

Hesperian Health Guides

Financial Statements

Year ended June 30, 2021

with

Report of Independent Auditors



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Report of Independent Auditors

To the Board of Directors
of Hesperian Health Guides

We have audited the accompanying financial statements of Hesperian Health Guides (Hesperian) which comprise the statements of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, 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; 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Hesperian as of June 30, 2021, 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.

Report on Summarized Comparative Information

We have previously audited the financial statements of Hesperian as of and for the year ended June 30, 2020 and, in our report dated October 12, 2020, we expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which the management of Hesperian derived it.

WMB², LLP
WMB², LLP
Larkspur, California
October 16, 2021

Hesperian Health Guides
Statements of Financial Position
June 30, 2021 and 2020

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 2,938,200	\$ 1,067,364
Short-term investments	-	1,527,903
Contributions receivable due within one year	398,400	16,500
Accounts receivable	29,843	69,119
Other receivables	660	607
Inventory	203,371	200,066
Other current assets	298,800	-
Total current assets	3,869,274	2,881,559
Property and equipment, net	31,560	-
Contributions receivable (long-term)	60,000	-
Deposit and prepaid expenses	50,278	42,599
Total assets	\$ 4,011,112	\$ 2,924,158
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 18,827	\$ 19,962
Accrued liabilities	135,030	125,862
Grants payable	5,100	22,088
Paycheck Protection Program forgivable loan	-	139,395
Total current liabilities	158,957	307,307
Net assets		
Without donor restrictions		
Board designated reserve funds	1,760,550	1,500,000
Undesignated	639,939	7,952
	2,400,489	1,507,952
With donor restrictions	1,451,666	1,108,899
Total net assets	3,852,155	2,616,851
Total liabilities and net assets	\$ 4,011,112	\$ 2,924,158

See accompanying notes.

Hesperian Health Guides
Statement of Activities and Changes in Net Assets
Year ended June 30, 2021 with comparative totals only for the year ended June 30, 2020

	Without donor restrictions	With donor restrictions	2021 Totals	2020 Totals
Support and revenue				
Contributions - foundations	\$ 354,000	\$ 1,132,900	\$ 1,486,900	\$ 1,662,000
Contributions - individuals	257,756	88,410	346,166	362,413
Paycheck Protection Program forgivable loan	139,627	-	139,627	-
Fee for service	34,772	-	34,772	116,965
Publication revenue	192,528	-	192,528	168,417
Digital revenue	5,797	-	5,797	8,433
Bequests	432,865	-	432,865	536,535
Donated Land/Property	298,800	-	298,800	-
Net investment return	3,297	-	3,297	3,610
Other income	1,186	-	1,186	7,295
Realized gain on sale of property	-	-	-	88,144
Net assets released from restrictions	878,543	(878,543)	-	-
Total support and revenue	2,599,171	342,767	2,941,938	2,953,812
Expenses				
Program services:				
Books, Apps and Online Resources	695,812	-	695,812	658,101
Health outreach	478,075	-	478,075	343,877
Fulfillment	125,041	-	125,041	126,609
Total program services	1,298,928	-	1,298,928	1,128,587
Supporting services:				
Management and general	106,496	-	106,496	102,359
Fundraising	301,210	-	301,210	266,828
Total supporting services	407,706	-	407,706	369,187
Total expenses	1,706,634	-	1,706,634	1,497,774
Change in net assets	892,537	342,767	1,235,304	1,456,038
Net assets, beginning of year	1,507,952	1,108,899	2,616,851	1,160,813
Net assets, end of year	\$ 2,400,489	\$ 1,451,666	\$ 3,852,155	\$ 2,616,851

See accompanying notes.

Hesperian Health Guides
Statement of Functional Expenses
Year ended June 30, 2021 with comparative totals only for the year ended June 30, 2020

	Program Services			Supporting Services			2021 Totals	2020 Totals
	Books, Apps and Online Resources	Health Outreach	Fulfillment	Totals	Management and General	Fundraising		
Salaries	\$ 421,379	\$ 293,255	\$ 39,137	\$ 753,771	\$ 71,033	\$ 204,888	\$ 1,029,692	\$ 887,944
Payroll taxes	31,046	21,547	2,085	54,678	4,997	15,415	75,090	73,628
Benefits	52,593	37,827	4,772	95,192	9,207	25,947	130,346	110,995
Total personnel	505,018	352,629	45,994	903,641	85,237	246,250	1,235,128	1,072,567
Advertising	40,106	426	33	40,565	70	205	40,840	8,262
Complimentary copies	35	9,415	-	9,450	218	43	9,711	7,615
Cost of goods sold	-	-	56,735	56,735	-	-	56,735	46,545
Depreciation	3,244	2,129	587	5,960	505	1,425	7,890	430
Field testing	-	-	-	-	-	-	-	-
Financial fees, licenses and royalties	4,861	2,979	6,407	14,247	1,231	5,860	21,338	22,299
Forgivable Loan - Interest Expense	-	-	-	-	-	-	-	232
Grants to partners	87,866	17,655	-	105,521	-	-	105,521	83,849
Insurance	3,014	2,087	239	5,340	505	1,471	7,316	7,497
Meetings and conferences	901	2,208	60	3,169	276	394	3,839	2,482
Memberships and publications	1,332	2,198	17	3,547	282	1,603	5,432	5,139
Miscellaneous and small purchases	669	463	53	1,185	111	376	1,672	1,254
Occupancy	23,625	16,409	1,881	41,915	3,971	11,600	57,486	99,790
Office supplies and communications	4,922	4,307	1,404	10,633	859	3,302	14,794	15,082
Postage and shipping	268	8,401	9,084	17,753	381	2,408	20,542	18,936
Printing and copying	1,253	867	99	2,219	210	4,034	6,463	6,204
Professional services	16,045	51,289	55	67,389	11,116	20,440	98,945	83,587
Software and related	2,375	1,590	1,112	5,077	1,315	1,163	7,555	6,833
Travel, events and training	(442)	-	-	(442)	88	69	(285)	4,324
Web hosting services	720	3,023	1,281	5,024	121	567	5,712	4,847
Total expenses	\$ 695,812	\$ 478,075	\$ 125,041	\$ 1,298,928	\$ 106,496	\$ 301,210	\$ 1,706,634	\$ 1,497,774

See accompanying notes.

Hesperian Health Guides
Statements of Cash Flows
Years ended June 30, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ 1,235,304	\$ 1,456,038
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	7,890	430
Changes in certain assets and liabilities		
Gain on sale of donated property	-	(88,144)
Contributions of short-term investments	-	(26,750)
Contributions receivable	(441,900)	121,537
Accounts receivable	39,276	(52,999)
Other receivables	(53)	(160)
Inventory	(3,305)	(12,000)
Deposit and prepaid expenses	(7,679)	(4,224)
Other current assets	(298,800)	-
Accounts payable	(1,135)	(2,293)
Accrued liabilities	9,168	16,014
Paycheck Protection Program forgivable loan	(139,395)	139,395
Grants payable	(16,988)	10,407
Deferred rent	-	(929)
	382,383	1,556,322
Cash provided by operating activities		
Cash flows from investing activities		
Purchase of short-term investments	-	(1,501,153)
Proceeds from sale of short-term investments	1,527,903	-
Purchases of property and equipment	(39,450)	-
Proceeds from sale of donated property	-	953,144
	1,488,453	(548,009)
Cash provided by (used for) investing activities		
Cash flows from financing activities		
Proceeds from notes payable	-	50,000
Principal payments on notes payable	-	(120,000)
	-	(70,000)
Cash used for financing activities		
Change in cash and cash equivalents	1,870,836	938,313
Cash and cash equivalents, beginning of year	1,067,364	129,051
Cash and cash equivalents, end of year	\$ 2,938,200	\$ 1,067,364

See accompanying notes.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 1 – Organization and nature of activities

Hesperian Health Guides addresses urgent, emerging, and primary health needs, structural inequalities in health access, and their root causes together with the people most directly affected. Made freely available in multiple languages and formats, our information and educational resources help people around the world take greater control over their health and lives, and support their work to eliminate the underlying causes of poor health.

Hesperian creates print and digital materials across issue areas of critical importance to physical and psychological well-being, including primary health care; reproductive, environmental, and children's health; living with chronic illness and disabilities; and workers' health and safety. This year, Hesperian developed, produced, and distributed books, apps and online resources in 42 languages in six program areas: COVID-19, Environmental Justice and Health, Women's Reproductive Rights and Health, Free Books/Open Copyright, *NEW Where There Is No Doctor* including mental health, and Epilepsy and Seizures.

Hesperian employs a unique, culturally sensitive, collaborative method that involves community partners throughout Latin America, Africa, Asia, and the United States, as well as international experts, and national and international organizations. Our long-term goal is Health for All, a systemic change that realizes people's right to health by eliminating not just the biological but the economic, environmental and social causes of illness

Note 2 – Net assets without donor restrictions

Hesperian Health Guides has been the grateful beneficiary of two significant bequests in the last two years. The Board of Directors created two Board Designated Reserve Funds with a balance of \$1,760,550 as of June 30, 2021, composed of an Operating Reserve Fund and a Strategic Reserve Fund. The Operating Reserve Fund of \$400,000 is to be used to help ensure on-going financial stability of the organization. The remaining \$1,360,550 is a short-term Strategic Reserve Fund. The Board of Directors is currently evaluating how best to deploy these resources to ensure Hesperian's mission, programmatic achievements, and long-term stability.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies

Basis of accounting

Hesperian prepares its financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Hesperian records revenues when earned and expenses when incurring the related obligations.

Net assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions

Hesperian receives grants primarily to support the development, production and distribution of its educational materials. Contributions, unconditional promises to give, and other assets are recognized at fair values and are recorded as made. All contributions are considered to be without donor restriction unless specifically communicated by the donor. Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When these restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions. When restrictions are fulfilled in the same period as the contribution is received, Hesperian presents such contributions in the net assets without donor restrictions class.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies (continued)

Contributed goods and services

This year, Hesperian's effectiveness was tremendously enhanced by the work of 114 volunteers who contributed approximately 5,368 volunteer hours, working around the world in capacities such as researchers and reviewers, book packers, field testers, translators, website coders, and data analysts.

Donated labor is not recognized as contribution revenue in the financial statements unless the labor is ordinarily purchased and of a specialized nature. Hesperian makes significant use of volunteers with a wide range of skills; however, these services did not meet the criteria for valuation and recordation during the year ended June 30, 2021.

Government grants

Government grants and contracts are conditional cost-reimbursement contracts. Hesperian does not recognize support from these contracts until it fulfills the conditions, generally, by expending costs and performing services to accomplish the requirements of the contracts. During the year ended June 30, 2021, Hesperian did not receive any government grants other than the Paycheck Protection Program forgivable loan detailed in Note 6.

Fee for service

Fee for service contracts are cost-reimbursement contracts. Hesperian recognizes revenues from cost-reimbursement contracts when incurring the related expenses.

Publication revenue

Hesperian's sources of revenue include publication sales, which Hesperian recognizes upon shipment to the customer.

Fair value

Hesperian uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets. Level 3 inputs consist of unobservable inputs that reflect internal judgments and have the lowest priority.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies (continued)

Hesperian uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, Hesperian measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Hesperian only uses Level 3 inputs when Level 1 or Level 2 inputs are not available.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and highly liquid investments with original maturities of three months or less.

Short-term investments

Short term investments are stated at fair value. Short-term investments consisted mainly of fixed income securities with original maturities of twelve months or less. Hesperian reports all other short-term investments at cost. Net investment return consists of interest, dividends, gain or loss on the sale of investments, net of investment management fees. Hesperian recognized net investment return when earned. At June 30, 2021, Hesperian held no investments.

Contributions receivable

Contributions receivable consist of grants and pledges due from donors. Pledges receivable consist of uncollected unconditional promises to give. Hesperian records multi-year pledges and pledges originally due in over one year at their present value when pledged.

Accounts receivable

Accounts receivable, all due within one year, consist principally of amounts due from publication sales and fee for service.

Allowance for uncollectible receivables

Hesperian uses the allowance method to account for uncollectible receivables. Under this method, Hesperian reviews all receivables for any problems with collectability. If Hesperian feels that there may be a problem with collections, an allowance is provided for the receivable. When attempts to collect a specific receivable are unsuccessful, the account is considered uncollectible and is written off against the allowance. As of June 30, 2021, Hesperian concluded that an allowance for doubtful accounts was not material to its financial position.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies (continued)

Inventory

Inventory consists of printed materials available for sale at the lower of cost (first-in, first-out basis) or market value. Cost is determined by the manufacturers' printing and binding unit price. Other costs to research, write, edit and field test books are charged to expenses as incurred.

Other current asset

Other current asset consists of a donated piece of land from an individual for \$298,800. The land was subsequently sold on July 14, 2021 for \$410,000.

Property and equipment

Property and equipment consist of furniture, equipment and computer software. Hesperian capitalizes purchased and donated property and equipment at cost and fair value, respectively, when such cost or fair value exceeds \$2,500. Maintenance and repair costs are expensed as incurred. Hesperian depreciates property and equipment using the straight-line method over their estimated useful lives ranging from five to seven years.

Deferred revenue

Deferred revenue consists of amounts advanced or drawn down under fee for service contracts that exceed revenue earned.

Income taxes

Governmental authorities have informed Hesperian that it is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code (IRC) and section 23701d of the California Revenue and Taxation Code. Governmental authorities have classified Hesperian as an organization that is not a private foundation under IRC section 509(a)(1) and 170(b)(1)(A)(vi). Consequently, donors are entitled to the highest charitable income tax deduction allowed by law. The management of Hesperian believes that no activities of Hesperian jeopardized its exemption from income taxes or its classification as a "public charity." Consequently, Hesperian provided no income tax provision herein.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies (continued)

The management of Hesperian is required to report information regarding its exposure to various tax positions taken by Hesperian 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 Hesperian has adequately addressed all tax positions and that there are no unrecorded tax liabilities.

Tax years 2017 to 2020 are open for examination by the Internal Revenue Service and years 2016 to 2020 by the California Franchise Tax Board.

Shipping and handling costs

Shipping and handling costs are included in postage and shipping expenses. This includes shipping of books sent through Hesperian's Gratis Book Program. Shipping and handling costs for the year ended June 30, 2021 were \$20,542.

Advertising costs

Hesperian expenses costs incurred for producing and communicating advertising when incurred. Advertising costs for the year ended June 30, 2021 were \$40,840, including costs for paid social media for the purposes of sharing health information.

Allocation of functional expenses

Functional expenses of Hesperian include program and supporting expenses. Supporting expenses include management and general, and fundraising. Hesperian records expenses that directly benefit an activity to that specific activity. Hesperian allocates expenses that do not directly benefit an activity between program and supporting based on estimates of the relative benefits to each. Hesperian bases its estimates on either time spent by personnel on various activities or space used by various activities, whichever Hesperian deems more relevant to the particular expense. The management of Hesperian reviews and adjusts the estimates and bases at least annually.

Prior year summarized comparative information

The financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not always include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, read such information in conjunction with the financial statements for the year ended June 30, 2020, from which the summarized comparative information was derived.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 3 – Summary of significant accounting policies (continued)

Reclassifications

Hesperian has reclassified certain prior year amounts to conform to the current year presentation.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimated.

Note 4 – Receivables

Contributions receivable as of June 30, 2021, total as follows:

Tides Foundation	\$ 80,000
Philanthropic Ventures Foundation	20,000
David and Lucile Packard Foundation	58,400
Foundation to Promote Open Society	<u>300,000</u>
Contributions receivable, gross	458,400
Contributions receivable in less than one year	<u>398,400</u>
Contributions receivable in one to five years	<u><u>\$ 60,000</u></u>

Accounts receivable as of June 30, 2021, total as follows:

Amazon.com	\$ 19,481
Anonymous	10,300
Several other	<u>62</u>
Accounts receivable	<u><u>\$ 29,843</u></u>

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 5 – Property and equipment

Property and equipment as of June 30, 2021, total as follows:

Furniture and equipment	\$ 57,923
Computer software	<u>7,734</u>
Property and equipment, at cost	65,657
Accumulated depreciation	<u>(34,097)</u>
Property and equipment, net	<u><u>\$ 31,560</u></u>

Note 6 – Paycheck Protection Program forgivable loan

On April 30, 2020, Hesperian was granted a loan from Mechanics Bank in the amount of \$139,395, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The related Note matures on April 30, 2022, and bears an interest rate of 1.00% per annum, payable monthly commencing on November 30, 2020. The Note may be prepaid by Hesperian at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, rent and utility expenses and the maintenance of workforce and compensation levels with certain limitations.

Hesperian initially recorded a note payable and subsequently recorded forgiveness when the loan obligation was legally released on March 22, 2021. Hesperian recognized \$139,627 of loan forgiveness income including interest of \$232 for the year ended June 30, 2021.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 7 – Net assets with donor restrictions

As of and during the year ended June 30, 2021, net assets with donor restrictions reconciled as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
<u>Program Restrictions</u>				
NEW Where There Is No Doctor	\$ 4,500	\$ 53,590	\$ (47,866)	\$ 10,224
Epilepsy and Seizures	1,000,000	-	(46,751)	953,249
Fracking and People's Health	37,903	-	(17,743)	20,160
Women With Disabilities	5,000	-	(5,000)	-
Digital Commons/ Apps	36,670	724,900	(602,566)	159,004
Gratis Book Program	20,336	31,345	(22,652)	29,029
Translations Partners	1,289	15,225	(16,514)	-
Healthy Food and Livelihoods Fund	3,201	16,250	(19,451)	-
Total program restricted net assets	<u>1,108,899</u>	<u>841,310</u>	<u>(778,543)</u>	<u>1,171,666</u>
<u>Time Restrictions</u>	<u>-</u>	<u>380,000</u>	<u>(100,000)</u>	<u>280,000</u>
Total	<u>\$ 1,108,899</u>	<u>\$ 1,221,310</u>	<u>\$ (878,543)</u>	<u>\$ 1,451,666</u>

Note 8 – Concentrations, credit and market risk

Cash and cash equivalents held by a commercial bank and a registered investment company exceeded federal deposit insurance limits at various times during the year ended June 30, 2021.

Receivables are subject to collection risk. Collection risk is the probability that the financial condition or other circumstances of a contractor/grantor may change, reducing or eliminating the subsequent collection of receivables.

During the year ended June 30, 2021, contributions and bequests received from five donors totaled 56% of total support and revenue.

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 9 – Commitments and contingencies

Hesperian leases office space on a month-to-month basis in Berkeley, California. Occupancy expense for the year ended June 30, 2021 was \$57,486.

Hesperian has received support that may be subject to audit or review by the grantor agencies. Management believes that Hesperian has complied with all aspects of the grant provisions and that disallowed costs, if any, would be insignificant to the financial position of Hesperian.

Note 10 – Retirement plan

Hesperian offers a 403(b) retirement plan and eligible employees may elect to defer a portion of their annual compensation, up to the maximum allowed by the Internal Revenue Service. Hesperian contributes 1% of eligible employees' gross wages. For the year ended June 30, 2021, the employer contribution totaled \$9,564. Employer contributions are vested after three years of employment.

Note 11 – Liquidity and availability of financial assets

The following reflects Hesperian's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

Financial assets, at year end:	
Cash and cash equivalents	\$ 2,938,200
Receivables	428,903
Inventory	203,371
	<u>3,570,474</u>
Less those unavailable for general expenditures within one year, due to:	
Board designated reserve fund	1,760,550
Donor restricted funds - time restricted	160,000
	<u>1,920,550</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,649,924</u></u>

Hesperian Health Guides
Notes to Financial Statements
June 30, 2021

Note 11 – Liquidity and availability of financial assets (continued)

As part of its liquidity management, Hesperian invests cash in excess of daily requirements in cash equivalents, primarily in money market funds.

Note 12 – Subsequent events

Hesperian evaluated subsequent events for recognition and disclosure through October 16, 2021, the date on which these financial statements were available to be issued. Donated land received in March 2021 was sold in August 2021.