Report of Independent Auditors and
Financial Statements

Covia Foundation
(an Affiliate of Covia Group)

March 31, 2019 and 2018

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MOSSADAMS

Report of Independent Auditors

To the Audit Committee
Covia Foundation
(an affiliate of Covia Group)

Report on the Financial Statements

We have audited the accompanying financial statements of Covia Foundation (the “Foundation”), an affiliate of Covia Group (the “Group”), which comprise the statements of financial position as of March 31, 2019 and 2018, statements of activities and changes in net assets 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.

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 the Foundation as of March 31, 2019 and 2018, and the results of its activities and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, as of and for the year ended March 31, 2019, the Foundation adopted Accounting Standards Update ("ASU") No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities.* The update addresses the complexity and understandability of net asset classification, information about liquidity and availability of resources, methods used to allocate costs to programmatic and other support information, and direction for consistency about information provided on investment return. The adoption of the standard resulted in additional footnote disclosures and significant changes to the classifications of net assets and the disclosures related to net assets. The ASU has been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

Moss Adams LLP

San Francisco, California
June 28, 2019

Financial Statements

Covia Foundation
(an Affiliate of Covia Group)
Statements of Financial Position
March 31, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 5,546,925	$ 6,621,210
Current portion of pledges receivable, net of discount	363,698	71,504
Prepaid expenses	22,752	11,101
Total current assets	5,933,375	6,703,815
Assets whose use is limited		
Investments held in trust	4,445,654	3,856,383
Restricted investments	3,533,714	3,560,764
Total assets whose use is limited	7,979,368	7,417,147
Land held in trust	-	155,000
Long-term pledges receivable, net of current portion and discount	735,644	730,103
Total assets	$ 14,648,387	$ 15,006,065
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	$ 2,674	$ -
Accounts payable - affiliated organizations	509,422	387,585
Total current liabilities	512,096	387,585
Deferred revenue	241,025	159,365
Liabilities for payments to trust beneficiaries	1,729,733	1,695,754
Liabilities for payments to gift annuitants	1,361,601	1,599,934
Due to other beneficiaries liability	299,543	323,142
Total liabilities	4,143,998	4,165,780
Net assets		
Without donor restriction	1,563,692	1,805,172
With donor restriction	8,940,697	9,035,113
Total net assets	10,504,389	10,840,285
Total liabilities and net assets	$ 14,648,387	$ 15,006,065

See accompanying notes.

	2019	2018
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues, gains, and other support		
Contributions from Covia Communities	$ 3,111,041	$ 804,216
Contributions - cash, bequests, and other	355,334	564,580
Net assets released from restrictions	2,101,762	1,876,747
Total revenues, gains, and other support	5,568,137	3,245,543
Program services		
Assistance	1,801,362	601,677
Outreach	2,817,830	409,052
Chapel	31,585	42,832
Housing and Urban Development expense	3,208	23,726
Community	239,778	377,004
Total program expenses	4,893,763	1,454,291
Support services		
Special event costs of direct benefit to donors	53,347	55,771
Administrative costs	845,537	785,298
Total support services	898,884	841,069
Fundraising activities	16,970	18,918
Total expenses	5,809,617	2,314,278
(Decrease) increase in net assets without donor restrictions	(241,480)	931,265
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Revenues, gains, and other support		
Contributions	1,402,806	1,204,267
Special event revenue	356,000	365,361
Interest and dividends, net	105,749	80,040
Net realized gains	18,644	11,650
Net unrealized gains	44,411	114,259
Changes in split interest gift agreements	79,736	50,582
Net assets released from restrictions	(2,101,762)	(1,876,747)
Decrease in net assets with donor restrictions	(94,416)	(50,588)
(DECREASE) INCREASE IN NET ASSETS	(335,896)	880,677
NET ASSETS, beginning of year	10,840,285	9,959,608
NET ASSETS, end of year	$ 10,504,389	$ 10,840,285

See accompanying notes.

Covia Foundation
(an Affiliate of Covia Group)
Statements of Cash Flows
Years Ended March 31, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) increase in net assets	$ (335,896)	$ 880,677
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:		
Unrealized gains on investments	(44,411)	(114,259)
Change in operating assets and liabilities:		
Pledges receivable, net of discount	(297,735)	31,552
Prepaid expenses	(11,651)	(2,932)
Accounts payable and accrued expenses	2,674	(187)
Receivable/payable from affiliates	121,837	157,379
Deferred revenue	81,660	33,689
Liabilities for payments to trust beneficiaries	5,846	(38,079)
Liabilities for payments to gift annuitants	(238,333)	(8,303)
Due to other beneficiaries liability	(23,599)	(20,398)
Net cash (used in) provided by operating activities	(739,608)	919,139
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of assets whose use is limited	1,764,358	2,224,236
Purchase of assets whose use is limited	(2,242,858)	(2,252,468)
Sale of land held in trust	143,823	-
Net cash used in investing activities	(334,677)	(28,232)
NET CHANGE IN CASH	(1,074,285)	890,907
CASH AND CASH EQUIVALENTS, beginning of year	6,621,210	5,730,303
CASH AND CASH EQUIVALENTS, end of year	$ 5,546,925	$ 6,621,210

See accompanying notes.

NOTE 1 – DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations – Covia Foundation (the “Foundation”) is a California nonprofit public benefit corporation. The primary purpose of the Foundation is to raise funds on behalf of Covia Communities (the “Communities”) and to administer those funds for the needs of the Communities and its residents. The Communities is the sole corporate member of the Foundation, and the Foundation is included in the consolidated financial statements of the Communities. The Communities’ sole member is Covia Group (the “Group”), which is also a California nonprofit public benefit corporation providing housing and services to elderly persons, in addition to providing support to its subsidiary entities.

Cash and cash equivalents – Cash and cash equivalents includes cash held in demand deposit, sweep, savings accounts, and certain investments in highly liquid instruments with original maturities of three months or less.

Pledges receivable, net of discount – Pledges receivable are reported net of a present value discount relating to receivables that are to be collected over a period greater than one year from the date of the statement of financial position.

Assets whose use is limited – Investments held in trust and restricted investments are measured at fair value in the statements of financial position. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is reported in the statements of activities and changes in net assets. Investment income is reported as an increase in net assets, depending on donor-imposed restrictions on the use of the income.

Liability for payments to trust beneficiaries and to gift annuitants – In exchange for an irrevocable deferred gift, the Foundation is required to pay a certain sum of money to the donors, and, consequently, a liability is reflected in obligations under annuity agreements. These types of arrangements are summarized as follows:

> *Charitable gift annuities* – As consideration for certain gifts made to the Foundation, the Foundation enters into agreements to pay fixed annual payments to the donors for the life of the contract. In accordance with Section 11521 of the California Insurance Code, a liability has been established for the future payments under the outstanding annuity contracts. The annual computation of the temporarily restricted amount of the gift is based upon a 2005 Group Annuity Mortality Table, with an interest assumption at approximately 3.85% and 3.95% per annum for 2019 and 2018, respectively. Assets in excess of liabilities, if any, related to these annuities are available for the use of the Foundation with the approval of the California Department of Insurance.
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> *Charitable remainder unitrusts* – Unitrusts are trust agreements that provide for a fixed annual payment of not less than 5% of the market value as of the first business day of the calendar year of trust assets to one or more income beneficiaries, with an irrevocable remainder interest contributed pursuant to the donor’s intent.
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> *Charitable remainder annuity trusts* – Annuity trusts are trust agreements that provide for a fixed annual specified payment based on the initial appraised value of the trust assets to one or more income beneficiaries, with an irrevocable remainder interest contributed pursuant to the donor’s intent.

Due to other beneficiaries liability – Certain charitable gift annuities and charitable remainder trusts have identified the Foundation as a partial beneficiary. In these cases, the Foundation is required to make residual payments to other charities as specified in the individual annuity contract and trust agreement. Consequently, a due to other beneficiaries liability is reported to reflect the present value of these amounts owed to other charities.

Net assets – The Foundation's net assets are classified as follows:

> *Net assets without donor restrictions* represent unrestricted resources available to support the Foundation's operations and temporarily restricted resources which have become available for use by the Foundation in accordance with the intention of the donor.
>
> *Net assets with donor restrictions* represent contributions that are limited in use by the Foundation in accordance with temporary donor-imposed stipulations. These stipulations may expire with time or may be satisfied by the actions of the Foundation according to the intention of the donor. Upon satisfaction of such stipulations, the associated net assets are released from net assets with donor restrictions and recognized as net assets without donor restrictions. Temporarily restricted net assets are available primarily for assistance, outreach, and other projects as designated by the donors.
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> *Net assets with donor restrictions also* represent net assets subject to donor imposed stipulations that they be maintained by the Foundation in perpetuity.

Contributions – Contributions are measured at fair value and reported as an increase in net assets. The Foundation 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 is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Sponsorship revenues are recognized when events occur, and the Foundation has recognized deferred revenue of $241,025 and $159,365 as of March 31, 2019 and 2018, respectively.

Concentration of risk – Financial instruments potentially subjecting the Foundation to concentrations of credit risk consist primarily of bank demand deposits in excess of FDIC limits. Additionally, 100% of the pledges receivable, net of discount, are expected to be received from four donors.

Tax-exempt status – The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and 23701(d) of the California Franchise Tax Board.

The Foundation adopted the provisions of the Accounting Standards Codification ("ASC") Topic 740-10, *Income Taxes,* relating to accounting for uncertain tax positions, which had no financial statement impact to the Foundation. The Foundation recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Foundation recognizes interest and penalties related to income tax matters in support services expenses.

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. These estimates and assumptions affect the 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 revenue and expenses during the reporting period. Actual results could differ from those estimates. The major item requiring estimates and assumptions include obligations under charitable annuity agreements, charitable remainder trust agreements, due to other beneficiaries liability, and discount relating to long-term pledges receivable.

Fair value of financial instruments – The carrying amounts reported in the statements of financial position for cash and cash equivalents, pledges receivable, and accounts payable and accrued expenses approximate fair value based on the short term nature of the financial instruments. The Foundation's policy is to recognize transfers in and transfers out of Levels 1, 2, and 3 as of the end of the reporting period.

Recent accounting pronouncements – In the current year, the Foundation adopted the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*, which improves the current net asset classification requirements and the information presented in financial statements and notes about an entity's liquidity, financial performance, and cash flows. The update removes the requirement to present three classes of net assets with two classes, net assets with donor restrictions and net assets without donor restrictions. The update also removes the requirement to present or disclose the indirect method (reconciliation) if using the direct method for the statement of cash flows as well as added several additional enhanced disclosures to the financial statement notes.

In January 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities, Financial Instruments – Overall (Subtopic 825-10*), which enhances the reporting model for financial instruments to provide users of financial statements with more decision-useful information. The update addresses certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The amendment is effective for fiscal years beginning after December 15, 2018. Management is currently evaluating the impact of the provisions of ASU No. 2016-01 on the Foundation's financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230)*, which requires the statement of cash flows to explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. This update is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. Management is currently evaluating the impact of the provisions of ASU No. 2016-18 on the Foundation's financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit-Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* ("ASU 2018-08"), which assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit-Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This update is effective for fiscal years beginning after December 15, 2018. Management is currently evaluating the impact of the provisions of ASU 2018-08 on the financial statements.

NOTE 2 – ASSETS WHOSE USE IS LIMITED

ASC Topic 820 defines fair value as 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. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC Topic 820 describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position as of March 31, 2019 and 2018, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Assets whose use is limited – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include exchange traded equities and cash equivalents included in money market funds. Level 2 securities include a certificate of deposit.

The following tables present the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the ASC Topic 820 fair value hierarchy in which the fair value measurements fall at March 31:

Description	Level 1	Level 2	Level 3	Balance at March 31, 2019
Cash equivalents	$ 604,604	$ -	$ -	$ 604,604
Available for sale				
Fixed income bonds				
Government bonds	946,738	-	-	946,738
Corporate bonds	814,675	-	-	814,675
Equity securities				
U.S. Equities	4,448,384	-	-	4,448,384
Non U.S. Equities	422,773	-	-	422,773
Fixed income securities	742,194	-	-	742,194
Investments measured at fair value	$ 7,979,368	$ -	$ -	$ 7,979,368

Description	Level 1	Level 2	Level 3	Balance at March 31, 2018
Cash equivalents	$ 785,267	$ -	$ -	$ 785,267
Available for sale				
Fixed income bonds				
Government bonds	667,254	-	-	667,254
Corporate bonds	827,471	-	-	827,471
Equity securities				
U.S. Equities	4,176,795	-	-	4,176,795
Non U.S. Equities	375,893	-	-	375,893
Fixed income securities	584,467	-	-	584,467
Investments measured at fair value	$ 7,417,147	$ -	$ -	$ 7,417,147

There were no significant transfers in or out of Level 1 and Level 2 fair value measurements for the years ended March 31, 2019 and 2018.

The following table shows the gross unrealized losses and fair value of investments and assets limited as to use with unrealized losses that are not deemed to be other than temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at March 31:

Fair Value Below Cost as of March 31, 2019

	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed Income Bonds	$ 25,587	$ (1,421)	$ 793,489	$ (8,805)	$ 819,076	$ (10,226)
Fixed Income Securities	-	-	742,194	(12,156)	742,194	(12,156)
Total temporarily impaired securities	$ 25,587	$ (1,421)	$ 1,535,683	$ (20,961)	$ 1,561,270	$ (22,382)

Fair Value Below Cost as of March 31, 2018

	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed Income Bonds	$ 1,370,169	$ (21,550)	$ 124,556	$ (2,398)	$ 1,494,725	$ (23,948)
Fixed Income Securities	2,051	(52)	582,416	(26,508)	584,467	(26,560)
Total temporarily impaired securities	$ 1,372,220	$ (21,602)	$ 706,972	$ (28,906)	$ 2,079,192	$ (50,508)

The fair market value of these investments have declined due to volatility in the financial markets, changes in interest rates, changes in economic conditions, and changes in market outlook for various industries, among others. The securities disclosed above have not met the criteria for recognition of other-than-temporary impairment under management’s policy. The Foundation follows a policy of evaluating securities for impairment which considers available evidence in evaluating potential impairment of its investments. This review considers the severity and duration of the decline in market value, the materiality of the losses on an individual security in relation to the entire portfolio, the volatility of the security’s market price, third-party analyst reports, credit rating changes, and regulatory or legal action changes, among other factors. Once a decline in fair value is determined to be other than-temporary, an impairment charge is recorded to investment loss and a new cost basis in the investment is established. For the years ended March 31, 2019 and 2018, no securities were determined to be other-than-temporarily impaired.

NOTE 3 – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions in the financial statements at March 31 are available for the following:

	2019	2018
Assistance fund	$ 1,782,968	$ 2,380,439
Community fund and other	6,665,555	6,261,874
Deferred contribution to pooled annuities	492,174	392,800
Total restricted net assets	$ 8,940,697	$ 9,035,113

Assistance funds have been established from donations and bequests. Management defines assistance provided to residents as the difference between prevailing entry and monthly maintenance fees and the fees charged to assisted residents, which amounted to $1,801,362 and $601,677 for the years ended March 31, 2019 and 2018, respectively.

NOTE 4 – ENDOWMENT DISCLOSURES

Interpretation of relevant law –The Board of Directors of the Foundation has interpreted the California Prudent Management of Institutional Funds Act ("CPMIFA") as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of the gifts donated to the permanent endowment, (b) the original value of the subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in the permanent endowment is available for appropriation for expenditure by the Foundation in a manner consistent with the standard for expenditure prescribed CPMIFA. In accordance with CPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

a. The duration and preservation of the fund

b. The purposes of the Foundation and the donor-restricted endowment fund

c. General economic conditions

d. The possible effect of inflation and deflation

e. The expected total return from income and the appreciation of investments

f. Other resources of the Foundation

g. The investment policies of the Foundation

Spending policy and how the investment objectives relate to spending policy – The endowment fund has a spending policy of appropriating all of the net income earned on the investment of these funds for distribution according to the instructions of the donor at the time the gift is made. The original value of the gifts donated to the permanent endowment is to be classified as permanently restricted and any earnings are classified as temporarily restricted until appropriated for expenditure. The spending policy and return objective is supported by maintaining a strategic asset allocation of 50% equity securities and 50% fixed income securities and further enhanced by allowing up to half of the fixed income allocation to be invested in securities with greater risk and potential return such as high yield, global, and emerging market debt.

The Foundation does not have any endowments which have been restricted by board designation. The changes in endowment net assets, which have been permanently restricted by donors for the years ended March 31 are as follows:

	2019		
	Without donor restrictions	**With donor restrictions**	**Total**
Endowment net assets, April 1, 2018	$ -	$ 664,420	$ 664,420
Investment return:			
Investment income	-	5,183	5,183
Realized and unrealized gains	-	6,434	6,434
Total investment return	-	11,617	11,617
Contributions and reclassifications	-	-	-
Appropriation of endowment assets for expenditures	-	(11,617)	(11,617)
Endowment net assets, March 31, 2019	$ -	$ 664,420	$ 664,420

	2018		
	Without donor restrictions	With donor restrictions	Total
Endowment net assets, April 1, 2017	$ -	$ 664,420	$ 664,420
Investment return:			
Investment income	-	7,409	7,409
Realized and unrealized gains	-	16,529	16,529
Total investment return	-	23,938	23,938
Contributions and reclassifications	-	-	-
Appropriation of endowment assets for expenditures	-	(23,938)	(23,938)
Endowment net assets, March 31, 2018	$ -	$ 664,420	$ 664,420

NOTE 5 – RELATED PARTIES

In 2004, the Foundation conducted a fund raising campaign dedicated to making major capital improvements to the St. Paul's Towers Resident Center. The entire project costs were $2 million, of which the Communities funded 20% and the remaining funds came from cash donations, Charitable Gift Annuities ("CGAs"), and Charitable Remainder Trusts ("CRTs"). Due to the deferred nature of CGAs and CRTs, the Communities advanced the funds necessary to complete the project creating a liability due to the Communities. As the CGAs and the CRTs mature, funds are transferred to the Communities to relieve the intercompany liability. As of March 31, 2019 and 2018, the outstanding balances related to the project is $232,624 for both years, and are included in "Accounts Payable – affiliated organizations" in the statements of financial position. At March 31, 2019 and 2018, the Foundation also owed the Communities $276,798 and $154,960, respectively, for other operating activities.

Additionally, the Communities provides financial support to the Foundation by paying for certain general and administrative expenses. These amounts are recorded as a contribution and an equivalent amount is recorded as an expense. For the years ended March 31 such support included the following:

	2019	2018
Administrative support	$ 845,537	$ 785,298
Community services	2,248,534	-
Fundraising activities	16,970	18,918
Total	$ 3,111,041	$ 804,216

NOTE 6 – FUNCTIONAL EXPENSES

The Foundation's expenses for the years ended March 31, 2019 and 2018 have been summarized on a functional basis below:

	2019			
	Program Services	Support Services	Fundraising Activities	Total
Assistance for resident fees	$ 1,801,362	$ -	$ -	$ 1,801,362
Salaries and benefits	-	674,335	-	674,335
Other purchased services	-	84,381	-	84,381
Supplies	-	5,967	-	5,967
Other operating expenses	3,092,401	80,854	-	3,173,255
Special event costs of direct benefit to donors	-	53,347	-	53,347
Direct mail	-	-	16,970	16,970
	$ 4,893,763	$ 898,884	$ 16,970	$ 5,809,617

	2018			
	Program Services	Support Services	Fundraising Activities	Total
Assistance for resident fees	$ 601,677	$ -	$ -	$ 601,677
Salaries and benefits	-	607,323	-	607,323
Other purchased services	-	113,535	-	113,535
Supplies	-	1,343	-	1,343
Other operating expenses	852,614	63,097	-	915,711
Special event costs of direct benefit to donors	-	55,771	-	55,771
Direct mail	-	-	18,918	18,918
	$ 1,454,291	$ 841,069	$ 18,918	$ 2,314,278

NOTE 7 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of March 31, 2019, comprise the following:

Cash and cash equivalents	$ 5,546,925
Less amounts unavailable for general expenditure within one year:	(158,784)
	$ 5,388,141

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statements of financial position date but before financial statements are available to be issued. The Foundation recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statements of financial position, including the estimates inherent in the process of preparing the financial statements. The Foundation's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statements of financial position but arose after the statements of financial position date and before financial statements are available to be issued.

The Foundation has evaluated subsequent events through June 28, 2019, which is the date the financial statements are available to be issued.