

BYTE BACK, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2018



Certified Public Accountants

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Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Byte Back, Inc.

We have audited the accompanying financial statement of **Byte Back, Inc.** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statement of activities, functional expenses, and cash flows for the eighteen months 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 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, financial statements referred to above present fairly, in all material respects, the financial position of **Byte Back, Inc.** as of December 31, 2018, and the changes in its net assets and its cash flows for the eighteen months then ended in accordance with accounting principles generally accepted in the United States of America.

Kositzka, Wicks and Company

Alexandria, Virginia
August 1, 2019

Byte Back, Inc.

Statement of Financial Position

December 31, 2018

Assets

Current assets

Cash and cash equivalents ³	\$ 1,294,909
Accounts, grants and contracts receivable ⁴	570,980
Pledges receivable, net of long-term portion ⁵	7,977
Investments ⁶	21,712
Prepaid expenses	44,790
	<hr/>
	1,940,368

Property and equipment

Property and equipment, net ⁷	668,422
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Other assets

Certificate of deposit ¹³	70,043
Pledges receivable, long-term portion ⁵	3,094
	<hr/>
	73,137

Total assets	<hr/> \$ 2,681,927
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Liabilities and net assets

Current liabilities

Accounts payable and accrued expenses	\$ 133,914
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Other liabilities

Deferred rent and tenant improvement allowance ¹³	524,643
Total liabilities	<hr/> 658,557

Net assets

Without donor restrictions, board-designated reserve fund ¹⁴	754,425
Without donor restrictions, other	602,909
With donor restrictions ⁹	666,036
Total net assets	<hr/> 2,023,370
Total liabilities and net assets	<hr/> \$ 2,681,927

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Byte Back, Inc.

Statement of Activities for the eighteen months ended December 31, 2018

	Without donor restrictions	With donor restrictions	Total
Support and revenue			
Corporate and foundation grants	\$ 730,326	\$ 1,215,000	\$ 1,945,326
Government contracts	502,627	-	502,627
Government grants	731,179	60,000	791,179
Individual contributions	157,378	-	157,378
Investment income	6,911	-	6,911
Program revenue	8,176	-	8,176
Special events, net of direct costs	23,348	-	23,348
	<u>2,159,945</u>	<u>1,275,000</u>	<u>3,434,945</u>
In-kind contributions ⁸			
Donated services - at fair value	237,278	-	56,650
Donated materials - at fair value	33,166	-	213,795
	<u>270,444</u>	<u>-</u>	<u>270,445</u>
Net assets released from restrictions ⁹	<u>1,325,547</u>	<u>(1,325,547)</u>	<u>-</u>
Total support and revenue	3,755,936	(50,547)	3,705,390
Expenses			
Program services	2,700,654	-	2,700,654
General and administrative	727,895	-	727,895
Fundraising	350,022	-	350,022
Total expenses	<u>3,778,570</u>	<u>-</u>	<u>3,778,570</u>
Other revenue			
Gain on sale of building	<u>597,691</u>	<u>-</u>	<u>597,691</u>
Total other revenue	597,691	-	597,691
Change in net assets	575,057	(50,547)	524,510
Net assets, beginning of period	<u>782,277</u>	<u>716,583</u>	<u>1,498,860</u>
Net assets, end of period	<u>\$ 1,357,334</u>	<u>\$ 666,036</u>	<u>\$ 2,023,370</u>

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Byte Back, Inc.

Statement of Functional Expenses for the eighteen months ended December 31, 2018

	Program services	General and administrative	Fundraising	Total
Expenses				
Americorp stipends and training	\$ 5,838	\$ -	\$ -	\$ 5,838
Bad debt expense	-	11,074	-	11,074
Depreciation	133,263	30,013	1,665	164,941
Dues and memberships	2,706	14,319	12,829	29,854
Equipment expenses	6,255	2,764	-	9,019
Employee benefits	78,744	31,324	17,073	127,141
Fees and other	-	8,561	4,246	12,807
Insurance	9,078	8,245	113	17,436
Marketing	7,467	3,795	8,031	19,293
Meetings	2,300	9,345	8,045	19,690
Occupancy and utilities	260,731	106,843	3,078	370,651
Payroll taxes	101,761	26,724	20,734	149,219
Personnel costs	1,224,069	296,877	252,538	1,773,484
Postage and shipping	-	851	1,041	1,892
Printing and copying	11,173	2,491	438	14,102
Professional development	12,557	8,211	1,167	21,935
Professional services	413,871	143,385	13,533	570,789
Student events	7,329	51	-	7,380
Supplies	87,667	7,055	822	95,544
Telephone and internet	34,327	9,608	542	44,477
Transportation	30,091	6,359	4,127	40,577
Volunteer costs	983	-	-	983
	<u>2,430,210</u>	<u>727,895</u>	<u>350,022</u>	<u>3,508,126</u>
Donated services - at fair value	237,278	-	-	237,278
Donated materials - at fair value	33,166	-	-	33,166
	<u>270,444</u>	<u>-</u>	<u>-</u>	<u>270,444</u>
Total expenses by function	<u>\$ 2,700,654</u>	<u>\$ 727,895</u>	<u>\$ 350,022</u>	<u>\$ 3,778,570</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Byte Back, Inc.

Statement of Cash Flows for the eighteen months ended December 31, 2018

Cash flows from operating activities

Change in net assets	\$ 524,510
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	164,941
Donated stock	(70,469)
Gain on sale of building	(597,691)
Disposal of property and equipment	91,532
Unrealized loss on investments	1,294
(Increase) decrease in operating assets	
Accounts, grants and contracts receivable	54,492
Pledges receivable, net	51,726
Prepaid expenses	(4,007)
Deposits	9,625
Increase (decrease) in operating liabilities	
Accounts payable and accrued expenses	(331,685)
Deposit on sale of building	(80,000)
Deferred revenue	524,143
Net cash provided by operating activities	<u>338,411</u>

Cash flows from investing activities

Purchase of investments and reinvestments	47,463
Proceeds from sale of property and equipment	825,000
Purchase of property and equipment	(652,769)
Net cash used in investing activities	<u>219,694</u>

Cash flows from financing activities

Repayment of mortgage loan	(128,632)
Net cash used in investing activities	<u>(128,632)</u>

Net change in cash and cash equivalents	429,473
Cash and cash equivalents, beginning of period	910,424
Cash and cash equivalents, end of period	<u>\$ 1,339,897</u>

Noncash investing activities

Noncash stock contributions	\$ 70,469
Purchase of property and equipment on account	-
Total noncash investing activities	<u>\$ 70,469</u>

Supplemental disclosure of cash flow information

Cash paid for interest	\$ -
Income taxes paid	<u>\$ -</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

1. Organization and purpose

Byte Back provides a pathway of inclusive tech training that leads to living-wage careers. It's one of the only organizations in the country where adults can start using a computer for the first time, earn industry-recognized tech certifications, and move into living-wage careers. With 22 years of experience, Byte Back serves adults who are predominantly people of color, women, and unemployed or underemployed adults without college degrees. In fiscal year 2018, Byte Back had 735 enrollments in free technology courses at 20 locations in Washington, DC, and Maryland. These students have an incredible, untapped potential to change the tech sector as administrative and IT professionals. Byte Back graduates who were hired in 2018 started earning \$27,599 more per year than before training. The organization grew its national profile as a thought leader in digital inclusion and diversity in tech, with Byte Back's Executive Director and other staff speaking at dozens of regional and national conferences and events in 2017 and 2018. The organization won \$360,000 for the second time at WeWork's Creator Awards pitch competition and \$775,000 in the TD Ready Challenge to expand in 2019 to Baltimore, Maryland.

Byte Back's revenue includes contributions and grants, government contract revenue, program-related sales and fees, special event revenue, investment income, and donated services and materials.

2. Significant accounting policies

Basis of accounting

The financial statements of Byte Back are prepared using the accrual method of accounting. In accordance with this method of accounting, revenue is recognized in the period in which it is earned, and expenses are recognized in the period in which they are incurred. All revenue and expenses that are applicable to future periods have been presented as deferred revenue or prepaid expenses on the accompanying statements of financial position.

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 without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are available for use in general operations. The governing board has designated, from net assets without donor restrictions and net assets for an operating reserve. Net assets with donor restrictions generally result from assets donated with restrictions that are temporary in nature, such as those met by the passage of time or other events specified by the donor. As of December 31, 2018, the Organization had \$666,036 of donor restricted net assets.

Functional allocation of expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. A portion of general and administrative costs, including occupancy and utilities, supplies and insurance that benefit multiple functional areas (indirect costs) have been allocated across programs, general and administrative, and fundraising expenses based on labor hours of employees and use of office space.

Use of estimates

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

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

Cash and cash equivalents

For purposes of the statements of cash flows, Byte Back considers all cash and unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. It is Byte Back's policy not to classify certificates of deposit as cash and cash equivalents. Federal Deposit Insurance Corporation (FDIC) insurance is \$250,000 per depositor, per insured bank. Management does not believe cash is at risk even though it may exceed FDIC insurance limits at times.

Investments

Investments are measured at fair value in the statement of financial position based on publicly available market data obtained from services independent of Byte Back. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Property and equipment

Property and equipment is recorded at cost if purchased and at fair value if donated. Byte Back capitalizes all expenditures for property and equipment in excess of \$1,000 with a useful life in excess of one year or more. Depreciation is computed using the straight-line method.

Compensated absences

Employees of Byte Back are entitled to paid vacation depending on job classification, length of service, and other factors. As of December 31, 2018, estimated compensated absences of \$20,813 included in accounts payable and accrued expenses in the accompanying statement of financial position.

Contributions and promises to give

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Byte Back reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without restrictions. It is the policy of Byte Back to include the long-term portion of pledges receivable as net assets with donor restrictions.

Allowance for uncollectible grants, contracts and pledges receivable

Byte Back considers the need for an allowance for uncollectible grants, contracts, and pledges receivable based on a review of balances and historical collection experience and analysis of individual accounts. Management has provided for potential uncollectible amounts through an allowance of \$57,837 for pledges receivable as of December 31, 2018.

Revenue recognition

Grant awards received by Byte Back are evaluated on an individual basis, based on grant specifications, to determine appropriate recognition as either a contribution or cost-reimbursement grant. Grants recorded as contributions are recognized as revenue in the year awarded. For contracts and grants determined to be cost-reimbursement awards, revenue is recognized as costs are incurred and funds received in excess of costs incurred are recorded as deferred revenue.

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

In-kind contributions

A substantial number of volunteers donate time to Byte Back's program services. Certain donated services are reflected in the financial statements because the services require specialized skills as defined by U.S. generally accepted accounting principles and are an integral part of Byte Back's purpose. Donated property is reflected as a revenue and asset at the fair market value of the property on date of donation. In-kind support is detailed in Note 8 of these financial statements.

Fair value of financial assets and liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents, accounts, grants and contracts receivable, pledges receivable, prepaid expenses, and deposits. Financial liabilities with carrying values approximating fair value include accounts payable, accrued expenses, and deferred rent and tenant improvement allowance. The carrying value of these financial assets and liabilities approximates fair value due to their short maturities and any associated interest rates approximate current market rates.

Income taxes

Byte Back, Inc. is exempt from federal income tax as a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation. The Organization did not have a liability for unrelated business income for the eighteen months ended December 31, 2018.

The material jurisdictions subject to potential examination by taxing authorities include the U.S. and the District of Columbia. Management does not believe that the ultimate outcome of any future examinations of open tax years will have a material impact on the Organization's results of operations. Byte Back changed its year end from June 30 to December 31. Tax years that remain subject to examination are for the fiscal years ended June 30, 2015 through June 30, 2017, the six month period ended December 31, 2017 and the calendar year December 31, 2018.

Recently adopted accounting pronouncements

In August 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit Entities. ASU 2016-14 represents phase 1 of FASB's Not-for-Profit financial reporting project and reduces the number of net asset classes, requires expense presentation by functional and natural classification, requires quantitative and qualitative information on liquidity, retains the option to present the cash flow statement on a direct or indirect method, and includes various other additional disclosure requirements. ASU 2016-14 is effective for annual reporting periods beginning after December 15, 2017 with retrospective application. The requirements of this statement are effective for the Organization for the year ended December 31, 2018.

New accounting pronouncements

The FASB has issued ASU 2014-09 (as amended by ASU 2015-14), which provides a single comprehensive accounting standard for revenue recognition for contracts with customers and supersedes current industry-specific guidance. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2018. The Organization plans to adopt the standard on its effective date, which for the Organization is January 1, 2019.

The FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This guidance clarifies how entities will determine whether to account for a transfer of assets (or a reduction, settlement or cancellation of a liability) as an exchange transaction or a contribution and how they will determine whether a contribution is conditional. ASU 2018-08 is effective for annual reporting periods beginning after December 15, 2018. The Organization plans to adopt the standard on its effective date, which for the Organization is January 1, 2019.

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

The FASB has issued ASU 2016-02, which requires lessees to recognize on the balance sheet the assets and liabilities for the rights and obligations created by leases with terms greater than 12 months. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2019. The Organization plans to adopt the standard on its effective date, which for the Organization is January 1, 2020.

3. Cash, liquidity and availability

Cash and cash equivalents for the year ended December 31, 2018 consisted of the following:

Checking	\$ 153,244
Money market	632,564
Board-designated reserve fund - money market	509,101
	<u>\$ 1,294,909</u>
Outstanding checks	\$ -
Deposits in transit	(15,437)
Bank balance	<u>\$ 1,279,472</u>
Covered by the Federal Deposit Insurance Corporation (FDIC)	<u>\$ 750,000</u>

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Checking	\$ 153,244
Money market	547,584
Board-designated reserve fund - money market	509,101
Investments - money market	84,980
Investments - equities	21,712
Accounts, grants and contracts receivable	570,980
Pledges receivable	7,977
	<u>\$ 1,895,578</u>

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

4. Accounts, grants and contracts receivable

The accounts and grants receivable account includes amounts due from donors. Contracts receivable include amounts due from federal and District of Columbia sources for computer training services. All amounts are considered fully collectible by management and are due within one year. Grants and contracts receivable consisted of the following as of December 31, 2018:

Grants receivable	
Corporate	\$ 2,050
Foundations	365,545
Government grants and contracts	
D.C. Office of the Chief Technology Officer	107,304
D.C. Public Library	25,000
Department of Human Services	71,081
	<u>\$ 570,980</u>

5. Pledges receivable

During the eighteen months ended December 31, 2018, Byte Back held a special event designed for donors to pledge amounts collectible over the next five years. Pledges have been discounted at two percent to record the present value of the pledges to be received as of December 31, 2018.

The following is a summary of pledges receivable as of December 31, 2018:

Pledges due in	
Less than one year	\$ 7,977
One to five years	<u>63,012</u>
	70,989
Allowance for doubtful pledges	(57,835)
Present value discount	<u>(2,083)</u>
	11,071
Less: current portion	<u>(7,977)</u>
Long-term portion	<u>\$ 3,094</u>

6. Investments

Investment income consisted of the following for the eighteen months ended December 31, 2018:

Interest and dividend income	\$ 6,111
Unrealized gain on investments	800
	<u>\$ 6,911</u>

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

The Organization's investments for the eighteen months ended December 31, 2018 are in cash and equities. The Organization reports cash held in the investment account as cash and cash equivalents on the balance sheet. As a result, the Organization classifies its equities as investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Level 1 and total
Equities	<u>\$ 21,712</u>

7. Property and equipment

Property and equipment consisted of the following at December 31, 2018:

	Cost	Useful life
Furniture and equipment	\$ 122,001	5 - 7 years
Equipment	170,677	3 - 5 years
Leasehold improvements	540,368	15 years
Software	1,742	3 years
	<u>834,788</u>	
Less accumulated depreciation	(166,366)	
Total	<u>\$ 668,422</u>	

8. In-kind contributions

Byte Back receives contributions of professional services, time from volunteer teachers who provide computer training to participants of the organization's programs, and materials. Such contributions are valued at fair market value at the time of receipt and recorded as revenue and expense. Teacher hours are valued between \$15 and \$20 per hour, depending on the course level taught.

Donated services for the eighteen months ended December 31, 2018 included advertising and media services, teacher hours, and other professional services. Donated materials consisted of student supplies during the eighteen months ended December 31, 2018.

A substantial number of additional volunteers donate time to Byte Back's program services. These donated services are not reflected in the financial statements as the services do not require specialized skills as defined by U.S. generally accepted accounting principles.

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

Donated services and materials for the eighteen months ended December 31, 2018 included the following:

Donated services and labor	
Advertising services	\$ 164,663
Classroom teachers	56,650
Other professional services	15,965
Donated materials and supplies	33,166
Total	<u>\$ 270,444</u>

9. Donor restricted net assets

Net assets with donor restrictions consisted of the following on of December 31, 2018:

	<u>6/30/2017</u>	<u>Additions</u>	<u>Releases</u>	<u>12/31/2018</u>
<i>Restricted for future periods</i>				
Cafritz Foundation	\$ 17,500	\$ -	\$ 17,500	\$ -
Marriott Foundation	55,000	-	55,000	-
Many Hands	33,916	-	33,916	-
Pledges receivable	18,189	-	13,010	5,179
<i>Restricted for programs</i>				
Abell Foundation	-	25,000	6,250	18,750
GWW - Community Foundation	198,908	-	148,908	50,000
Capital One	-	255,000	149,023	105,977
Citi Foundation	-	500,000	166,667	333,333
Joshua Fund	-	40,000	40,000	-
Mayor's Office on Latino Affairs	5,263	60,000	47,632	17,631
CTA	39,724	25,000	56,391	8,333
Safeway Foundation	-	10,000	10,000	-
WeWork	348,083	360,000	581,250	126,833
	<u>\$ 716,583</u>	<u>\$ 1,275,000</u>	<u>\$ 1,325,547</u>	<u>\$ 666,036</u>

10. Mortgage loan payable

Byte Back had a mortgage loan secured by land and its office building with an interest rate of 6.25 percent and a monthly payment of \$2,503. The mortgage was paid off on July 28, 2017.

11. Retirement benefits

The Organization maintains a 403(b) plan for the benefit of its eligible employees that is managed and administered by third-party providers. The Plan allows for an employer match of up to 1 percent of an employee's salary for those who contribute at least 1 percent of their salary. Employer contributions for the eighteen months ended December 31, 2018 were \$15,887.

12. Line of credit

Byte Back maintains a line of credit for \$300,000. The interest rate on the line of credit is the prime rate plus 1.5 percent. No amounts were outstanding as of December 31, 2018.

See independent auditor's report.

Byte Back, Inc.

Notes to Financial Statements December 31, 2018

13. Commitments

In May 2017, Byte Back signed a seven-year lease for operations and classroom space with base monthly rent of \$23,347, increasing by 2.5 percent per year. The lease also requires a certificate of deposit of \$70,043 to be held by the Organization. The lease includes an abatement of the first seven months of rent. The rent expense is recorded on a straight line basis over the term of the lease in the amount of \$23,227 per month. The deferred rent credit was \$157,754 for the eighteen months ended December 31, 2018 and is included in deferred rent and tenant improvement allowance. Additionally, the Organization was given an allowance for leasehold improvements. The leasehold improvements have been recorded as an asset and liability and amortized of the life of the lease. Deferred leasehold improvements of \$366,889 are included in deferred rent and leasehold improvements on the statement of financial position.

Future minimum lease payments are as follows as of December 31:

2019	\$	290,785
2020		298,038
2021		305,479
2022		313,106
2023		320,919
Thereafter		162,436
Total	\$	<u>1,690,763</u>

Additional classroom space is rented on a short-term basis in various locations. Total rental expense for the main office and additional classroom space for the eighteen months ended December 31, 2018 was \$341,483 and is included with occupancy and utility expense on the accompanying statement of functional expenses.

14. Board-designated net assets

The purpose of the operating reserve fund for board-designated net assets is to provide an internal source of resources with a target minimum of six months of average operating costs. The balance in the fund was \$754,425 as of December 31, 2018.

15. Sale of building

In July 2017, Byte Back sold its building for \$825,000 to an unrelated third-party buyer. The gain on the building was \$597,691 and is reported as other revenue on the statement of activities. Proceeds from the building were used to pay off the mortgage and increase board reserves.

16. Subsequent events

Byte Back assessed events occurring subsequent to December 31, 2018 through August 1, 2019, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements. No other events have occurred that would require adjustment to or additional disclosure in the financial statements.

See independent auditor's report.