

Wreaths Across America

**ANNUAL FINANCIAL STATEMENTS**

For the Year Ended June 30, 2019  
(With comparative totals for 2018)

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## **Independent Auditor's Report**

To the Board of Directors of  
Wreaths Across America

We have audited the accompanying financial statements of Wreaths Across America (a nonprofit organization), which comprise the statement of financial position as of June 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.

### **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 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 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 Wreaths Across America as of June 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.

**Change in Accounting Principle**

As discussed in Note 1 to the financial statements, in the year ended June 30, 2019, the Organization adopted new accounting guidance, FASB Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements for Not-for-Profit-Entities*. Our opinion is not modified with respect to this matter.

**Report in Summarized Comparative Information**

We have previously audited Wreaths Across America's, 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 29, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Charter Hibodean & Associates*

Bangor, Maine  
July 22, 2020

**Wreaths Across America**  
**Statement of Financial Position**  
**June 30, 2019**  
**(With comparative totals for 2018)**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 2,237,413	\$ 1,580,689
Accounts receivable	-	67,500
Inventory	142,415	67,251
Prepaid expenses	1,136,935	660,783
Total current assets	3,516,763	2,376,223
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment	3,425,300	2,360,656
Accumulated depreciation	(1,742,447)	(901,221)
Total property and equipment	1,682,853	1,459,435
Total assets	\$ 5,199,616	\$ 3,835,658
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 221,538	\$ 41,851
Other payables	26,704	-
Accrued payroll	27,656	21,542
Deferred revenues	4,718,850	3,373,749
Current portion of notes payable	82,298	38,276
Total current liabilities	5,077,046	3,475,418
<b>LONG-TERM LIABILITIES</b>		
Notes payable, net of current portion	329,849	175,503
Total liabilities	5,406,895	3,650,921
<b>NET ASSETS</b>		
Without donor restrictions (deficit)	(222,279)	184,737
With donor restrictions	15,000	-
Total net assets (deficits)	(207,279)	184,737
Total liabilities and net assets	\$ 5,199,616	\$ 3,835,658

See accompanying notes to financial statements.

**Wreaths Across America**  
**Statement of Activities**  
**Year Ended June 30, 2019**  
(With comparative totals for year ended June 30, 2018)

	Year Ended June 30, 2019			Year Ended June 30, 2018
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions
<b>REVENUES AND OTHER SUPPORT</b>				
Wreath sponsorships	\$ 21,556,256	\$ -	\$ 21,556,256	\$ 18,312,763
In-kind donations	393,987	-	393,987	407,576
Other merchandise sales	623,463	-	623,463	571,648
Contributions	263,483	15,000	278,483	174,730
Fundraising	13,100	-	13,100	-
Rental income	-	-	-	4,600
Interest	4,433	-	4,433	5,658
<b>Total revenues and other support</b>	<b>22,854,722</b>	<b>15,000</b>	<b>22,869,722</b>	<b>19,476,975</b>
<b>EXPENSES</b>				
Sponsorship related costs	\$ 15,364,430	\$ -	\$ 15,364,430	\$ 13,382,256
Cost of goods sold - specialty wreaths and other items	596,847	-	596,847	449,561
Trucking expenses	51,687	-	51,687	122,190
Distributions to outside groups	2,161,446	-	2,161,446	1,737,300
In-kind expenses	380,987	-	380,987	344,362
Salaries and wages	1,286,507	-	1,286,507	902,957
Payroll taxes	110,012	-	110,012	80,031
Employee benefits	121,990	-	121,990	106,114
Travel, meetings and trade shows	120,122	-	120,122	139,655
Advertising and promotion	322,963	-	322,963	178,115
Processing and usage fees	324,409	-	324,409	183,029
Legal and accounting fees	88,749	-	88,749	12,308
Professional fees	185,838	-	185,838	382,062
Software fees	160,336	-	160,336	25,675
Office supplies	245,496	-	245,496	81,162
Printing and copying	3,166	-	3,166	26,091
Shipping and postage	97,384	-	97,384	74,219
Occupancy	87,685	-	87,685	86,564
Insurance	46,328	-	46,328	34,110
Cleanup of wreaths maintenance	123,204	-	123,204	84,356
Dues and subscriptions	15,955	-	15,955	16,445
Awards and donations	22,613	-	22,613	18,501
Depreciation	847,544	-	847,544	559,610
Website	59	-	59	0
Vehicle expenses	60,349	-	60,349	48,494
Special events	277,972	-	277,972	150,184
Interest expense	9,243	-	9,243	2,999
Bad debt expense	-	-	-	780
Miscellaneous	113,763	-	113,763	97,364
<b>Total expenses</b>	<b>23,227,084</b>	<b>-</b>	<b>23,227,084</b>	<b>19,326,494</b>
<b>Change in net assets</b>	<b>(372,362)</b>	<b>15,000</b>	<b>(357,362)</b>	<b>150,481</b>
<b>NET ASSETS , BEGINNING OF YEAR</b>	<b>184,737</b>	<b>-</b>	<b>184,737</b>	<b>34,256</b>
<b>RESTATEMENT OF NET ASSETS (NOTE 9)</b>	<b>(34,654)</b>	<b>-</b>	<b>(34,654)</b>	<b>-</b>
<b>NET ASSETS, BEGINNING OF YEAR, RESTATED</b>	<b>150,083</b>	<b>-</b>	<b>150,083</b>	<b>34,256</b>
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<b>\$ (222,279)</b>	<b>\$ 15,000</b>	<b>\$ (207,279)</b>	<b>\$ 184,737</b>

**Wreaths Across America**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2019**  
(With comparative totals for year ended June 30, 2018)

	Year Ended June 30, 2019			(Comparative Total Only)
	Program Services	Management and General	Fundraising	Total Expenses
<b>EXPENSES</b>				
Sponsorship related costs	\$ 15,364,430	\$ -	\$ -	\$ 15,364,430
Cost of goods sold - specialty wreaths and other items	596,847	-	-	596,847
Shipping expenses	51,687	-	-	51,687
Distributions to outside groups	2,161,446	-	-	2,161,446
In-kind expenses	284,987	96,000	-	380,987
Salaries and wages	484,745	602,892	198,870	1,286,507
Payroll taxes	42,905	49,505	17,602	110,012
Employee benefits	47,575	54,896	19,519	121,990
Travel, meetings and trade shows	-	62,372	57,750	120,122
Advertising and promotion	-	161,482	161,481	322,963
Processing and usage fees	311,069	13,340	-	324,409
Legal and accounting fees	-	88,749	-	88,749
Professional fees	-	185,838	-	185,838
Software fees	160,336	-	-	160,336
Office supplies	-	245,496	-	245,496
Printing and copying	3,166	-	-	3,166
Postage and mailing costs	10,712	86,672	-	97,384
Occupancy	9,231	78,454	-	87,685
Insurance	-	46,328	-	46,328
Cleanup of wreaths maintenance	123,204	-	-	123,204
Dues and registrations	-	15,955	-	15,955
Awards and donations	22,613	-	-	22,613
Depreciation	423,772	423,772	-	847,544
Website	59	-	-	59
Vehicle expenses	60,349	-	-	60,349
Special events	243,062	-	34,910	277,972
Interest expense	-	9,243	-	9,243
Bad debt expense	-	-	-	-
Miscellaneous	42,355	71,408	-	113,763
	\$ 20,444,550	\$ 2,292,402	\$ 490,132	\$ 23,227,084
Total expenses				\$ 19,326,494

**Wreaths Across America  
Statement of Cash Flows  
Year Ended June 30, 2019  
(With comparative totals for 2018)**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (357,362)	\$ 150,481
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities		
Depreciation	847,544	559,610
(Increase) decrease in operating assets		
Accounts receivable	67,500	(67,500)
Dues receivable	-	1,320
Inventory	(75,164)	(11,805)
Prepaid expenses	(476,152)	153,980
Increase (decrease) in operating liabilities		
Accounts payable	179,687	20,783
Other payables	26,704	-
Accrued payroll payable	6,114	6,289
Accrued expenses	-	(4,670)
Deferred revenue	1,345,101	102,449
	<u>1,921,334</u>	<u>760,456</u>
Total adjustments		
Net cash provided by operating activities	<u>1,563,972</u>	<u>910,937</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale or disposal of capital assets	37,914	-
Capital outlay	<u>(1,108,876)</u>	<u>(1,227,060)</u>
Net cash used by investing activities	<u>(1,070,962)</u>	<u>(1,227,060)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	248,512	-
Repayments of long-term debt	<u>(50,144)</u>	<u>(47,480)</u>
Net cash provided (used) by financing activities	<u>198,368</u>	<u>(47,480)</u>
Net change in cash and cash equivalents	<u>691,378</u>	<u>(363,603)</u>
<b>CASH AT BEGINNING OF YEAR</b>	1,580,689	1,944,292
<b>Restatement of balance (Note 9)</b>	<u>(34,654)</u>	<u>-</u>
<b>CASH AT BEGINNING OF YEAR (RESTATED)</b>	<u>1,546,035</u>	<u>1,944,292</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 2,237,413</u>	<u>\$ 1,580,689</u>
<b>SUPPLEMENTAL DISCLOSURE</b>		
Interest paid during the year	<u>\$ 9,243</u>	<u>\$ 2,999</u>



**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

Wreaths Across America was incorporated in 2007 as a nonprofit organization whose mission is to Remember, Honor, Teach, in part by coordinating wreath laying ceremonies at veteran's cemeteries and other locations in all 50 states and beyond. The Organization's expenses and operations are funded primarily through wreath sponsorships, other contributions, and fundraising.

**Basis of Accounting**

The Organization prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

**Contributions**

Contributions and grants received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved and recorded as promises to give on the statement of financial position. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. When a restriction expires, restricted net assets are reclassified to unrestricted net assets.

The organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

**Contributed Services and Goods**

During the year ended June 30, 2019 and 2018, many individuals volunteered their time and performed a variety of tasks to assist the Organization in coordinating wreath laying ceremonies. These services do not meet the criteria for recognition as contributed services and therefore have not been recorded in the financial statements. Certain other contributed professional services are recognized if the services received create or enhance long-lived assets or require specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

**Estimates**

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

**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

It is the Organization's policy to capitalize property and equipment with a useful life greater than one year. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful life of the assets, which is 2-20 years.

**Collections**

The Organization maintains a significant collection of items in the Organization's museum. These items include donated medals, pictures, uniforms, books, other memorabilia, and artwork. The Organization has not capitalized these items, as the value at time of donation was indeterminable.

**Financial Statement Presentation**

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

**Fair Value of Financial Instruments**

The carrying amounts reflected in the accompanying balance sheets for cash and cash equivalents, accounts receivable, inventory, accounts payable and other current liabilities approximate the respective fair values due to the short maturities of those instruments.

**Inventory**

Inventory is reported at the lower of cost or market values in the statement of financial position, determined using the average cost method.

**Advertising**

The cost of advertising is expensed as incurred in the statement of activities.

**Shipping Costs**

The cost of shipping is expensed as incurred and reported separately from cost of goods sold in the statement of activities as trucking expenses or as shipping and postage, which totaled \$290,205 in the year ended June 30, 2019 and \$495,921 in the year ended June 30, 2018.

**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Organization is an exempt organization as described in Internal Revenue Code Section 501(c)(3) and has been determined not to be a private foundation. Accordingly, no provision for income taxes is shown in the accompanying financial statements. The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, when applicable, the Organization considers all highly liquid investments available for current use with initial maturities of three months or less to be cash equivalents.

**Change in Accounting Principle**

During the year ended June 30, 2019, the Organization implemented FASB 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. The presentation of the Organization's financial statements has been adjusted accordingly. The ASU has been applied retrospectively to all periods presented.

**Comparative Data**

The financial statements include certain prior-year summarized comparative information only in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

**NOTE 2. LIQUIDITY AND AVAILABILITY**

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$2,237,413	\$1,580,689
Accounts receivable	-	67,500
	<u>\$2,237,413</u>	<u>\$1,648,189</u>

**NOTE 3. CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at a financial institution located in Maine. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization's account balances at times exceed FDIC insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to significant risk on its cash deposits.

**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 4. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	<b>Balance 06/30/18</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance 06/30/19</b>
Buildings and improvements	\$ 244,825	\$ -	\$ -	\$ 244,825
Leasehold improvements	139,877	66,674	-	206,551
Vehicles	227,406	254,539	-	481,945
Software	1,407,900	774,663	-	2,182,563
Furniture and fixtures	100,775	-	(44,232)	56,543
Equipment	239,873	13,000	-	252,873
Accumulated depreciation	<u>(901,221)</u>	<u>(847,544)</u>	<u>6,318</u>	<u>(1,742,447)</u>
Total property and equipment, net	<u>\$ 1,459,435</u>	<u>\$ 261,332</u>	<u>\$ (37,914)</u>	<u>\$ 1,682,853</u>

**NOTE 5. LONG-TERM LIABILITIES**

The following is a summary of long-term liabilities for the year ended June 30, 2019.

<b>NOTES PAYABLE</b>	<b>Balance June 30, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2019</b>	<b>Portion due within one year</b>
<i>Bangor Savings Bank</i>					
Building note dated July 24, 2016, due July, 2035. Interest at 4.75% with monthly principal and interest payments	\$ 128,910	\$ 472	\$ -	\$ 129,382	\$ 3,403
<i>Mercedes-Benz Financing</i>					
Vehicle note dated June 11, 2016, due 2020. Interest at 3.900% with monthly principal and interest payments	23,657	-	(11,598)	12,059	12,059
<i>GM Financial Financing</i>					
Vehicle note dated March 22, 2017, due 2021. Interest at 0.00% with monthly principal payments	45,661	-	(15,220)	30,441	16,604
Vehicle note dated December 31, 2016, due 2020. Interest at 5.900% with monthly principal and interest payments	15,551	-	(5,967)	9,584	6,303
Vehicle note dated December 27, 2018, due 2024. Interest at 7.110% with monthly principal payments	-	63,782	(4,363)	59,419	11,479
Vehicle note dated December 27, 2018, due 2024. Interest at 6.990% with monthly principal payments	-	42,267	(3,602)	38,665	7,571
Vehicle note dated December 27, 2018, due 2024. Interest at 6.990% with monthly principal payments	-	42,267	(3,602)	38,665	7,571

**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 5. LONG-TERM LIABILITIES (CONTINUED)**

NOTES PAYABLE (CONTINUED)	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019	Portion due within one year
<i>GM Financial Financing</i>					
Vehicle note dated December 27, 2018, due 2024. Interest at 7.110% with monthly principal payments	-	63,782	(4,363)	59,419	11,479
<i>Ally Financial</i>					
Vehicle note dated December 27, 2018, due 2024. Interest at 6.990% with monthly principal payments	-	<u>35,942</u>	<u>(1,429)</u>	<u>34,513</u>	<u>5,829</u>
Total notes payable	<u>\$ 213,779</u>	<u>\$ 248,512</u>	<u>\$ (50,144)</u>	<u>\$ 412,147</u>	<u>\$ 82,298</u>

**Notes Payable**

Future maturities of notes payable are as follows:

Year ended June 30	Principal	Interest	Total
2020	\$ 82,296	\$ 22,717	\$ 105,013
2021	69,658	16,918	86,576
2022	56,302	13,067	69,369
2022	60,335	9,034	69,369
2024	40,221	5,013	45,234
2025-2029	36,274	15,231	51,505
2030-2034	47,726	3,779	51,505
2035-2036	<u>19,335</u>	<u>1,268</u>	<u>20,603</u>
Total	<u>\$ 412,147</u>	<u>\$ 87,027</u>	<u>\$ 499,174</u>

**NOTE 6. FUNCTIONAL EXPENDITURES**

The cost of providing the program and supporting services have been summarized on a functional basis in the statement of activities. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits and payroll taxes, which are allocated on the basis of estimates of time and effort.

The Organization's expenditures by function are as follows for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Program	\$ 20,444,550	\$ 17,326,271
Management and general	2,292,402	1,685,606
Fundraising	<u>490,132</u>	<u>314,617</u>
Total expenditures	<u>\$ 23,227,084</u>	<u>\$ 19,326,494</u>

The Organization reports their costs by nature of expense on the statement of functional expenses.

**Wreaths Across America**  
**Notes to Financial Statements**  
**June 30, 2019**  
**(With comparative totals for year ended June 30, 2018)**

**NOTE 7. RELATED PARTY TRANSACTIONS**

During the year ending June 30, 2019 the Organization paid Worcester Resources, Inc. for inventory items. The founder of Wreaths Across America is the owner of Worcester Resources, Inc. Total payments to Worcester Resources, Inc. during the year ended June 30, 2019 were approximately \$15,939,578 and \$13,046,027 during the year ended June 30, 2018 for inventory. At June 30, 2019 and 2018, no amounts were owed to Worcester Resources, Inc. for goods or services provided.

**NOTE 8. CONCENTRATIONS**

Worcester Resources, Inc., as the sole supplier of wreaths for the Organization, accounted for approximately 99% or \$15,361,826 of the sponsorship related costs for the year ended June 30, 2019 and 97% or \$13,046,027 for the year ended June 30, 2018. The Organization is committed to maintain the relationship disclosed with this vendor in Note 6 through the December, 2019 wreath laying event.

Wreath sponsorships, as the major source of revenue, accounted for approximately 94% or \$21,556,256 of total revenues for the year ended June 30, 2019 and 94% or \$18,600,850 for the year ended June 30, 2018. The Organization has no plans to significantly diversify its revenue sources.

**NOTE 9. RESTATEMENT OF BEGINNING BALANCES**

The Organization restated its beginning net assets and cash by \$34,654 remove old outstanding deposits and checks.

**NOTE 10. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through July 22, 2020 the date on which the financial statements were available to be issued.