based on "unobservable inputs," such as an organization's own estimates and pricing models. Asylum Access had no assets classified as Level 1.

Assets Classified as Level 3

The significant unobservable inputs used in the fair value measurement of the organization's Level 3 assets are determined by using the cost basis values of the original expenditures.

13. Advertising and Promotion

Advertising and promotion costs are expensed as incurred. Advertising and promotion expense amounted to \$125 and \$2,171 for the years ended June 30, 2018 and 2017, respectively.

Asylum Access

Notes to Financial Statements

14. Summarized Financial Results: United Nations Voluntary Fund for Victims of Torture

The following schedule provides summarized financial information for the organization's contract with the United Nations Voluntary Fund for Victims of Torture:

	Years Ended June 30:	
	2018	2017
Grant award	\$ -	\$ 50,000
Expenses:		
Contract personnel	-	9,310
Salaries and benefits, overseas	-	31,719
Occupancy	-	7,971
Audit	-	1,000
Total expenses	-	50,000
Net income	\$ -	\$ -

15. Subsequent Events

In compliance with ASC 855, *Subsequent Events*, Asylum Access has evaluated subsequent events through October 31, 2018, the date the financial statements were available to be issued and, in the opinion of management, there are no subsequent events which need to be disclosed.