



FEDERATION FOR AMERICAN
IMMIGRATION REFORM

**FEDERATION FOR AMERICAN
IMMIGRATION REFORM AND AFFILIATES**

**Consolidated Financial Statements and
Supplementary Information**

*For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)*



**and
Report Thereon**



FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
**Federation for American Immigration Reform
and Affiliates**

Opinion

We have audited the consolidated financial statements of Federation for American Immigration Reform (FAIR) and Affiliates (collectively referred to as FAIR and Affiliates), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of FAIR and Affiliates as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of FAIR and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about FAIR and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- obtain an understanding of internal control relevant to the audit 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 FAIR and Affiliates' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about FAIR and Affiliates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Summarized Comparative Information

We have previously audited FAIR and Affiliates' 2022 consolidated financial statements, and in our report dated June 15, 2023, we expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Marcum LLP

Washington, DC
June 11, 2024

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2023

(With Summarized Financial Information as of December 31, 2022)

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,474,060	\$ 10,894,126
Grants and contributions receivable	-	268,747
Prepaid expenses	51,137	86,153
Total Current Assets	1,525,197	11,249,026
Investments	29,105,331	20,731,760
Property and equipment, net	562,806	629,853
Right of use asset-operating lease	2,891,792	3,434,767
Security deposits	38,611	38,611
Other assets	216,924	214,857
TOTAL ASSETS	\$ 34,340,661	\$ 36,298,874
LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ 397,203	\$ 385,558
Lease liability – operating lease, current portion	735,313	704,760
Total Current Liabilities	1,132,516	1,090,318
Lease liability – operating lease, net of current portion	3,265,377	4,000,690
TOTAL LIABILITIES	4,397,893	5,091,008
Net Assets		
Without donor restrictions		
Undesignated	4,840,830	6,811,509
Board-designated		
Reserve	8,412,156	7,664,253
Quasi-endowment fund	11,721,191	11,623,753
Total Without Donor Restrictions	24,974,177	26,099,515
With donor restrictions	4,968,591	5,108,351
TOTAL NET ASSETS	29,942,768	31,207,866
TOTAL LIABILITIES AND NET ASSETS	\$ 34,340,661	\$ 36,298,874

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

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
OPERATING REVENUE AND SUPPORT				
Grants	\$ 6,075,415	\$ -	\$ 6,075,415	\$ 6,190,341
Contributions and bequests	819,276	-	819,276	4,306,971
Investment income, net	707,451	64,490	771,941	891,884
Online marketing	91,509	-	91,509	96,817
Royalty income	491	-	491	1,545
Other income	3,569	-	3,569	15,185
Net assets released from restrictions:				
Satisfaction of program restrictions	308,718	(308,718)	-	-
TOTAL OPERATING REVENUE AND SUPPORT	8,006,429	(244,228)	7,762,201	11,502,743
EXPENSES				
Program Services:				
Immigration Reform Law Institute (IRLI)	2,189,377	-	2,189,377	2,229,102
Public education	1,736,507	-	1,736,507	2,666,058
Media	811,348	-	811,348	707,904
State and Local / Field	792,621	-	792,621	912,398
Research and publications	657,242	-	657,242	611,842
Membership education and service	631,880	-	631,880	593,438
Government relations	518,285	-	518,285	538,692
Lobbying	226,005	-	226,005	155,956
Public interest legal	9,887	-	9,887	27,753
FAIR Congressional Task Force (FCTF)	4,655	-	4,655	1,186
Total Program Services	7,577,807	-	7,577,807	8,444,329
Supporting Services:				
Management and general	1,615,042	-	1,615,042	1,419,255
Fundraising	706,354	-	706,354	579,703
Total Supporting Services	2,321,396	-	2,321,396	1,998,958
TOTAL EXPENSES	9,899,203	-	9,899,203	10,443,287
Change in net assets before unrealized (loss) gain on investments	(1,892,774)	(244,228)	(2,137,002)	1,059,456
NONOPERATING GAIN (LOSS)				
Unrealized gain (loss) on investments	767,436	104,468	871,904	(4,103,444)
CHANGE IN NET ASSETS	(1,125,338)	(139,760)	(1,265,098)	(3,043,988)
NET ASSETS, BEGINNING OF YEAR	26,099,515	5,108,351	31,207,866	34,251,854
NET ASSETS, END OF YEAR	\$ 24,974,177	\$ 4,968,591	\$ 29,942,768	\$ 31,207,866

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

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2023

(With Summarized Financial Information for the Year Ended December 31, 2022)

	Program Services										Supporting Services			2023 Total	2022 Total	
	IRLI	Public Education	Media	State and Local / Field	Research and Publications	Membership Education and Service	Government Relations	Lobbying	Public Interest Legal	FCTF	Total Program Services	Management and General	Fundraising			Total Supporting Services
Salaries	\$ 1,217,165	\$ 368,901	\$ 292,553	\$ 434,844	\$ 354,901	\$ 160,681	\$ 284,384	\$ 33,031	\$ 6,219	\$ -	\$ 3,152,679	\$ 803,336	\$ 362,053	\$ 1,165,389	\$ 4,318,068	\$ 3,913,324
Employee benefits and payroll taxes	329,960	100,318	81,805	119,788	96,903	44,160	79,771	9,300	1,533	-	863,538	220,674	97,771	318,445	1,181,983	1,062,413
Printing and handling	17,107	318,151	3,643	6,879	5,609	123,976	4,105	81,693	65	-	561,228	29,897	59,126	89,023	650,251	544,523
Rent	215,585	51,780	32,112	58,007	49,932	16,020	36,733	3,579	569	-	464,317	107,564	36,732	144,296	608,613	610,920
Media advertising	-	390,090	63,405	-	-	-	-	-	-	-	453,495	-	-	-	453,495	1,181,533
Consulting fees and part-time help	3,078	5,801	242,238	6,422	5,419	27,853	4,260	7,519	94	1,465	304,149	138,038	5,842	143,880	448,029	310,745
Postage and delivery	11,117	196,899	819	1,709	1,378	105,191	976	66,612	22	-	384,723	17,930	34,206	52,136	436,859	406,867
Taxes and insurance	92,452	25,382	16,621	29,245	25,105	8,153	18,633	1,798	240	1,638	219,267	49,928	17,992	67,920	287,187	289,755
Telephone and utilities	69,123	25,323	15,476	27,998	24,234	7,747	17,805	1,741	286	-	189,733	49,826	17,962	67,788	257,521	223,500
Publications and subscriptions	20,467	21,900	15,815	26,101	22,959	7,634	17,387	1,680	187	-	134,130	40,882	15,734	56,616	190,746	216,136
Computer services	18,412	19,974	13,594	23,774	20,165	6,610	15,026	1,437	171	-	119,163	35,696	14,162	49,858	169,021	175,775
Legal fees	157,871	1,502	932	1,585	1,372	433	1,016	96	4	-	164,811	2,480	1,012	3,492	168,303	477,225
Travel and entertainment	16,993	17,614	10,866	18,341	16,591	5,278	12,342	1,211	146	24	99,406	35,039	12,318	47,357	146,763	139,855
Meetings	-	114,943	346	824	730	225	506	2,918	27	-	120,519	1,498	612	2,110	122,629	435,849
Depreciation and amortization	7,968	15,413	9,520	17,218	14,825	4,751	10,900	1,062	169	-	81,826	27,746	10,927	38,673	120,499	141,291
Database management	-	-	-	-	-	78,952	-	-	-	-	78,952	-	-	-	78,952	74,701
Direct mail list rental	4,661	40,863	-	-	-	-	-	11,091	-	-	56,615	-	6,421	6,421	63,036	55,438
Bank charges	-	6,777	4,331	7,642	6,582	2,122	4,872	471	62	1,528	34,387	18,454	4,776	23,230	57,617	58,087
Accounting fees	-	4,969	4,603	7,017	5,961	2,090	4,668	430	1	-	29,739	9,706	3,564	13,270	43,009	45,856
Caging	-	-	-	-	-	27,786	-	-	-	-	27,786	-	-	-	27,786	24,653
Office expenses	-	2,769	1,477	2,925	2,571	804	1,846	189	53	-	12,634	9,704	2,022	11,726	24,360	21,454
Membership dues	6,451	-	-	-	-	774	1,600	-	-	-	8,825	10,444	1,598	12,042	20,867	16,353
Employee education and training	967	1,238	643	1,346	1,151	368	823	85	30	-	6,651	2,199	887	3,086	9,737	8,182
Equipment rental and maintenance	-	900	549	956	854	272	632	62	9	-	4,234	4,001	637	4,638	8,872	8,852
Honoraria	-	5,000	-	-	-	-	-	-	-	-	5,000	-	-	-	5,000	-
TOTAL EXPENSES	\$ 2,189,377	\$ 1,736,507	\$ 811,348	\$ 792,621	\$ 657,242	\$ 631,880	\$ 518,285	\$ 226,005	\$ 9,887	\$ 4,655	\$ 7,577,807	\$ 1,615,042	\$ 706,354	\$ 2,321,396	\$ 9,899,203	\$ 10,443,287

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

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (1,265,098)	\$ (3,043,988)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Realized gains on sales of investments	(202,993)	(517,812)
Unrealized (gain) loss on investments	(871,904)	4,103,444
Depreciation and amortization	120,499	141,291
Amortization of right of use asset – operating lease	542,975	539,249
Changes in assets and liabilities:		
Grants and contributions receivable	268,747	6,253
Prepaid expenses	35,016	(44,597)
Other assets	(2,067)	(147,962)
Accounts payable and accrued expenses	11,645	(83,405)
Lease liability – operating lease	(704,760)	(672,774)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(2,067,940)	279,699
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	35,969,775	37,211,145
Purchases of investments	(43,268,449)	(36,710,981)
Purchases of property and equipment	(53,452)	(47,730)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(7,352,126)	452,434
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(9,420,066)	732,133
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,894,126	10,161,993
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,474,060	\$ 10,894,126

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

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. Organization and Summary of Significant Accounting Policies

Organization

The Federation for American Immigration Reform (FAIR) is a District of Columbia nonprofit public interest organization working to end illegal immigration and set reasonable levels of legal immigration. FAIR funds its activities primarily through grants and contributions.

The FAIR Congressional Task Force, Inc. (FCTF) is a nonprofit organization incorporated under the laws of the District of Columbia in 1982. FCTF was organized exclusively to serve public, social and economic welfare by developing and promoting immigration policies that are consistent with the economic, social and demographic interests of the United States of America; to restrict illegal immigration into the United States of America; and to limit legal admissions into the United States of America to reasonable levels. FCTF funds its activities primarily through grants and contributions.

The Immigration Reform Law Institute (IRLI) is a District of Columbia nonprofit public charity organized to run FAIR's legal program. IRLI funds its activities primarily through grants and contributions.

Principles of Consolidation

The accompanying consolidated financial statements include the account balances and transactions of FAIR, FCTF and IRLI (collectively referred to as FAIR and Affiliates). FAIR's, FCTF's and IRLI's financial statements have been consolidated due to the presence of common control and economic interest, as required under accounting principles generally accepted in the United States of America (GAAP). All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

FAIR and Affiliates considers all demand deposit accounts and money market funds to be cash and cash equivalents.

Investments

Investments are recorded in the accompanying consolidated financial statements at fair value and consist of mutual and exchange-traded funds, fixed-income securities, and common stocks. 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gains or losses are determined by a comparison of the fair value at the beginning and end of the reporting period.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurement

Accounting standards define fair value and establish a framework for measuring fair value for those assets and liabilities that are measured at fair value on a recurring basis. In accordance with the fair value measurement standards, FAIR and Affiliates has categorized its applicable financial instruments into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the fair value hierarchy, the categorization is based upon the lowest-level input that is significant to the fair value measurement of the instrument. The applicable financial assets and liabilities are categorized below based on the inputs to the valuation techniques as follows:

Level 1 – Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.

Level 3 – Unobservable inputs for the asset or liability, including the reporting entity's own assumptions in determining the fair value measurement.

As of and for the year ended December 31, 2023, only FAIR and Affiliates' investments, as described in Note 3 of these consolidated financial statements, were measured at fair value on a recurring basis.

Property and Equipment and Related Depreciation and Amortization

Property and equipment consist of office furniture and equipment, leasehold improvements and website costs and are recorded at cost. Office furniture and equipment are depreciated over their estimated useful lives of five years using the straight-line method. Website costs are amortized over their estimated useful lives of five years using the straight-line method. Leasehold improvements are amortized over the lesser of the remaining office lease term or the estimated useful lives of the improvements. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred. Property and equipment with an acquisition value of \$2,000 or more and an economic life in excess of one year are capitalized. Upon the retirement or disposal of the assets, the cost and accumulated depreciation or amortization are eliminated from the respective accounts, and the resulting gain or loss is included in operating revenue and support or expenses in the accompanying consolidated statement of activities.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Net Assets

FAIR and Affiliates' net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for support of FAIR and Affiliates' operations as follows:

Undesignated net assets – represent resources that are to be used for the general operations of FAIR and Affiliates.

Board-designated reserves – represent net assets without donor restriction that have been designated by the Board of Directors as operating reserves and can only be expended by action of the Board of Directors.

Board-designated quasi-endowment – represents an endowment fund established by the Board of Directors for all bequests without donor restriction contributed to FAIR and Affiliates. Investment income earned by this fund is reinvested within the fund.

- Net assets with donor restrictions represent the funds that are specifically restricted by donors for use in various programs or for use in future periods. They also represent endowment funds requiring that the gift be held in perpetuity, such that only the investment earnings can be expended by FAIR and Affiliates.

Revenue Recognition

FAIR and Affiliates recognizes revenue from grants, contributions and bequests in the year in which the promise to give becomes unconditional. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Grants and contributions are recorded with donor restrictions if those grants and contributions are received with donor or grantor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is met (i.e., funds are spent or released based on spending policy), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing programs and activities have been summarized on a functional basis in the accompanying consolidated statement of functional expenses. Expenses directly attributed to specific functional areas are reported as expenses of those functional areas, while shared costs that benefit multiple functional areas have been allocated among the various areas in proportion to allocated salaries (program area allocation) or the amount of time spent on a particular program to total time spent by employees on all activities (office overhead allocation). Shared costs include salaries and employee benefits, as well as overhead expenses, including rent, utilities and telephone, depreciation and amortization, accounting and computer services, insurance, meetings, office expenses, printing, bank charges, and taxes.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Estimates

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

Definition of Operations

Income from investments, including realized gains and losses on investment transactions, is considered to be revenue generated from operations. Unrealized gains or losses recognized from the change in the fair value of investments are not considered to be from operations until such time as those gains or losses are realized through investment sale transactions.

2. Investments

Investments, at fair value, consisted of the following at December 31, 2023:

Common stocks	\$ 10,534,116
Mutual and exchange-traded funds	7,548,155
Fixed-income securities	<u>11,023,060</u>
Total Investments	<u>\$ 29,105,331</u>

For the year ended December 31, 2023, investment income consisted of the following:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment income, net	\$ 707,451	\$ 64,490	\$ 771,941
Unrealized gain	<u>767,436</u>	<u>104,468</u>	<u>871,904</u>
Total	<u>\$ 1,474,887</u>	<u>\$ 168,958</u>	<u>\$ 1,643,845</u>

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

3. Fair Value Measurement

The following table summarizes FAIR and Affiliates' assets measured at fair value on a recurring basis as of December 31, 2023:

	<u>Total Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets/ Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
Investments:				
Common stocks:				
Energy	\$ 2,017,424	\$ 2,017,424	\$ -	\$ -
Information technology	1,684,861	1,684,861	-	-
Financial	1,264,924	1,264,924	-	-
Industrial sector	1,193,680	1,193,680	-	-
Healthcare sector	1,089,182	1,089,182	-	-
Telecommunications	1,040,059	1,040,059	-	-
Consumer staples	970,792	970,792	-	-
Consumer discretionary	948,589	948,589	-	-
Utilities	236,557	236,557	-	-
Materials	<u>88,048</u>	<u>88,048</u>	-	-
Total Common Stocks	<u>10,534,116</u>	<u>10,534,116</u>	<u>-</u>	<u>-</u>
Mutual and exchange-traded funds:				
Equities:				
Large blend	1,590,047	1,590,047	-	-
Large growth	923,508	923,508	-	-
Medium growth	666,328	666,328	-	-
Medium blend	486,967	486,967	-	-
Small blend	224,629	224,629	-	-
Fixed-income	<u>3,656,676</u>	<u>3,656,676</u>	<u>-</u>	<u>-</u>
Total Mutual and Exchange-Traded Funds	<u>7,548,155</u>	<u>7,548,155</u>	<u>-</u>	<u>-</u>
Fixed-income securities:				
U.S. Treasury notes	<u>11,023,060</u>	<u>11,023,060</u>	<u>-</u>	<u>-</u>
Total Investments	<u>29,105,331</u>	<u>29,105,331</u>	<u>-</u>	<u>-</u>
Total	<u>\$29,105,331</u>	<u>\$29,105,331</u>	<u>\$ -</u>	<u>\$ -</u>

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

3. Fair Value Measurement (continued)

FAIR and Affiliates used the following methods and significant assumptions to estimate fair value for assets and liabilities recorded at fair value:

Common stocks – Valued at the closing price reported in the active market in which the individual stocks are traded.

Mutual and exchange-traded funds – Valued at net asset value at the closing price reported in the active market in which the mutual and exchange-traded funds are traded.

Fixed-income securities – Valued based on current yields, the securities' terms and conditions, and market activity. Information used includes market sources, credit information, observed market movement and sector news.

4. Property and Equipment and Accumulated Depreciation and Amortization

FAIR and Affiliates held the following property and equipment as of December 31, 2023:

Leasehold improvements	\$ 2,162,279
Office furniture and equipment	393,878
Website costs	<u>128,230</u>
Total Property and Equipment	2,684,387
Less: Accumulated Depreciation and Amortization	<u>(2,121,581)</u>
Property and Equipment, Net	<u>\$ 562,806</u>

For the year ended December 31, 2023, depreciation and amortization expense totaled \$120,499.

5. Right-of-Use Asset and Lease Liability

The ROU asset represents FAIR and Affiliates' right to use the underlying asset for the lease term, and the lease liability represent FAIR and Affiliates' obligation to make lease payments arising from the lease. The ROU asset and lease liability, which arises from FAIR and Affiliates' operating lease for its headquarters office, was calculated based on the present value of the future lease payments over the lease term. As the office lease agreement did not provide an implicit rate, based on the information available at the commencement date, FAIR and Affiliates elected to use a risk-free rate. The remaining lease term as of December 31, 2023 was five years and the risk-free discount rate utilized to present value the future lease payments was 1.55%. FAIR and Affiliates' operating office lease is described below.

FAIR leases office space under a noncancelable operating lease for its Washington, D.C., office. On March 22, 2017, FAIR amended its existing office space lease, extending the lease term by 11 years with a new expiration date of December 2028. On November 1, 2019, FAIR

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

5. Right-of-Use Asset and Lease Liability (continued)

and Affiliates further amended its existing office space lease by increasing its current space office space within the same building by 2,551 square feet, with a co-terminus expiration date with the lease term for the existing office spaces. The amended lease agreement contains a fixed escalation clause for increases in the annual minimum rent at a rate of 2.5% per year along with certain incentives consisting of rent abatements and improvement allowances. FAIR will also be required to pay for its proportionate share of operating expenses and real estate taxes.

For the year ended December 31, 2023, the total operating lease cost was \$608,613, which is included in rent expense in the accompanying consolidated statement of functional expenses. Cash paid for the operating lease for the year ended December 31, 2023 totaled \$772,705.

The total future minimum rental payments required under the lease agreement are as follows:

For the Year Ending December 31,	
2024	\$ 792,118
2025	811,921
2026	832,217
2027	853,006
2028	<u>874,235</u>
Total	4,163,497
Less: Present Value Discount	<u>(162,807)</u>
Lease Liability – Operating Lease	<u>\$ 4,000,690</u>

6. Concentration of Risk

Concentration of Credit Risk

FAIR and Affiliates maintains its cash and cash equivalents with certain commercial financial institutions, which aggregate balances may exceed, at times, the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000 per depositor per institution. As of December 31, 2023, FAIR and Affiliates had approximately \$1,410,000 composed of demand deposits, which exceeded the maximum limit insured by the FDIC by approximately \$570,000. FAIR and Affiliates monitors the creditworthiness of these institutions and has not experienced any historical credit losses on its cash and cash equivalents.

FAIR and Affiliates also invests in various investment securities that are exposed to various risks, including market, interest rate and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

6. Concentration of Risk (continued)

Concentration of Revenue

During the year ended December 31, 2023, FAIR and Affiliates received \$5,625,000 in grants and contributions from five donors, which represented approximately 72% of the total operating revenue and support recognized by FAIR and Affiliates. If a significant reduction in funding from these donors were to occur, it might adversely impact FAIR and Affiliates' financial position and ability to carry out its program activities.

7. Board-Designated Reserve

The Boards of Directors of FAIR and IRLI have adopted resolutions to designate certain net assets as reserve funds. These funds can be drawn upon to fund FAIR's and IRLI's operations in time of need, as approved by their Boards of Directors. In accordance with these resolutions, FAIR and IRLI transfer funds from general operations to the board-designated reserve fund in an amount equal to 5% of all contributions without donor restrictions that are greater than \$50,000 and \$20,000, respectively. All investment income accumulates in the funds. FAIR's and IRLI's board-designated reserve net asset balances totaled \$5,641,369 and \$2,770,787, respectively, as of December 31, 2023.

FAIR's Board of Directors has authorized a \$100,000 revolving line of credit against the board-designated reserve funds that is intended to allow FAIR's management to bridge shortfalls in operating revenue without the Board of Directors' approval. Any borrowings from the reserve fund in excess of \$100,000 require approval from FAIR's Board of Directors. There were no borrowings or repayments during the year ended December 31, 2023, and there was no outstanding balance as of December 31, 2023.

8. Net Assets

Without Donor Restrictions

Net assets without donor restrictions that remained as of December 31, 2023, were made up of the following balances:

Undesignated	<u>\$ 4,840,830</u>
Board-designated	
Reserve fund	8,412,156
Swensrud Memorial Endowment fund	<u>11,721,191</u>
Total Board-Designated	<u>20,133,347</u>
Total Net Assets Without Donor Restrictions	<u>\$ 24,974,177</u>

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

8. Net Assets (continued)

With Donor Restrictions

Net assets with donor restrictions that remained as of December 31, 2023, were available for the following purposes or period:

Subject to expenditure for specified purpose:	
Public education	\$ 795,682
Swensrud Memorial Internship program	<u>88,623</u>
Total Purpose-Restricted	884,305
Subject to occurrence of passage of time:	
Time-restricted for board appropriation	1,552,962
Subject to be held in perpetuity:	
Swensrud Endowment Fund	<u>2,531,324</u>
Total Net Assets With Donor Restrictions	<u>\$ 4,968,591</u>

9. Endowment Funds

FAIR's Board of Directors has interpreted the District of Columbia's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, FAIR classifies as perpetual endowment funds (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual 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 perpetual endowment funds is classified as net assets with donor-imposed purpose restrictions until those amounts are appropriated for expenditure by FAIR in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, FAIR considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds.
- The purposes of FAIR and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of FAIR.
- The investment policies of FAIR.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

9. Endowment Funds (continued)

Return Objectives and Risk Parameters

FAIR has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that FAIR must hold in perpetuity or for donor-specified periods, as well as board-designated funds. Under these policies, as approved by the Board of Directors, the endowment assets are invested in funds to achieve growth in principal value and income over time sufficient to preserve or increase the purchasing power of the funds, thus protecting the funds against inflation. Actual returns in any given year may vary.

Strategies Employed for Achieving Objectives

To satisfy FAIR's long-term rate-of-return objectives, FAIR relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). FAIR's current asset allocation for board-designated and endowment funds targets a composition of 30% fixed income (with a range of 20-50%), 10% money market funds (with a range of 0-15%) and 60% stocks (with a range of 20-65%).

Excluding the Swensrud Memorial Internship Fund, FAIR's endowment spending policy takes the average combined value of the endowment fund during the previous 10 quarters, and calculates 5% annually of the rolling amount for release into current operations. Expenditures from the Swensrud Memorial Internship Fund are released from restrictions as the scholarships are awarded, in accordance with donor stipulations. If an endowment fund has a deficiency, the Board of Directors has the discretion to forgo any appropriation from that fund until the fund deficiency is replenished. In establishing this policy, FAIR considered the long-term expected return on its endowment. This is consistent with FAIR's objective to maintain the purchasing power of the endowment assets for a specified term, as well as to provide additional real growth through investment returns.

Funds with Deficiencies

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the level that the donor or UPMIFA requires FAIR to retain as a fund of perpetual duration. It's FAIR's interpretation and policy under UPMIFA that it has the ability and will continue to spend from underwater funds. There were no such deficiencies as of December 31, 2023.

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023**

9. Endowment Funds (continued)

Composition and Activity of Endowment Funds by Net Asset Category

The endowment's net asset composition by type of fund is as follows as of December 31, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board-designated funds	\$ 11,721,191	\$ -	\$ 11,721,191
Donor-restricted funds:			
Historical gift value	-	2,531,324	2,531,324
Appreciation	-	1,641,585	1,641,585
Total Funds	<u>\$ 11,721,191</u>	<u>\$ 4,172,909</u>	<u>\$ 15,894,100</u>

Changes in endowment net assets are as follows for the year ended December 31, 2023:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment net assets, January 1, 2023	\$ 11,623,753	\$ 4,011,405	\$ 15,635,158
Investment return	775,852	168,958	944,810
Contributions	64,319	-	64,319
Appropriations:			
Internship	-	(7,454)	(7,454)
Spending policy	<u>(742,733)</u>	<u>-</u>	<u>(742,733)</u>
Endowment Net Assets December 31, 2023	<u>\$ 11,721,191</u>	<u>\$ 4,172,909</u>	<u>\$ 15,894,100</u>

Net Assets With Donor Restrictions

Perpetual Endowment Funds:

Swensrud Endowment Fund	\$ 2,427,571
Swensrud Memorial Internship Fund	<u>103,753</u>
The portion of perpetual endowment funds that is required to be retained permanently, either by explicit donor stipulation or by UPMIFA	<u>\$ 2,531,324</u>

Endowment Funds With Donor-Imposed Purpose Restrictions:

The portion of endowment funds subject to a purpose restriction under UPMIFA:

With purpose restrictions	\$ 88,623
Funds awaiting board appropriation	<u>1,552,962</u>
Total Endowment Funds With Donor-Imposed Purpose Restrictions	<u>\$ 1,641,585</u>

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

10. Savings Plans

FAIR sponsors a contributory tax-deferred savings plan for eligible employees whereby FAIR matches contributions for employees who meet certain length of service requirements. Under the terms of the plan, FAIR matches participants' contributions on a one-for-one basis up to a maximum of 2.5% of the gross salaries for employees who have one to three years of eligible service. After an employee reaches three years of eligible service, FAIR's contribution increases to a maximum of 5%, and after five years of service, a maximum of 7.5%, eligible employees must contribute a minimum of 2.5% of their gross salaries in order to participate in the employer match. FAIR and Affiliates' plan contributions totaled \$181,743 for the year ended December 31, 2023, and are included in employee benefits and payroll taxes in the accompanying consolidated statement of functional expenses.

FAIR has also established a deferred compensation plan for certain key employees. The deferred compensation plan is intended to be a nonqualified deferred compensation plan that is governed by Section 457(b) of the Internal Revenue Code (the IRC). FAIR's deferred compensation plan contributions totaled \$2,068 for the year ended December 31, 2023, and are included in employee benefits and payroll taxes in the accompanying consolidated statement of functional expenses. As of December 31, 2023, the deferred compensation plan assets and liabilities totaled \$54,999 and are included in other assets and accounts payable and accrued expenses, respectively, in the accompanying consolidated statement of financial position.

11. Allocation of Joint Costs

During the year ended December 31, 2023, FAIR and Affiliates incurred joint costs of \$763,510 for informational materials and activities, which included fundraising appeals. Of these costs, \$91,591 was allocated to fundraising expenses and \$671,919 was allocated to program service expenses in the accompanying consolidated statement of functional expenses.

12. Availability and Liquidity

FAIR and Affiliates' financial assets available within one year of the consolidated statement of financial position for general expenditure are as follows:

Financial assets available at year-end:	
Cash and cash equivalents, without donor or board restrictions	\$ 621,497
Investments, without donor or board restrictions	<u>5,005,685</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 5,627,182</u>

FAIR and Affiliates' liquid assets have fluctuations during the year due to timing of contributions and as part of FAIR and Affiliates' liquidity management, it has a policy to structure its financials assets to be available as its general expenditures, liabilities and other

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

12. Availability and Liquidity (continued)

obligations come due. As part of its liquidity plan, excess operating cash is invested in short-term, low-risk investments. In addition, FAIR's Board of Directors has authorized a \$100,000 revolving line of credit against the board-designated reserve funds that is intended to allow FAIR's management to bridge shortfalls in operating revenue which is described in Note 7 above, and it also has an endowment spending policy that allows for 5% annual release in the current year operations to fund general expenditures which is described in Note 9.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, FAIR and Affiliates considers all expenditures related to its ongoing activities of media advertising, public education, research and publications, lobbying, and public interest legal as well as the conduct of services undertaken to support those activities to be general expenditures. Investments related to executive deferred compensation are not included in the analysis as the principal and interest on these investments are solely for the executive, and therefore, not available to meet current operating needs.

13. Income Taxes

FAIR, FCTF and IRLI are exempt from the payment of income taxes under Sections 501(c)(3), 501(c)(4) and 501(c)(3) of the IRC, respectively. As such, these organizations are taxed only on their net unrelated business income. In addition, FAIR has filed an election under IRC Section 501(h), which permits FAIR to engage in a limited amount of legislative lobbying. No provision for income taxes has been made in the accompanying consolidated financial statements for the year ended December 31, 2023, as there was no significant net unrelated business income or excess lobbying expenditures.

FAIR and Affiliates adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. FAIR and Affiliates performed an evaluation of uncertainty in income taxes for the year ended December 31, 2023, and determined that there were no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status.

U.S. federal jurisdiction and/or the various states and local jurisdictions in which FAIR and Affiliates files tax returns are open for examination pending or in progress. FAIR and Affiliates are not currently under audit by the U.S. Internal Revenue Service. It is FAIR and Affiliates' policy to recognize interest and penalties related to uncertainty in income taxes, if any, in income tax or interest expense. As of December 31, 2023, FAIR and Affiliates had no accruals for interest and/or penalties.

14. Prior Year Summarized Financial Information

The accompanying consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

14. Prior Year Summarized Financial Information (continued)

information should be read in conjunction with FAIR and Affiliates' consolidated financial statements for the year ended December 31, 2022, from which the summarized information was derived.

15. Subsequent Events

In preparing these consolidated financial statements, FAIR and Affiliates has evaluated events and transactions, for potential recognition or disclosure, through June 11, 2024, the date the consolidated financial statements were available to be issued and there were no other subsequent events required to be reported.

SUPPLEMENTARY INFORMATION

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2023

	<u>FAIR</u>	<u>FCTF</u>	<u>IRLI</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 805,762	\$ 314,813	\$ 353,485	\$ -	\$ 1,474,060
Affiliate receivable	98,591	-	-	(98,591)	-
Prepaid expenses	45,072	-	6,065	-	51,137
Total Current Assets	949,425	314,813	359,550	(98,591)	1,525,197
Investments	23,206,991	-	5,898,340	-	29,105,331
Property and equipment, net	542,095	-	20,711	-	562,806
Right of use asset – operating lease	2,891,792	-	-	-	2,891,792
Security deposits	38,611	-	-	-	38,611
Other assets	216,924	-	-	-	216,924
TOTAL ASSETS	\$ 27,845,838	\$ 314,813	\$ 6,278,601	\$ (98,591)	\$ 34,340,661
LIABILITIES AND NET ASSETS					
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ 326,786	\$ -	70,417	\$ -	\$ 397,203
Affiliate payable	-	3,275	95,316	(98,591)	-
Lease liability – operating lease, current	735,313	-	-	-	735,313
Total Current Liabilities	1,062,099	3,275	165,733	(98,591)	1,132,516
Lease liability – operating lease, net of current	3,265,377	-	-	-	3,265,377
TOTAL LIABILITIES	4,327,476	3,275	165,733	(98,591)	4,397,893
Net Assets					
Without donor restrictions	18,549,771	311,538	6,112,868	-	24,974,177
With donor restrictions	4,968,591	-	-	-	4,968,591
TOTAL NET ASSETS	23,518,362	311,538	6,112,868	-	29,942,768
TOTAL LIABILITIES AND NET ASSETS	\$ 27,845,838	\$ 314,813	\$ 6,278,601	\$ (98,591)	\$ 34,340,661

See independent auditors' report

FEDERATION FOR AMERICAN IMMIGRATION REFORM AND AFFILIATES

**CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended December 31, 2023**

	<u>FAIR</u>	<u>FCTF</u>	<u>IRLI</u>	<u>Eliminations</u>	<u>Total</u>
OPERATING REVENUE AND SUPPORT					
Grants	\$ 3,377,285	\$ 20	\$ 2,698,110	\$ -	\$ 6,075,415
Contributions and bequests	819,276	-	-	-	819,276
Investment income, net	668,701	32	103,208	-	771,941
Online marketing	91,509	-	-	-	91,509
Royalty income	491	-	-	-	491
Other income	169,252	-	108	(165,791)	3,569
	<u>5,126,514</u>	<u>52</u>	<u>2,801,426</u>	<u>(165,791)</u>	<u>7,762,201</u>
TOTAL OPERATING REVENUE AND SUPPORT					
	<u>5,126,514</u>	<u>52</u>	<u>2,801,426</u>	<u>(165,791)</u>	<u>7,762,201</u>
EXPENSES					
Program Services:					
Public education	1,736,507	-	-	-	1,736,507
Immigration Reform Law Institute (IRLI)	-	-	2,189,377	-	2,189,377
State and Local / Field	792,621	-	-	-	792,621
Media	811,348	-	-	-	811,348
Government relations	518,285	-	-	-	518,285
Research and publications	657,242	-	-	-	657,242
Membership education and service	631,880	-	-	-	631,880
Lobbying	226,005	-	-	-	226,005
Public interest legal	9,887	-	-	-	9,887
FAIR Congressional Task Force (FCTF)	-	4,655	-	-	4,655
	<u>5,383,775</u>	<u>4,655</u>	<u>2,189,377</u>	<u>-</u>	<u>7,577,807</u>
Total Program Services					
	<u>5,383,775</u>	<u>4,655</u>	<u>2,189,377</u>	<u>-</u>	<u>7,577,807</u>
Supporting Services:					
Management and general	1,291,390	918	488,525	(165,791)	1,615,042
Fundraising	703,273	-	3,081	-	706,354
	<u>1,994,663</u>	<u>918</u>	<u>491,606</u>	<u>(165,791)</u>	<u>2,321,396</u>
Total Supporting Services					
	<u>1,994,663</u>	<u>918</u>	<u>491,606</u>	<u>(165,791)</u>	<u>2,321,396</u>
TOTAL EXPENSES	<u>7,378,438</u>	<u>5,573</u>	<u>2,680,983</u>	<u>(165,791)</u>	<u>9,899,203</u>
Change in net assets before unrealized gain on investments	(2,251,924)	(5,521)	120,443	-	(2,137,002)
NONOPERATING INCOME					
Unrealized gain on investments	739,697	-	132,207	-	871,904
CHANGE IN NET ASSETS	(1,512,227)	(5,521)	252,650	-	(1,265,098)
NET ASSETS, BEGINNING OF YEAR	25,030,589	317,059	5,860,218	-	31,207,866
NET ASSETS, END OF YEAR	<u>\$ 23,518,362</u>	<u>\$ 311,538</u>	<u>\$ 6,112,868</u>	<u>\$ -</u>	<u>\$ 29,942,768</u>

See independent auditors' report