

Flying Horse Farms

Financial Statements
December 31, 2017 and 2016
(with Independent Auditors' Report)

TABLE OF CONTENTS

Independent Auditors' Report.....	1 - 2
Financial Statements:	
Statements of Financial Position	3 - 4
Statements of Activities	5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows.....	8 - 9
Notes to the Financial Statements.....	10 - 17

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Flying Horse Farms
Mt. Gilead, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of Flying Horse Farms (an Ohio not-for-profit corporation), which comprise the statements of financial position as of December 31, 2017 and 2016, and the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 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 Flying Horse Farms as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
March 14, 2018

Flying Horse Farms
Statements of Financial Position
December 31, 2017 and 2016

Assets

	<u>2017</u>	<u>2016</u>
Current assets:		
Cash and cash equivalents	\$ 1,294,047	584,240
Current portion of contributions receivable, net of allowance of \$60,000 and \$30,000, respectively	957,530	1,663,981
Investments	6,628	-
Other receivables	1,366	46
Prepaid expenses	<u>75,021</u>	<u>67,188</u>
	<u>2,334,592</u>	<u>2,315,455</u>
Property and equipment:		
Construction in progress	219,562	93,570
Buildings	13,611,852	13,550,690
Land improvements	727,741	722,321
Vehicles	91,318	86,032
Equipment	<u>889,738</u>	<u>885,518</u>
	15,540,211	15,338,131
Less accumulated depreciation	<u>3,219,272</u>	<u>2,754,532</u>
	<u>12,320,939</u>	<u>12,583,599</u>
Other assets:		
Contributions receivable, less current portion	<u>1,086,989</u>	<u>1,148,107</u>
	<u>\$ 15,742,520</u>	<u>16,047,161</u>

See accompanying notes to the financial statements.

Flying Horse Farms
 Statements of Financial Position (continued)
 December 31, 2017 and 2016

Liabilities and Net Assets

	<u>2017</u>	<u>2016</u>
Current liabilities:		
Current portion of long-term debt	\$ 128,194	124,718
Current portion of capital lease obligation	5,202	5,024
Line of credit	654,685	401,847
Accounts payable	9,672	16,382
Accrued expenses	<u>117,740</u>	<u>140,938</u>
	<u>915,493</u>	<u>688,909</u>
Other liabilities:		
Long-term debt, less current portion	2,029,438	2,741,168
Less: unamortized debt issuance costs	(254,013)	(268,062)
Capital lease obligation	<u>15,280</u>	<u>20,482</u>
	<u>1,790,705</u>	<u>2,493,588</u>
Net assets:		
Unrestricted net assets	10,873,426	10,841,114
Temporarily restricted net assets	<u>2,162,896</u>	<u>2,023,550</u>
	<u>13,036,322</u>	<u>12,864,664</u>
	<u>\$ 15,742,520</u>	<u>16,047,161</u>

See accompanying notes to the financial statements.

Flying Horse Farms
Statements of Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Changes in unrestricted net assets:		
Revenue:		
Contributions	\$ 2,686,064	3,513,271
Release of restricted contributions	1,872,460	1,209,935
Other	<u>18,727</u>	<u>14,314</u>
	<u>4,577,251</u>	<u>4,737,520</u>
Expenses:		
Program services	2,841,687	2,880,796
Management and general	524,915	580,774
Fundraising	<u>1,174,781</u>	<u>1,341,234</u>
	<u>4,541,383</u>	<u>4,802,804</u>
Other expense -		
Loss on disposal of assets	<u>(3,556)</u>	<u>(29,515)</u>
Change in unrestricted net assets	<u>32,312</u>	<u>(94,799)</u>
Changes in temporarily restricted net assets:		
Restricted contributions	2,011,806	1,318,569
Restricted contributions released	<u>(1,872,460)</u>	<u>(1,209,935)</u>
Change in temporarily restricted net assets	<u>139,346</u>	<u>108,634</u>
Change in net assets	171,658	13,835
Net assets - beginning of year	<u>12,864,664</u>	<u>12,850,829</u>
Net assets - end of year	\$ <u>13,036,322</u>	<u>12,864,664</u>

See accompanying notes to the financial statements.

Flying Horse Farms
Statement of Functional Expenses
Year Ended December 31, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 1,194,309	367,072	548,512	2,109,893
Payroll taxes	96,235	27,027	45,957	169,219
Employee benefits	159,133	47,443	99,847	306,423
Advertising	23,999	-	25,421	49,420
Special event supplies	-	-	338,369	338,369
Contract labor	1,167	-	-	1,167
Insurance	60,121	4,037	-	64,158
Travel and entertainment	6,716	-	2,430	9,146
Professional fees	97,200	45,991	12,300	155,491
Printing and postage	5,331	403	4,245	9,979
Bank and service fees	2,236	3,472	11,366	17,074
Supplies	461,778	8,277	16,980	487,035
Rent	26,479	335	701	27,515
Meetings	6,408	27	75	6,510
Interest	98,831	848	1,940	101,619
Utilities	92,773	1,456	2,557	96,786
Bad debt	-	-	41,398	41,398
Amortization	-	14,049	-	14,049
Depreciation	498,747	4,278	9,790	512,815
Miscellaneous	<u>10,224</u>	<u>200</u>	<u>12,893</u>	<u>23,317</u>
	\$ <u><u>2,841,687</u></u>	<u><u>524,915</u></u>	<u><u>1,174,781</u></u>	<u><u>4,541,383</u></u>

See accompanying notes to the financial statements.

Flying Horse Farms
Statement of Functional Expenses
Year Ended December 31, 2016

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 1,178,269	396,417	618,020	2,192,706
Payroll taxes	89,733	26,208	49,901	165,842
Employee benefits	180,756	57,934	145,975	384,665
Advertising	31,825	-	42,781	74,606
Special event supplies	-	-	290,217	290,217
Contract labor	1,545	-	-	1,545
Insurance	57,457	3,986	-	61,443
Travel and entertainment	5,196	823	4,036	10,055
Professional fees	61,965	39,865	7,015	108,845
Printing and postage	6,737	2,146	4,141	13,024
Bank and service fees	2,178	8,030	8,675	18,883
Supplies	523,640	14,844	28,448	566,932
Rent	33,010	834	1,609	35,453
Meetings	1,245	8	137	1,390
Interest	114,600	983	2,250	117,833
Utilities	92,692	1,388	2,546	96,626
Bad debt	-	-	125,681	125,681
Amortization	-	19,141	-	19,141
Depreciation	498,359	4,275	9,782	512,416
Miscellaneous	<u>1,589</u>	<u>3,892</u>	<u>20</u>	<u>5,501</u>
	<u>\$ 2,880,796</u>	<u>580,774</u>	<u>1,341,234</u>	<u>4,802,804</u>

See accompanying notes to the financial statements.

Flying Horse Farms
Statements of Cash Flows
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 171,658	13,835
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	526,864	531,557
Bad debt	41,398	125,681
Loss on disposal of assets	3,556	29,515
In-kind contributions	(60,669)	(349,437)
Change in discount for future pledges	30,414	31,583
Forgiveness of debt	(291,768)	(291,768)
Effects of changes in operating assets and liabilities:		
Contributions receivable	695,757	(79,052)
Other receivable	(1,320)	311
Prepaid expenses	(7,833)	33,312
Accounts payable	(6,710)	(95,559)
Accrued expenses	<u>(23,198)</u>	<u>49,496</u>
Net cash provided (used) by operating activities	<u>1,078,149</u>	<u>(526)</u>
Cash flows from investing activities:		
Proceeds from sale of assets	4,522	-
Purchase of property and equipment	(209,654)	(93,233)
Proceeds from sale of investments	<u>5,462</u>	<u>246,405</u>
Net cash provided (used) by investing activities	<u>(199,670)</u>	<u>153,172</u>
Cash flows from financing activities:		
Payments on notes payable	(416,486)	(413,132)
Net borrowings on line of credit	252,838	401,847
Repayments of capital lease	<u>(5,024)</u>	<u>(1,144)</u>
Net cash used by financing activities	<u>(168,672)</u>	<u>(12,429)</u>
Increase in cash and cash equivalents	709,807	140,217
Cash and cash equivalents - beginning of year	<u>584,240</u>	<u>444,023</u>
Cash and cash equivalents - end of year	\$ <u>1,294,047</u>	<u>584,240</u>

See accompanying notes to the financial statements.

Flying Horse Farms
 Statements of Cash Flows (continued)
 Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Supplemental Disclosures of Cash Flow Information</u>		
Cash paid during the year for interest	\$ <u>101,619</u>	<u>117,833</u>
In-kind donations received and expensed in the same period	\$ <u>578,901</u>	<u>667,087</u>
Noncash investing and financing activities:		
In-kind contributions:		
Investments	\$ 12,090	246,405
Property and equipment	48,579	103,032
Capitalized equipment	-	26,650
Bond debt forgiveness	<u>291,768</u>	<u>291,768</u>
	\$ <u>352,437</u>	<u>667,855</u>
Change in discount for future pledges	\$ <u>(30,414)</u>	<u>(31,583)</u>

See accompanying notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Flying Horse Farms are set forth to facilitate the understanding of data presented in the financial statements:

Nature of activities

Flying Horse Farms (the Organization) is a non-profit organization that provides magical, transformative camp experiences for children with serious illnesses and their families. Located on approximately 200 acres just outside of Mt. Gilead, Ohio, the Organization hosts hundreds of children and families each year—free of charge. The children who benefit from the camp have illnesses including arthritis, asthma, cancer, bleeding disorders, gastrointestinal disease, heart disease, kidney disease, and craniofacial anomalies.

Flying Horse Farms is a member of the SeriousFun Children's Network, the world's largest family of camps for children with serious illnesses. Founded in 1988 by Paul Newman, the Network has collectively served more than 605,000 children and families from five continents and 50 countries. Flying Horse Farms has also received ACA-Accredited Camp status after submitting to a thorough review by the American Camp Association.

Basis of accounting

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

Basis of presentation

The Organization 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.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments with initial maturity of three months or less to be cash equivalents.

Receivables

Unconditional contributions receivable are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or in-kind expenses depending on the form of the benefits received.

Contributions receivable consist primarily of amounts due from individuals. The receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense in the statements of activities and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables.

Investments

The Organization carries investments in marketable equity securities with readily determinable fair values at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Property and equipment

Property and equipment are recorded at cost, or fair value, if donated. Assets acquired through capital lease agreements are capitalized at their fair market value as of the date of lease inception. Depreciation on property and equipment is provided using the straight-line method over the estimated useful life, which is five years for vehicles, three to fifteen years for equipment, thirty-nine years for land improvements and thirty-nine years for buildings. Additions and betterments in excess of \$500 are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred.

Restricted and unrestricted revenue and support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished) in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as release of restricted contributions.

Unamortized bond refinancing costs

Bond financing costs in connection with the Organization's financing are amortized over the life of the bond using the straight-line method. Accumulated amortization totaled \$51,687 and \$37,638 for the years ended December 31, 2017 and 2016, respectively. The remaining unamortized costs associated with these fees totaled \$254,013 and \$268,062 as of December 31, 2017 and 2016, respectively, and are shown net of the related outstanding debt in the accompanying statements of financial position. The estimated amount of amortization expense for each of the next five years is \$14,049.

Donated assets

Donated marketable securities and other non-cash donations are recorded as contributions at their fair values at the date of donation. The Organization does not imply a time restriction on gifts of long-lived assets.

Donated services

Donated services are recognized as contributions in the accompanying statements of activities, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. During the years ended December 31, 2017 and 2016, the estimated value of donated services that met the recognition criteria was \$183,754 and \$237,222, respectively for health care services, accounting, legal, and information technology services. The services are included in the accompanying statements of functional expenses as salaries or gift-kind expense. Values of contributed services originate from the volunteer hours provided by each professional multiplied by the market rates for those services.

Expense allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising expense

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred.

Income taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, donations to the Organization qualify for the charitable contribution deduction under Section 170(b)(1)(A) and the Organization has been classified as an organization that is not a private foundation under Section 509(a)(2).

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 at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events

The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through March 14, 2018, the date on which the financial statements were available to be issued.

2. CONTRIBUTIONS RECEIVABLE:

Unconditional contributions receivable at December 31, 2017 and 2016 consist of the following:

	<u>2017</u>	<u>2016</u>
Unconditional contributions receivable	\$ 2,138,984	2,906,967
Less:		
Allowance for uncollectible pledges	60,000	30,000
Discounts to net present value	<u>34,465</u>	<u>64,879</u>
Net present value of contributions receivable	2,044,519	2,812,088
Less current portion	<u>957,530</u>	<u>1,663,981</u>
	\$ <u>1,086,989</u>	<u>1,148,107</u>

	<u>2017</u>	<u>2016</u>
Receivable in less than one year	\$ 1,019,984	1,721,634
Receivable in one to five years	1,054,000	1,107,833
Receivable in more than five years	<u>65,000</u>	<u>77,500</u>
 Total unconditional contributions receivable	 \$ <u>2,138,984</u>	 <u>2,906,967</u>

The discount rate was 3.25% at December 31, 2017 and 2016, respectively.

3. FAIR VALUE MEASUREMENTS:

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following table presents the Organization's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>December 31, 2017</u>			
Common Stock:			
Services	\$ 5,376	-	-
Healthcare	<u>1,252</u>	<u>-</u>	<u>-</u>
	 \$ <u>6,628</u>	 <u>-</u>	 <u>-</u>

Common stocks valued at the closing price reported on the active market on which the individual securities are traded.

4. LINE OF CREDIT:

During 2016, the Organization opened a \$400,000 line of credit with Serious Fun Children's Network. Each advance on the line bore interest at a rate of 2% with all interest due on January 31, 2017. The line matured in May 2017. During 2017, the Organization opened a \$650,000 line of credit with Serious Fun Children's Network. Each advance bears interest at a rate of 2% with all due on January 31, 2019. The outstanding balance on the line of credit as of December 31, 2017 and 2016 was \$654,685 and \$401,847, respectively, which includes accrued interest of \$4,685 and \$1,847, respectively.

5. LONG-TERM DEBT:

Long-term debt at December 31, 2017 and 2016 consists of the following:

		<u>2017</u>	<u>2016</u>
Revenue bonds payable	\$	2,157,632	2,865,886
Less current portion		<u>(128,194)</u>	<u>(124,718)</u>
	\$	<u>2,029,438</u>	<u>2,741,168</u>

Principal payments over the next two years are as follows:

2018	\$	128,194
2019		<u>2,029,438</u>
	\$	<u>2,157,632</u>

The Organization borrowed \$4,090,000 from the proceeds of Hospital Facilities Revenue Bonds, Series 2010 (the 2010 bonds) issued by the County of Morrow, Ohio. In conjunction with the issuance of the 2010 bonds, the Organization entered into a lease agreement with the County of Morrow, Ohio covering substantially all facilities of the Camp. The lease expires on the earlier to occur of payment of the 2010 bonds or the termination of the lease agreement by the County of Morrow, as a result of a default by the Organization. Annual lease payments to be paid by the Organization over the term of the lease are sufficient to pay the debt service requirements of the 2010 bonds. Upon termination of the lease agreement, all the Organization's facilities financed with the proceeds from the 2010 bonds will be conveyed to the Organization. This agreement requires the Organization to meet certain financial covenants.

The bonds mature in 2036 and interest is payable monthly as follows; \$1,022,500 at variable rate (3.03% at December 31, 2017) and \$3,067,500 at 3.61%. The bonds are secured by a mortgage with a related party.

In November 2015, the bonds were purchased by organizations related to two board members. The provisions of the bonds with the new investors are the same as prior to refinancing of the bonds except that the term was extended an additional year. The bonds are subject to a mandatory purchase in whole by Flying Horse Farms on March 1, 2019. On March 1 of each year Flying Horse Farms may request that the Bond owners extend the mandatory repurchase day by an additional year.

A portion of bonds was forgiven during the years ended December 31, 2017 and 2016, in the amount of \$291,768, respectively.

6. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Future camp sessions	\$ 1,468,725	1,003,661
Happy Time workshop	205,647	346,430
2017 Campfire	-	337,096
2018 Campfire	444,639	-
Staff development	-	3,000
Facility improvements	8,885	160,058
Other	<u>35,000</u>	<u>173,305</u>
	<u>\$ 2,162,896</u>	<u>2,023,550</u>

7. OPERATING LEASES:

The Organization has two non-cancelable operating leases for office equipment expiring at various dates through 2019.

Future minimum lease obligations subsequent to the year ended December 31, 2017 are as follows:

2018	\$	1,304
2019		<u>109</u>
	\$	<u>1,413</u>

8. CAPITAL LEASE:

In 2016, the Organization entered into an agreement to lease equipment under a capital lease that will expire in September 2021. The economic substance of the lease is that the Organization is financing the acquisition of an asset through the lease and, accordingly, this amount is recorded in the Organization's assets and liabilities.

As of December 31, 2017, the equipment and related depreciation recorded under the capital lease that was included in the accompanying statements of financial position is as follows:

Equipment	\$	26,650
Less: accumulated depreciation		<u>(6,218)</u>
	\$	<u>20,432</u>

The following is a schedule of future minimum payments required under the lease together with the present value as of December 31, 2017:

<u>Years Ended December 31,</u>	
2018	5,836
2019	5,836
2020	5,836
2021	<u>4,377</u>
Total minimum payments	21,885
Less: amount representing interest at 3.5%	<u>(1,403)</u>
	20,482
Less: current portion	<u>(5,202)</u>
	\$ <u>15,280</u>

Amortization of assets held under capital lease is included in depreciation expense.

9. RETIREMENT PLAN:

The Organization offers a retirement plan and provides for a discretionary matching contribution. The total discretionary matching contribution expense for the years ended December 31, 2017 and 2016 was \$900 and \$43,271, respectively.

10. CONCENTRATION OF CREDIT RISK AND CONTRIBUTIONS RECEIVABLE:

The Organization maintains its cash balances in one financial institution located in Columbus, Ohio. Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. As of December 31, 2017 and 2016, the Organization had uninsured cash balances of \$1,199,396 and \$411,421, respectively.

The Organization received unconditional promises to give from Board members, which at December 31, 2017 and 2016 represented approximately 50% and 36% of the contributions receivable, respectively.

11. RELATED PARTY TRANSACTIONS:

The following related party transactions occurred during the years ended December 31, 2017 and 2016:

The Organization received a contribution of a lease from a Board member for the property where the camp is located. The lease will expire when the land ownership is transferred to the Camp.

The Organization has recorded contributions receivable from Board members and employees totaling \$1,059,825 and \$1,033,485 as of December 31, 2017 and 2016, respectively. Included in contributions receivable is a contribution of land from a board member valued at \$900,000 as of December 31, 2017 and 2016.