

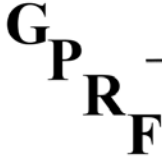
**REACHING U,
A FOUNDATION FOR URUGUAY**

Financial Report

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Reaching U, A Foundation for Uruguay
New York, NY

We have audited the accompanying financial statements of Reaching U, A Foundation for Uruguay ("Reaching U"), a not-for-profit organization, which comprise the statements of financial position as of December 31, 2018 and 2017, and related statements of activities, functional expenses, and cash flows 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. 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.

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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 Reaching U, A Foundation for Uruguay as of December 31, 2018 and 2017, and the changes in its net assets, its functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Reaching U, A Foundation for Uruguay adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities* as discussed in Note 2. Our opinion is not modified with respect to that matter.

Gruber Palumbo Raffaele Fried, P.C.

New York, NY
October 16, 2019

THE FIRM OF LORENTZ AND GRUBER SINCE 1945

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**REACHING U,
A FOUNDATION FOR URUGUAY**
Statements of Financial Position
As of December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	\$ 1,103,791	\$ 2,528,395
Grants and contributions receivable	95,650	68,730
Prepaid expenses	1,500	-
Artwork held for auction	<u>-</u>	<u>12,000</u>
Total assets	<u>\$ 1,200,941</u>	<u>\$ 2,609,125</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 32,822</u>	<u>\$ 42,118</u>
Total liabilities	<u>32,822</u>	<u>42,118</u>
NET ASSETS		
Without donor restrictions		
Board designated	460,000	460,000
Undesignated	<u>677,171</u>	<u>1,031,059</u>
Total without donor restrictions	1,137,171	1,491,059
With donor restrictions	<u>30,948</u>	<u>1,075,948</u>
Total net assets	<u>1,168,119</u>	<u>2,567,007</u>
Total liabilities and net assets	<u>\$ 1,200,941</u>	<u>\$ 2,609,125</u>

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

**REACHING U,
A FOUNDATION FOR URUGUAY**
Statements of Activities
For the Years Ended December 31, 2018 and 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:						
Grants and contributions: other	\$ 76,617	\$ 84,785	\$ 161,402	\$ 456,017	\$ 93,189	\$ 549,206
Grants and contributions: Espigas	-	921,151	921,151	-	3,350,000	3,350,000
In-kind contributions	59,468	-	59,468	54,410	-	54,410
Funraising events (including in-kind goods amounts of \$4,524 in 2018 and \$6,065 in 2017, respectively)	530,046	-	530,046	752,395	-	752,395
Interest income	<u>52</u>	<u>-</u>	<u>52</u>	<u>6</u>	<u>-</u>	<u>6</u>
	666,183	1,005,936	1,672,119	1,262,828	3,443,189	4,706,017
Net assets released from restrictions						
Satisfaction of program restrictions	<u>2,050,936</u>	<u>(2,050,936)</u>	<u>-</u>	<u>2,546,009</u>	<u>(2,546,009)</u>	<u>-</u>
Total revenue and support	<u>2,717,119</u>	<u>(1,045,000)</u>	<u>1,672,119</u>	<u>3,808,837</u>	<u>897,180</u>	<u>4,706,017</u>
EXPENSES:						
Program services						
Better Learning	271,958	-	271,958	368,094	-	368,094
Zero Fee Education	2,146,386	-	2,146,386	2,580,469	-	2,580,469
Principal and Teacher Training	136,078	-	136,078	109,454	-	109,454
Emotional Learning and Tutoring	142,875	-	142,875	98,265	-	98,265
Others	24,903	-	24,903	12,632	-	12,632
Management and general	130,246	-	130,246	147,246	-	147,246
Fundraising:						
General	55,809	-	55,809	62,751	-	62,751
Special events	<u>162,752</u>	<u>-</u>	<u>162,752</u>	<u>185,483</u>	<u>-</u>	<u>185,483</u>
Total expenses	<u>3,071,007</u>	<u>-</u>	<u>3,071,007</u>	<u>3,564,394</u>	<u>-</u>	<u>3,564,394</u>
Change in net assets	(353,888)	(1,045,000)	(1,398,888)	244,443	897,180	1,141,623
Net assets, beginning of year	<u>1,491,059</u>	<u>1,075,948</u>	<u>2,567,007</u>	<u>1,246,616</u>	<u>178,768</u>	<u>1,425,384</u>
Net assets, end of year	<u>\$ 1,137,171</u>	<u>\$ 30,948</u>	<u>\$ 1,168,119</u>	<u>\$ 1,491,059</u>	<u>\$ 1,075,948</u>	<u>\$ 2,567,007</u>

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

REACHING U
A FOUNDATION FOR URUGUAY
Statement of Functional Expenses
For the Year Ended December 31, 2018

	Programs					Total	Supporting Services			2018 Total
	Better Learning	Zero Fee Education	Principal and Teacher Training	Emotional and Learning Tutoring	Others		Management and General	Fundraising General	Special Events	
EXPENSES:										
Program grants: Espigas	\$ -	\$ 1,971,151	\$ -	\$ -	\$ -	\$ 1,971,151	\$ -	\$ -	\$ -	1,971,151
Program and charitable grants	237,122	152,372	117,570	124,180	23,329	654,573	-	-	-	654,573
Salaries and related costs	34,836	22,863	18,508	18,695	1,574	96,476	48,239	48,239	-	192,954
Catering and program	-	-	-	-	-	-	-	-	79,933	79,933
Professional fees	-	-	-	-	-	-	63,685	-	-	63,685
Travel, meetings, and conferences	-	-	-	-	-	-	6,859	-	3,083	9,942
Auction fees and commissions	-	-	-	-	-	-	-	-	9,724	9,724
Space rental	-	-	-	-	-	-	-	-	8,557	8,557
Bank charges and processing fees	-	-	-	-	-	-	1,853	4,788	-	6,641
Accounting and auditing fees	-	-	-	-	-	-	3,390	-	-	3,390
Marketing and promotion	-	-	-	-	-	-	-	2,782	168	2,950
Printing and copying	-	-	-	-	-	-	70	-	2,066	2,136
Consultants	-	-	-	-	-	-	-	-	1,261	1,261
Office expenses	-	-	-	-	-	-	1,377	-	-	1,377
Telephone and internet	-	-	-	-	-	-	1,184	-	-	1,184
Licenses and fees	-	-	-	-	-	-	470	-	-	470
Postage	-	-	-	-	-	-	455	-	-	455
Miscellaneous	-	-	-	-	-	-	2,663	-	57,961	60,624
Total expenses	<u>\$ 271,958</u>	<u>\$ 2,146,386</u>	<u>\$ 136,078</u>	<u>\$ 142,875</u>	<u>\$ 24,903</u>	<u>\$ 2,722,200</u>	<u>\$ 130,246</u>	<u>\$ 55,809</u>	<u>\$ 162,752</u>	<u>\$ 3,071,007</u>

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

**REACHING U
A FOUNDATION FOR URUGUAY**
Statement of Functional Expenses
For the Year Ended December 31, 2017

	Programs						Supporting Services			2017 Total
	Better Learning	Zero Fee Education	Principal and Teacher Training	Emotional and Learning Tutoring	Others	Total	Management and General	Fundraising General	Special Events	
EXPENSES:										
Program grants: Espigas	\$ -	\$ 2,435,807	\$ -	\$ -	\$ -	\$ 2,435,807	\$ -	\$ -	\$ -	\$ 2,435,807
Program and charitable grants	317,513	121,652	92,044	82,635	10,534	624,378	-	-	-	624,378
Salaries and related costs	50,581	23,010	17,410	15,630	-	106,631	53,317	53,317	-	213,265
Catering and program	-	-	-	-	-	-	-	-	73,409	73,409
Professional fees	-	-	-	-	-	-	58,236	-	-	58,236
Space rental	-	-	-	-	-	-	-	-	30,968	30,968
Accounting and auditing fees	-	-	-	-	-	-	28,120	-	-	28,120
Consultants	-	-	-	-	-	-	-	-	21,639	21,639
Marketing and promotion	-	-	-	-	-	-	-	6,451	2,144	8,595
Auction fees and commissions	-	-	-	-	-	-	-	-	8,100	8,100
Bank charges and processing fees	-	-	-	-	300	300	2,152	2,983	-	5,435
Travel, meetings, and conferences	-	-	-	-	-	-	3,131	-	1,481	4,612
Printing and copying	-	-	-	-	-	-	20	-	1,883	1,903
Licenses and fees	-	-	-	-	-	-	948	-	-	948
Telephone and internet	-	-	-	-	-	-	645	-	-	645
Postage	-	-	-	-	-	-	527	-	-	527
Office expenses	-	-	-	-	-	-	150	-	-	150
Miscellaneous	-	-	-	-	1,798	1,798	-	-	45,859	47,657
Total expenses	\$ 368,094	\$ 2,580,469	\$ 109,454	\$ 98,265	\$ 12,632	\$ 3,168,914	\$ 147,246	\$ 62,751	\$ 185,483	\$ 3,564,394

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

**REACHING U,
A FOUNDATION FOR URUGUAY**
Statements of Cash Flows
For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,398,888)	\$ 1,141,623
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Changes in operating assets and liabilities		
(Increase) decrease in grants and contributions receivable	(26,920)	21,750
(Increase) decrease in prepaid expenses	(1,500)	26,264
Decrease (increase) in artwork held for auction	12,000	(12,000)
(Decrease) in accounts payable and accrued expenses	<u>(9,296)</u>	<u>(45,470)</u>
Net cash (used in) provided by operating activities	(1,424,604)	1,132,167
Cash flows from investing activities:		
Decrease in investments	<u>-</u>	<u>25,720</u>
Net cash provided by investing activities	<u>-</u>	<u>25,720</u>
Net (decrease) increase in cash and equivalents	(1,424,604)	1,157,887
Cash and equivalents, beginning of year	<u>2,528,395</u>	<u>1,370,508</u>
Cash and equivalents, end of the year	<u>\$ 1,103,791</u>	<u>\$ 2,528,395</u>

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

**REACHING U
A FOUNDATION FOR URUGUAY**
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 1. ORGANIZATION

Founded in 2001, Reaching U, A Foundation for Uruguay (“Reaching U”) is a Delaware not-for-profit organization, based in Miami, Florida. Reaching U promotes initiatives and strengthens organizations that offer educational opportunities so that all Uruguayans living in poverty can develop their full potential.

Reaching U is exempt from Federal Income Tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509 (a)(2).

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Net Assets without Donor Restrictions: These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions: These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cash and Cash Equivalents

Reaching U considers all liquid financial instruments with original maturity dates of ninety days or less when acquired to be cash equivalents.

REACHING U
A FOUNDATION FOR URUGUAY
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investment Policy and Objective

Investments in securities with readily determinable fair values are measured at fair value in the accompanying statement of financial position. Realized and unrealized gains or losses are reported in the accompanying statements of activities as increases and decreases in net assets. Reaching U's primary investment objective is to maximize total return with minimal risk. The stated goal is to preserve capital intended for Reaching U's charitable mission while generating cash flows to support current operations.

Grants and Contributions

Reaching U records contributions and grants, both cash and in-kind, when an unconditional promise to give such assets is received from a donor. Contributions and grants are recorded at the fair market value of the assets received and are classified as either net assets without donor restriction, or net assets with donor restriction, depending on whether the donor has imposed a restriction on the use of such assets.

Contributions received are recorded as increases in net assets without donor restrictions or net asset with donor restrictions depending on the existence and/or nature of any donor restrictions.

When restrictions expire (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 and grants receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using a risk-free interest rate determined in the year in which the contribution originates. Amortization of the discount is included in contribution revenue. Reaching U received no multiyear promises to give during the years ended December 31, 2018 and 2017.

Reaching U periodically evaluates the balances in the various account receivable categories as well as the status of any significant past due accounts to determine if any balances are uncollectible. When management determines that a receivable is uncollectible, the balance is removed from the receivables balance and is charged directly against operations. Subsequent recoveries of amounts previously written off are credited directly to revenue.

In-Kind Contributions

In-kind contributions are reflected as revenue and expense in the accompanying financial statements at estimated fair market value at time of donation.

REACHING U
A FOUNDATION FOR URUGUAY
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property and Equipment

Reaching U capitalizes property and equipment with an expected useful life of more than one year. Depreciation and amortization of property and equipment are provided on the straight-line method over the expected useful lives of the assets.

Functional Expenses Allocation

Reaching U has summarized the costs of providing the various programs and other activities on functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management determined such allocations in accordance with grant provisions and/or other equitable bases.

Income Taxes

Reaching U has adopted Accounting Standards Codification (“ASC”) 740 “Income Taxes.” ASC 740 requires that a tax position be recognized or derecognized based on a “more likely than not” threshold. This applies to positions taken or expected to be taken in a tax return. The adoption of this guidance did not have an impact on Reaching U’s financial statements, as management believes that there are no uncertain tax positions within its financial statements.

Reaching U has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; determine its filing and tax obligations in jurisdictions for which it was nexus; and to review other matters that may be considered tax positions.

Reaching U’s Form 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

Concentration of Credit Risk

Financial instruments that potentially subject Reaching U to concentrations of credit risk consist primarily of cash and cash equivalents. Reaching U maintains cash and cash equivalent balances in various bank accounts that, at times, may exceed federally insured limits. Reaching U’s cash accounts were placed with high credit quality financial institutions. Reaching U has not experienced, nor does it anticipate, any losses in such accounts. At December 31, 2018 and 2017, Reaching U had uninsured cash balance of \$853,791 and \$2,278,395, respectively.

REACHING U
A FOUNDATION FOR URUGUAY
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Use of Estimates

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

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to current year presentation.

Implementation of FASB ASU 2016-14

During the year ended December 31, 2018, Reaching U implemented Financial Accounting Standards Board Accounting Standards Update (FASB ASU) 2016-14. FASB ASU 2016-14 provides new and expanded guidance for financial reporting for not-for-profit entities. The implementation of FASB ASU 2016-14 has resulted in multiple changes to APF's financial reporting. Net assets are now categorized in two categories; net assets with donor restrictions and net assets without donor restrictions. Reaching U had added additional disclosures related to its financial liquidity and the availability of financial assets for general expenditure within one year from each statement of financial statement date. This adoption has been retrospectively applied to the financial statements for the year ended December 31, 2017.

New Authoritative Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606) and Other Assets and Deferred Costs - Contracts with Customers (Subtopic 340-40). This ASU implements a single framework for revenue recognition ensuring that revenue is recognized in a manner which reflects the consideration to which the entity expects to be entitled to in exchange for goods and services. Reaching U is evaluating the impact on the organization's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new ASU establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. The ASU is effective for fiscal years beginning after December 15, 2019 with early adoption permissible. Reaching U is evaluating the impact of the new standard on the organization's financial statements.

**REACHING U
A FOUNDATION FOR URUGUAY**
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 3. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consist of amounts to be received during the following years:

	<u>2018</u>	<u>2017</u>
Receivable in less than one year	<u>\$ 95,650</u>	<u>\$ 68,730</u>

NOTE 4. CONCENTRATION OF CONTRIBUTIONS

Reaching U received approximately 62% and 74% of its contribution revenues from one private foundation during the year ended December 31, 2018 and 2017, respectively.

NOTE 5. IN-KIND CONTRIBUTIONS

Substantial amounts of services and space are donated by volunteers in carrying out the mission of Reaching U. No amounts have been reflected in the financial statements for those services either because the amounts cannot be quantified, or the volunteers' time does not meet the criteria for recognition under ASC 958.

Food and beverage costs amounting to \$4,524 and \$6,065 were donated by fund-raising event vendors during 2018 and 2017 and have been included in the statements of activities for that year under special events, as both revenues and event costs.

In addition, Reaching U received pro bono legal consultation services with an estimated fair value of approximately \$59,468 and \$42,410 during 2018 and 2017 in connection with the funding of the special project, respectively. This amount is reflected in the statements of activities as a contribution and in the statements of functional expenses as professional expenses.

Reaching U received the following in-kind contributions for the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Legal Fees	\$ 59,468	\$ 42,410
Artwork and other items donated for auction	-	12,000
Total	<u>\$ 59,468</u>	<u>\$ 54,410</u>

**REACHING U
A FOUNDATION FOR URUGUAY**
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 6. FUNDRAISING EVENT ACTIVITIES

Total artwork and other items donated for auction for the fundraising events during 2018 and 2017 are included in fundraising events revenue on the statement of activities and amounted to \$108,818 and \$190,490, respectively.

NOTE 7. BOARD-DESIGNATED ENDOWMENT

The board of directors has set aside certain unrestricted net assets for endowment purposes. Since these amounts are not restricted by the donor but restricted only by board policy, the amounts have been classified as unrestricted net assets. The board of directors may designate additional amounts from time to time to be added to the endowment fund.

	<u>2018</u>	<u>2017</u>
Endowment net assets, beginning of year	\$ 460,000	\$ 460,000
Increase by:		
Contributions	<u>-</u>	<u>-</u>
Endowment net assets, end of year	<u>\$ 460,000</u>	<u>\$ 460,000</u>

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Reaching U's net assets with donor restrictions are subject to the following purpose restrictions:

	<u>2018</u>	<u>2017</u>
Restricted for a specified purpose		
For Liceo Espigas School	\$ 25,711	\$ 1,075,711
For School Library	237	237
Don Bosco Program	<u>5,000</u>	<u>-</u>
Total net assets	<u>\$ 30,948</u>	<u>\$ 1,075,948</u>

**REACHING U
A FOUNDATION FOR URUGUAY**
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS -continued

Assets released from donor restrictions for the years ended December 31, 2018 and 2017 are reflected below:

	<u>2018</u>	<u>2017</u>
Released for purposes		
Liceo Espigas School	\$ 1,971,151	\$ 2,435,807
Los Pinos After School Support and Employment Training Programs	3,800	7,700
Purchase Equipment and Materials for the School Library	-	18,252
Innovation in Teaching for the Improvement of Mathematics	-	15,000
Development of Rural Schools	23,000	23,000
Foundacion Sophia	-	9,500
Education Throught Art	-	500
United by Reading program	13,216	21,000
Don Bosco Program	12,000	10,000
Purchase Equipment for Anima Students	6,085	-
MABI Project	2,932	-
Fulbright Program	11,429	-
Future Graduates Program	5,423	-
Rodrigo Arias Program	1,900	-
Fundraising Events	-	5,250
Total	<u>\$ 2,050,936</u>	<u>\$ 2,546,009</u>

REACHING U
A FOUNDATION FOR URUGUAY
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 9. LIQUIDITY AND AVAILABILITY

The below reflects Reaching U's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date.

	<u>2018</u>	<u>2017</u>
Financial assets, at year-end		
Cash and cash equivalents	\$ 1,103,791	\$ 2,528,395
Grants and contributions receivable	<u>95,650</u>	<u>68,730</u>
	<u>1,199,441</u>	<u>2,597,125</u>
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restrictions	<u>(30,948)</u>	<u>(1,075,948)</u>
	<u>(30,948)</u>	<u>(1,075,948)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,168,493</u>	<u>\$ 1,521,177</u>

In total, Reaching U has financial assets on hand at December 31, 2018 to cover approximated sixteen months of operating expenses based on the 2019 monthly budgeted run rate for all program and support services expenses. Excluding grants paid, which consist of 52% of the total budgeted expenses, financial assets on hand will cover thirty-one months of operating expenses.

NOTE 10. SUBSEQUENT EVENTS

Reaching U evaluated its December 31, 2018 financial statements for subsequent events through October 16, 2019, the date the financial statements were available to be issued. Reaching U is not aware of any subsequent events which would require recognition or disclosure in the financial statements.