

**Students for Sensible Drug Policy Foundation and Affiliate**

Consolidated Financial Statements  
and Independent Auditors' Report

June 30, 2019

# Students for Sensible Drug Policy Foundation and Affiliate

Consolidated Financial Statements  
June 30, 2019

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Students for Sensible Drug Policy Foundation and Affiliate

We have audited the accompanying consolidated financial statements of Students for Sensible Drug Policy Foundation and Affiliate (collectively, SSDP), which comprise the consolidated statement of financial position as of June 30, 2019; 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.

### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

***Auditor's Responsibility (continued)***

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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of SSDP as of June 30, 2019, 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.

***Emphasis of Matter***

As discussed in Note 2 to the consolidated financial statements, in 2019, SSDP adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statement of Not-for-Profit-Entities*. Our opinion is not modified with respect to this matter.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included on pages 18-19 is presented for purposes 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.



Vienna, Virginia  
November 12, 2019  
(except for the Note 16, as to  
which the date is January 28, 2020)

## Students for Sensible Drug Policy Foundation and Affiliate

### Consolidated Statement of Financial Position June 30, 2019

#### Assets

Cash and cash equivalents	\$	54,552
Investment in cryptocurrency		20,431
Prepaid expenses and deposits		5,357
Property and equipment, net		1,303
Intangible assets, net		23,506

Total assets \$ 105,149

#### Liabilities and Net Assets

#### Liabilities

Accounts payable and accrued expenses	\$	43,153
Loan payable		50,000

Total liabilities 93,153

#### Net Assets (Deficit)

Without donor restrictions		(70,636)
With donor restrictions		82,632

Total net assets 11,996

Total liabilities and net assets \$ 105,149

## Students for Sensible Drug Policy Foundation and Affiliate

### Consolidated Statement of Activities For the Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Contributions and grants	\$ 504,239	\$ 90,000	\$ 594,239
Conferences	90,271	-	90,271
Sales	639	-	639
Unrealized appreciation on investment in cryptocurrency	8,448	-	8,448
Other income	3,750	-	3,750
Released from restriction	87,414	(87,414)	-
<b>Total revenue and support</b>	<u>694,761</u>	<u>2,586</u>	<u>697,347</u>
<b>Expenses</b>			
Program services	584,158	-	584,158
Management and general	148,093	-	148,093
Fundraising	82,859	-	82,859
<b>Total expenses</b>	<u>815,110</u>	<u>-</u>	<u>815,110</u>
<b>Change in Net Assets</b>	(120,349)	2,586	(117,763)
<b>Net Assets, beginning of year</b>	<u>49,713</u>	<u>80,046</u>	<u>129,759</u>
<b>Net (Deficit) Assets, end of year</b>	<u>\$ (70,636)</u>	<u>\$ 82,632</u>	<u>\$ 11,996</u>

*See accompanying notes.*

## Students for Sensible Drug Policy Foundation and Affiliate

### Consolidated Statement of Functional Expenses For the Year Ended June 30, 2019

	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	\$ 372,467	\$ 82,758	\$ 51,547	\$ 506,772
Consulting and contractual services	35,640	770	5,999	42,409
Rent	44,797	6,566	6,174	57,537
Advertising and promotion	150	-	-	150
Depreciation and amortization	-	9,365	-	9,365
Finance charges	-	3,034	-	3,034
Sponsorships and dues	1,061	-	-	1,061
Professional development	-	522	-	522
Awards	8	-	-	8
Conference and training	900	-	-	900
Scholarship	7,703	-	-	7,703
Event and conference	77,297	-	5,294	82,591
Insurance	98	4,942	-	5,040
Licenses and permits	250	5,514	6,446	12,210
Postage and delivery	3,099	347	561	4,007
Printing and publications	5,027	140	1,791	6,958
Legal fees	637	2,368	-	3,005
Accounting fees	-	23,550	-	23,550
Information technology	5,564	796	2,748	9,108
Office expense	4,441	629	634	5,704
Repairs and maintenance	280	41	39	360
Telecommunications	13	5,125	-	5,138
Travel and entertainment	24,399	1,626	1,626	27,651
Other expenses	327	-	-	327
<b>Total Expenses</b>	<b>\$ 584,158</b>	<b>\$ 148,093</b>	<b>\$ 82,859</b>	<b>\$ 815,110</b>

See accompanying notes.

## Students for Sensible Drug Policy Foundation and Affiliate

### Consolidated Statement of Cash Flows For the Year Ended June 30, 2019

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ (117,763)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Unrealized appreciation on investment in cryptocurrency	(8,448)
Depreciation and amortization	9,365
Change in operating assets and liabilities:	
Decrease in:	
Accounts receivable	600
Prepaid expenses and deposits	383
Increase in:	
Accounts payable and accrued expenses	33,540
	<hr/>
Net cash used in operating activities	(82,323)
	<hr/>
<b>Cash Flows from Investing Activity</b>	
Purchase of property and equipment	(552)
	<hr/>
Net cash used in investing activity	(552)
	<hr/>
<b>Cash Flows from Financing Activity</b>	
Proceeds from loan	50,000
	<hr/>
Net cash provided by financing activity	50,000
	<hr/>
<b>Net Decrease in Cash and Cash Equivalents</b>	(32,875)
	<hr/>
<b>Cash and Cash Equivalents, beginning of year</b>	87,427
	<hr/>
<b>Cash and Cash Equivalents, end of year</b>	<u><u>\$ 54,552</u></u>

See accompanying notes.



# Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements

June 30, 2019

## 1. Nature of Operations

The accompanying consolidated financial statements include the accounts of the Students for Sensible Drug Policy Foundation (“SSDP Foundation”) and Students for Sensible Drug Policy, Inc. (“SSDP, Inc.”).

SSDP Foundation is a 501(c)(3) organization that engages in education and outreach and is committed to providing education on the harms caused by the War on Drugs, working to involve youth in the political process, and promoting an open, honest, and rational discussion of alternative solutions to our nation’s drug problems.

SSDP, Inc. is a 501(c)(4) organization that engages in advocacy or attempts to effect change to law and policy.

## 2. Summary of Significant Accounting Policies

### Principles of Consolidation

SSDP Foundation has a controlling financial interest in SSDP, Inc. Significant balances and transactions between SSDP Foundation and its affiliate have been eliminated in the consolidation. Except when referred to separately, the entities are collectively referred to as “SSDP” throughout the accompanying consolidated financial statements and related notes.

### Basis of Accounting and Presentation

The consolidated financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements

June 30, 2019

### 2. Summary of Significant Accounting Policies (continued)

#### Cash Equivalents

SSDP considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase. At June 30, 2019, SSDP had undeposited funds included in cash and cash equivalents of \$11,625.

#### Investment in Cryptocurrency

Investments are entirely comprised of Bitcoin cryptocurrency and are reported at fair value as determined by digital asset market exchanges, with realized gains and losses calculated on a trade data basis as the difference between the fair value and cost of cryptocurrencies transferred. SSDP recognizes the fair value changes in unrealized appreciation or depreciation on investment through the accompanying consolidated statement of activities. As of June 30, 2019, SSDP's investments had a fair value of \$20,431 and consist of Bitcoin cryptocurrency.

In addition, SSDP maintains an Electrum USD Wallet account, which is linked to one of SSDP's bank accounts and enables SSDP to store US dollar balances on Bitpay for instant Bitcoin transactions.

#### Accounts Receivable

Accounts receivable are recorded at net realizable value. Uncollectible accounts are written-off in the year in which they are identified. SSDP does not maintain an allowance for doubtful accounts but does monitor and estimate the amount of any uncollectible balances throughout the year. At June 30, 2019, SSDP had no accounts receivable.

#### Property and Equipment

Property and equipment with a cost in excess of \$500 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in revenue or expenses. Repair and maintenance costs are expensed as incurred.

## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements

June 30, 2019

### 2. Summary of Significant Accounting Policies (continued)

#### Intangible Assets

During 2016, SSDP capitalized website development services costs in the amount of \$42,100, which include \$36,100 that was received as an in-kind contribution. These services enhance a nonfinancial asset, require specialized skills, and would be purchased if not donated, and therefore were recognized as an intangible asset and a contribution in the accompanying consolidated financial statements. The website was put into service in 2017, and capitalized development costs began to be amortized on a straight-line basis over the estimated useful life of five years. Costs related to the planning stage of the website development project as well as ongoing website operating and support costs are expensed as incurred.

#### In-Kind Contributions

Donated noncash items are recorded as support at their estimated fair values at the date of donation. Donated services are recognized if the services received create or enhance nonfinancial assets or require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by the donors.

#### Revenue Recognition

All contribution revenue is considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support that increase these net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Net assets with donor restrictions are reported as net assets without donor restrictions if the restrictions are met in the same period as received.

Revenue from conferences and programs is recognized at the time the events are held, with any amounts received in advance deferred until that time.

Revenue from other sources is recognized when earned.

## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements

June 30, 2019

### 2. Summary of Significant Accounting Policies (continued)

#### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Advertising Costs

Advertising costs are expensed as incurred, and totaled \$150 during the year ended June 30, 2019.

#### Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

#### Change in Accounting Principle

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. SSDP has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly.

#### Recently Issued Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases*. The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its consolidated statement of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in fiscal year 2021.

## Students for Sensible Drug Policy Foundation and Affiliate

### Notes to Consolidated Financial Statements

June 30, 2019

#### 2. Summary of Significant Accounting Policies (continued)

##### Subsequent Events

In preparing these consolidated financial statements, SSDP has evaluated events and transactions for potential recognition or disclosure through November 12, 2019SSDP, the date the consolidated financial statements were available to be issued.

#### 3. Liquidity and Availability

SSDP had \$74,983 of financial assets available within one year of the consolidated statement of financial position date to meet cash needs for general expenditures as of June 30, 2019, as shown below:

Cash and cash equivalents	\$	54,552
Investment in cryptocurrency		<u>20,431</u>
Total available for general expenditures	\$	<u><u>74,983</u></u>

SSDP considers contributions restricted by donors for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. SSDP monitors the balance of its cash and cash equivalents on hand, with a goal to maintain balances at levels sufficient to meet at least 90 days of normal operating expenses. SSDP structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, SSDP invests the excess of its short-term operating needs in short term investments.

#### 4. Concentration of Risks

##### Credit Risk

Financial instruments that potentially subject SSDP to significant concentrations of credit risk consist of cash and cash equivalents. SSDP maintains various cash deposit and transaction accounts with various financial institutions that from time to time could exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). SSDP has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements  
June 30, 2019

### 4. Concentration of Risks (continued)

#### Revenue Risk

SSDP received a substantial portion of its support and revenue from three organizations during the year ended June 30, 2019, which represents approximately 31% of SSDP's total revenue and support.

### 5. Fair Value Measurements

SSDP follows FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. Transfers between levels in the fair value hierarchy are recognized at the end of the reporting period.

In general, and where applicable, SSDP uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments.

#### Cryptocurrencies

Cryptocurrencies are carried at their fair value and are revalued to their current market at each reporting date. Fair value is determined based on the price quoted on digital asset market exchange, which is an average of quoted rates from various cryptocurrency exchanges. As such, SSDP classifies its digital currency as a Level 2 input.

**Students for Sensible Drug Policy Foundation and Affiliate**

Notes to Consolidated Financial Statements  
June 30, 2019

**5. Fair Value Measurements (continued)**

The following table presents SSDP's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2019:

	Level 1	Level 2	Level 3	Total fair value
Cryptocurrency:				
Bitcoin	\$ -	\$ 20,431	\$ -	\$ 20,431
Total investment in cryptocurrency	\$ -	\$ 20,431	\$ -	\$ 20,431

Cryptocurrency transaction gain consists of the following for the year ended June 30, 2019:

Unrealized appreciation on investment in cryptocurrency	<u>\$ 8,448</u>
Total appreciation on investment in cryptocurrency	<u><u>\$ 8,448</u></u>

**6. Property and Equipment**

Property and equipment consists of the following at June 30, 2019:

Property and equipment	\$ 21,701
Less: accumulated depreciation	<u>(20,398)</u>
Property and equipment, net	<u><u>\$ 1,303</u></u>

## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements  
June 30, 2019

### 7 Intangible Assets

Intangible assets consist of the following at June 30, 2019:

Intangible assets	\$ 42,100
Less: accumulated amortization	<u>(18,594)</u>
Intangible assets, net	<u><u>\$ 23,506</u></u>

The estimated future amortization expense of purchased intangible assets with finite lives is as follows for the years ending June 30:

2020	\$ 8,420
2021	8,420
2022	<u>6,666</u>
Total future amortization expense	<u><u>\$ 23,506</u></u>

### 8 Loan Payable

In October 2018, SSDP obtained a loan with Multidisciplinary Association for Psychedelic Studies (MAPS) at an annual interest rate of 5% to finance short-term working capital needs. Per the loan agreement, SSDP is required to repay MAPS by December 26, 2019. The outstanding balance on the loan payable at June 30, 2019 totaled \$50,000.

### 9. Net Assets With Donor Restriction

At June 30, 2019, net assets with donor restrictions were \$82,632 and consist of donor-restricted contributions received for the Pacific Region Development program.

### 10. Commitments and Contingencies

#### Operating Leases

SSDP Foundation maintains an operating lease agreement for office space in Washington, DC. The original lease was signed in January 2012, and since then has been extended several times. In December 2018, this lease was extended for one additional year, commencing on April 1, 2019 and expiring on March 31, 2020.



## Students for Sensible Drug Policy Foundation and Affiliate

Notes to Consolidated Financial Statements

June 30, 2019

### 10. Commitments and Contingencies (continued)

#### Operating Leases (continued)

The lease has a base rent escalation term of 3% per year. The difference between rental expense recognized on the straight-line basis and the excess of rental expense recognized over cash payments is not recorded in the accompanying consolidated statement of financial position due to immateriality. SSDP Foundation is responsible for its proportionate share of operating costs.

In addition, SSDP Foundation entered into an office space lease agreement in Denver, CO for a period of one year commencing December 1, 2015 and expired on November 30, 2016 with a base monthly payment of \$333. This lease was subsequently renewed for two more years commencing on February 1, 2017 and expired on February 2019.

Monthly base rent was \$342 for the first lease year and \$375 for the second lease year. On December 7, 2018, SSDP Foundation exited this lease.

On April 27, 2018, SSDP signed a lease agreement for a working space in a shared office space in Oakland, CA. The agreement is on a month-to-month basis with a monthly rent of \$405 from April 2018 to March 2019, and which increased to \$420 from April 2019. In June 2019, SSDP Foundation exited this lease.

Rent expense for all operating leases totaled \$57,538 for the year ended June 30, 2019.

Future minimum lease payments for the above leases total \$27,127 for the year ending June 30, 2020.

#### Hotel Agreements

Meetings and conferences are held by SSDP at various hotels throughout the United States. These events are contracted with the hotels in advance. In the event that SSDP cancels its agreements with the hotels, it can be held liable for liquidated damages up to the amount of lost profit less the hotel's mitigation, depending upon the date of cancellation.

## **Students for Sensible Drug Policy Foundation and Affiliate**

### Notes to Consolidated Financial Statements

June 30, 2019

#### **11. In-Kind Contributions**

In-kind contributions of goods and services are included in contributions and grants in the accompanying consolidated statement of activities and consist of pro-bono legal services. Total in-kind contributions were \$4,980 for the year ended June 30, 2019.

#### **12. Methods Used for Allocation of Expenses from Management and General Activities**

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries and employee benefits, consulting and contractual services, telecommunication, insurance, travel, and other expenses, which are allocated on the basis of estimates of time and effort.

#### **13. Chapters**

During fiscal year 2019, SSDP Foundation had 295 local and international Chapters that share and promote the same mission. The Chapters operate independently and are governed by officers elected by qualifying members within SSDP Foundation. Accordingly, the financial accounts of the Chapters are not included in the accompanying consolidated financial statements.

#### **14. Results of Operations and Management's Plans**

SSDP had a net operating loss of \$117,763 for the year ended June 30, 2019, which decreased total net assets to \$11,996. Although net assets remained positive at June 30, 2019, continued operating losses may have a negative impact on the overall liquidity of SSDP. Management of SSDP continually maintains and reviews contingency plans as a prudent measure to ensure the continued viability of operations. Accordingly, SSDP has been shifting its focus to establish more diverse and sustainable funding streams that include cultivating relationships to secure additional support from major donors, increased Board giving, as well as cutting certain administrative costs. The consolidated financial statements do not include any adjustments that might be necessary if SSDP is unable to continue as a going concern.

## **Students for Sensible Drug Policy Foundation and Affiliate**

Notes to Consolidated Financial Statements

June 30, 2019

### **15. Income Taxes**

SSDP Foundation and SSDP, Inc. are exempt from payment of taxes on income other than unrelated business income under Sections 501(c)(3) and 501(c)(4), respectively, of the Internal Revenue Code. No tax expense is recorded in the accompanying consolidated financial statements for the year ended June 30, 2019, as there were no significant unrelated business activities. Management evaluated SSDP's tax positions and has concluded that SSDP has taken no uncertain tax positions that require either recognition or disclosure in the accompanying consolidated financial statements.

### **16. Reissue**

The financial statements have been reissued on January 28, 2020 to correctly report the allocation of functional expenses for the year ended June 30, 2019. The reclassification made within these reissued financial statements decreased total "management and general" expenses by \$72,561, and increased total "program services" expenses by \$66,717 and total "fundraising" expenses by \$5,844. The adjustment made within these reissued financial statements did not affect the total change in net assets.

## **SUPPLEMENTARY INFORMATION**

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**Students for Sensible Drug Policy Foundation and Affiliate**

Consolidating Schedule of Financial Position  
June 30, 2019

	SSDP Foundation	SSDP, Inc.	Eliminations	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 44,770	\$ 9,782	\$ -	\$ 54,552
Investment in cryptocurrency	20,431	-	-	20,431
Prepaid expenses and deposits	5,357	-	-	5,357
Property and equipment, net	1,303	-	-	1,303
Intangible assets, net	23,506	-	-	23,506
Total assets	<u>\$ 95,367</u>	<u>\$ 9,782</u>	<u>\$ -</u>	<u>\$ 105,149</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 43,153	\$ -	\$ -	\$ 43,153
Loan payable	50,000	-	-	50,000
Total liabilities	<u>93,153</u>	<u>-</u>	<u>-</u>	<u>93,153</u>
<b>Net Assets (Deficit)</b>				
Without donor restrictions	(80,418)	9,782	-	(70,636)
With donor restrictions	82,632	-	-	82,632
Total net assets	<u>2,214</u>	<u>9,782</u>	<u>-</u>	<u>11,996</u>
Total liabilities and net assets	<u>\$ 95,367</u>	<u>\$ 9,782</u>	<u>\$ -</u>	<u>\$ 105,149</u>

## Students for Sensible Drug Policy Foundation and Affiliate

Consolidating Schedule of Activities  
For the Year Ended June 30, 2019

	SSDP Foundation		SSDP, Inc.	Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	
<b>Revenue and Support</b>				
Contributions and grants	\$ 504,239	\$ 90,000	\$ -	\$ 594,239
Conferences	90,271	-	-	90,271
Sales	639	-	-	639
Unrealized appreciation on investment in cryptocurrency	8,448	-	-	8,448
Other income	3,750	-	-	3,750
Released from restriction	87,414	(87,414)	-	-
<b>Total revenue and support</b>	<u>694,761</u>	<u>2,586</u>	<u>-</u>	<u>697,347</u>
<b>Expenses</b>				
Program services	584,158	-	-	584,158
Management and general	148,064	-	29	148,093
Fundraising	82,859	-	-	82,859
<b>Total expenses</b>	<u>815,081</u>	<u>-</u>	<u>29</u>	<u>815,110</u>
<b>Change in Net Assets</b>	(120,320)	2,586	(29)	(117,763)
<b>Net Assets, beginning of year</b>	<u>39,902</u>	<u>80,046</u>	<u>9,811</u>	<u>129,759</u>
<b>Net (Deficit) Assets, end of year</b>	<u>\$ (80,418)</u>	<u>\$ 82,632</u>	<u>\$ 9,782</u>	<u>\$ 11,996</u>