

Lucy's Love Bus Charitable Trust, Inc.

Financial Statements

December 31, 2018 and 2017

Lucy's Love Bus Charitable Trust, Inc.
Financial Statements
December 31, 2018 and 2017

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Lucy's Love Bus Charitable Trust, Inc.
P.O. Box 464
Amesbury, MA 01913

We have reviewed the accompanying financial statements of Lucy's Love Bus Charitable Trust, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review included primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2018 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

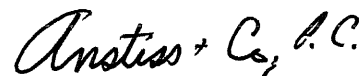
Other Matters

Prior Year Financial Statements

The financial statements for the year ending December 31, 2017 were audited by us. In our report dated February 9, 2018, we issued an unmodified opinion on those financial statements.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2018, the organization adopted the Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. As a result, the standard was retroactively applied to the financial statements for the fiscal year ending December 31, 2017. Our conclusion is not modified with respect to this matter.



Anstiss & Co., P.C.

Lowell, MA

April 11, 2019

Lucy's Love Bus Charitable Trust, Inc.
Statements of Financial Position
December 31, 2018 and 2017

	Reviewed	Audited
	2018	2017
Assets		
Current assets		
Cash and cash equivalents	\$ 166,733	\$ 156,605
Pledges receivable - current	81,281	77,837
Prepaid expenses and other current assets	6,600	10,918
Total current assets	254,614	245,360
Long-term assets		
Pledges receivable - long-term	57,143	111,564
Property and equipment, net	916	1,810
Website development costs, net	334	1,000
Security deposits	2,350	2,350
Total long-term assets	60,743	116,724
Total assets	\$ 315,357	\$ 362,084
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 6,650	\$ 3,640
Grants payable	74,379	76,822
Total current liabilities	81,029	80,462
Net assets		
Without donor restrictions	54,994	46,673
With donor restrictions	179,334	234,949
Total net assets	234,328	281,622
Total liabilities and net assets	\$ 315,357	\$ 362,084

See the accompanying notes to these financial statements.

Lucy's Love Bus Charitable Trust, Inc.
Statements of Activities
For the Years Ended December 31, 2018 and 2017

	Reviewed	Audited
	2018	2017
	<hr/>	<hr/>
Support and revenue		
Contributions	\$ 223,187	\$ 142,982
Fundraising	107,404	150,387
In-kind contributions	1,837	7,456
Investment return	18	40
Other income	-	50
Net assets released from restrictions	99,913	62,167
	<hr/>	<hr/>
Total support and revenue	432,359	363,082
	<hr/>	<hr/>
Expenses		
Program services	302,929	280,278
General and administrative	68,556	54,398
Development and fundraising	52,553	59,663
	<hr/>	<hr/>
Total expenses	424,038	394,339
	<hr/>	<hr/>
Change in net assets without donor restrictions	8,321	(31,257)
	<hr/>	<hr/>
Support restricted for programs	44,298	276,710
Net assets released from restrictions	(99,913)	(62,167)
	<hr/>	<hr/>
Change in net assets with donor restrictions	(55,615)	214,543
	<hr/>	<hr/>
Total change in net assets	(47,294)	183,286
Net assets at beginning of year	281,622	98,336
	<hr/>	<hr/>
Net assets at end of year	\$ 234,328	\$ 281,622
	<hr/> <hr/>	<hr/> <hr/>

See the accompanying notes to these financial statements.

Lucy's Love Bus Charitable Trust, Inc.
Statements of Functional Expenses
For the Years Ended December 31, 2018 and 2017

	Reviewed 2018		
	Program Services	General and Administrative	Fundraising
	Total	Total	Total
Compensation and related expenses	\$ 126,284	\$ 28,354	\$ 34,099
Contract services - integrative therapies	142,036	-	-
Advertising and promotion	1,447	125	7,098
Depreciation and amortization	1,091	469	-
Insurance	868	878	868
Occupancy	16,107	1,361	1,333
Office expenses	7,932	10,165	8,045
Professional fees	4,680	20,738	247
Travel	2,484	573	863
Bad Debt	-	5,893	-
Total expenses	\$ 302,929	\$ 68,556	\$ 52,553
			\$ 424,038

	Audited 2017		
	Program Services	General and Administrative	Fundraising
	Total	Total	Total
Compensation and related expenses	\$ 142,021	\$ 20,560	\$ 30,769
Contract services - integrative therapies	118,351	-	-
Advertising and promotion	1,769	100	16,835
Depreciation and amortization	1,091	469	-
Insurance	836	1,246	756
Occupancy	3,899	1,911	1,034
Office expenses	7,876	11,315	8,405
Professional fees	852	14,148	174
Travel	3,583	1,027	1,690
Bad Debt	-	3,622	-
Total expenses	\$ 280,278	\$ 54,398	\$ 59,663
			\$ 394,339

See the accompanying notes to these financial statements.

Lucy's Love Bus Charitable Trust, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2018 and 2017

	Reviewed 2018	Audited 2017
	<u> </u>	<u> </u>
Cash flows from operating activities		
Change in net assets	\$ (47,294)	\$ 183,286
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation and amortization	1,560	1,560
Bad debt	5,893	3,622
Changes in assets and liabilities		
Decrease (increase) in pledges receivable	45,084	(175,620)
Decrease (increase) in prepaid expenses and other assets	4,318	(5,932)
Increase in security deposits	-	(2,350)
Increase (decrease) in accounts payable and accrued expenses	3,010	(952)
(Decrease) increase in grants payable	(2,443)	8,902
Net cash provided by operating activities	<u>10,128</u>	<u>12,516</u>
Net increase in cash and cash equivalents	10,128	12,516
Cash and cash equivalents at beginning of year	<u>156,605</u>	<u>144,089</u>
Cash and cash equivalents at end of year	<u><u>\$ 166,733</u></u>	<u><u>\$ 156,605</u></u>
 Supplemental data		
In-kind contributions	<u><u>\$ 1,837</u></u>	<u><u>\$ 7,456</u></u>

See the accompanying notes to these financial statements.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 1 - Organization

Lucy's Love Bus Charitable Trust, Inc. (the "Organization") was organized on January 27, 2006, as a non-profit organization incorporated in the Commonwealth of Massachusetts. Its mission is to ease the suffering of pediatric cancer patients by providing free integrative therapies such as message, acupuncture, Reiki, and therapeutic horseback riding to children with cancer and children coping with late effects of prior cancer treatment. They strive to educate the medical community regarding the benefits of integrative therapies that will help reduce stress, manage pain, and improve the overall well-being of sick children and their families.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, "*Presentation of Financial Statements.*" Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations are classified as net assets without donor restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time are classified as net assets with donor restrictions. When a restriction expires, net assets with donor-imposed restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At December 31, 2018 and 2017, the Organization had net assets with donor restrictions of \$179,334 and \$234,949, respectively.

Also included in this category are net assets subject to donor restrictions to be maintained in perpetuity as permanent assets of the Organization. Generally, all income and unrealized and realized net gains on investments related to these net assets can be made available for operations as the Organization appropriates its annual spending based on the use of a spending policy or in accordance with donor restrictions. The organization had no perpetually restricted assets as of December 31, 2018 and 2017.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash, time deposits, certificates of deposit, and other highly liquid financial instruments with original maturities of three months or less, which are neither held nor restricted by donors for long-term purposes. Cash, time deposits, certificates of deposit, and other highly liquid financial instruments restricted to endowments that are perpetual in nature or other long-term purposes are excluded from this definition.

Unconditional Promises to Give

Promises to give due within the next twelve months are recorded at their net realizable value. Unconditional promises to give due in more than twelve months are recognized initially at fair value in the period the promise is made by the donor. The fair value of a pledge is estimated based on anticipated future cash receipts (net of an allowance for uncollectible amounts), discounted using a risk adjusted rate of 5% applicable to the years in which the promises are to be received. In subsequent periods, amortization of the discount rate is included in contribution revenue in the statements of activities. The allowance for uncollectible promise to give is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. Management deems all unconditional promises as collectible and thus, no allowance has been recorded. There were \$138,424 and \$189,401 in pledges outstanding as of December 31, 2018 and 2017, respectively.

Fixed Assets

The Organization capitalizes major fixed asset purchases of \$2,500 or more, which are not in the nature of replacements or repairs. Minor equipment purchases, replacements, maintenance, and repairs are charged to expense as incurred. Capitalized fixed assets are recorded at cost if purchased or constructed, or at fair market value at the date of the gift, if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Vehicles	5
Equipment	3-5

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by comparison to the future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements

FASB ASC 820-10, "*Fair Value Measurements*," applies to reported balances that are required or permitted to be measured at fair value on a recurring basis under an existing accounting pronouncement. FASB ASC 820-10 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy consisting of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (adjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the assets or liabilities, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Management has determined that the fair values of its financial instruments not carried at fair value, including cash and cash equivalents, pledges receivable, prepaid expenses and other assets, accounts payable and accrued expenses, and grants payable are substantially equivalent to their carrying values as of December 31, 2018 and 2017 because of their short-term nature.

FASB ASC 825-10, "*Financial Instruments*," permits an entity to measure many financial instruments and certain other assets and liabilities at fair value on an instrument-by-instrument basis. The Organization has not adopted any of the additional fair value options allowed in the standard.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Program fees, which consist of fees for use of Sajni Center, are recognized when evidence of an arrangement exists, delivery of services has occurred, the fee is fixed or determinable, and collectability is probable. Program services fees billed or collected in advance are recorded as deferred revenue until the services are performed. As of December 31, 2018 and 2017, there were no unrecognized program fees or outstanding obligations under contracts with customers.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Gifts of assets other than cash are recorded at their estimated fair value on the date of the gift. Pledges receivable are stated at the estimated net present value, net of an allowance for uncollectible amounts. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets.

In-Kind Contributions

Donated goods, services, and fixed assets are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire fixed assets are reported as restricted contributions. The Organization reports expiration of donor restrictions when the donated or acquired assets are placed in service. The value of contributions received in donated goods and services for the years ended December 31, 2018 and 2017 was \$1,837 and \$7,456, respectively.

Volunteers contribute significant amounts of time to our program services, administration and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed professional services are recorded at the respective fair values of the services received.

Advertising

The Organization expenses advertising costs as incurred. During the years ended December 31, 2018 and 2017, the Organization incurred advertising costs of \$8,669 and \$18,704, respectively.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The Organization's program service is to ease the suffering of pediatric cancer patients by providing free integrative therapies to children with cancer and children coping with the late effects of prior cancer treatments. The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. The statement of functional expenses is required to present the natural classification detail of expenses by function allocated on a reasonable basis that is consistently applied. Expenses that can be identified with a specific program or support services are allocated directly. Based on management's estimates, certain costs have been allocated among major classes of program services and supporting activities. Occupancy, depreciation, and amortization have been allocated based on a square footage basis. Salaries and wages, benefits, and payroll taxes, are allocated based on estimates of time and effort. Office expenses, information technology, interest, insurance and certain other expenses are allocated based on management estimates of percentage of usage attributable to each function. Other unallocable costs such as oversight, business management, general record keeping, budgeting, and solicitation activities which are not identified with one or more programs are reported as management and general or fundraising as appropriate.

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in bank deposit accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management routinely assesses the integrity and stability of the institutions where the cash and equivalents are held and considers credit risk to be minimal.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes and Uncertain Tax Positions

The Organization, incorporated under Chapter 180 of the Massachusetts General Laws as a tax-exempt entity, has been granted tax-exempt status under Internal Revenue Code (IRC) Section 501(c)(3) and is classified as other than a private foundation as defined by section 509(a) of the IRC. Therefore, it is generally exempt from federal and state income taxes. Accordingly, no provision for income taxes has been provided for in the accompanying financial statements.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Income Taxes and Uncertain Tax Positions (continued)

The Organization is required by FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, to evaluate and disclose tax positions that could have an effect on the Organization's financial statements. The Organization reports its activities to the Internal Revenue Service and to the Commonwealth of Massachusetts on an annual basis. These informational returns are generally subject to audit and review by the governmental agencies for a period of three years after filing. Substantially all of the Organization's income, expenditures and activities relate to its exempt purpose. Therefore, management has determined that the Organization is not subject to unrelated business income taxes and will continue to qualify as a tax-exempt not-for-profit entity.

Adoption of Recent Accounting Pronouncements

During 2018, the Organization adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. The main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts as net assets without donor restrictions when the associated long-lived asset is placed in service; and recognition of underwater endowment funds as a reduction in net assets with donor restrictions. The guidance also enhances disclosures for board designated amounts, composition of net assets without donor restrictions, liquidity, and expenses by both their natural and functional classification. As a result of the adoption of this standard, during 2018, certain amounts from the prior year financial statements were reclassified to conform to current year presentation.

A recap of the net asset reclassifications driven by the adoption of ASU 2016-14 as of December 31, 2017 is as follows:

<u>Net Asset Classifications</u>	<u>ASU 2016-14 Classifications</u>		
	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total net assets</u>
As previously presented:			
Unrestricted	\$ 46,673	\$ -	\$ 46,673
Temporarily restricted	-	234,949	234,949
Permanently restricted	-	-	-
Total net assets as reclassified	<u>\$ 46,673</u>	<u>\$ 234,949</u>	<u>\$ 281,622</u>

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Accounting updates

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, "*Revenue from Contracts with Customers*," amending Financial Accounting Standards Board Accounting Standards Codification (ASC) topic 606. This ASU affects any entity that enters into contracts with customers to transfer goods or services and is intended to enhance the comparability of revenue recognition practices across entities. The new standard requires entities to recognize revenue when the entity has satisfied its performance obligations under contracts with customers in the amount the entity expects to be entitled to in exchange for the goods or services provided. For non-profit organizations with no public debt, this ASU takes effect for annual periods beginning after December 15, 2018. Early adoption is permitted.

In June 2018, the FASB issued ASU 2018-08, "*Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*," amending Financial Accounting Standards Board Accounting Standards Codification (ASC) 958-605. The new ASU clarifies the difference between an exchange transaction and a contribution and further defines when a contribution is considered conditional or unconditional. This will allow non-profit entities to identify when and how revenue should be recognized. For non-profit organizations without public debt, this ASU is effective for financial statements issued for annual periods beginning after December 15, 2018.

In February 2016, the FASB issued ASU 2016-02, "*Leases*," amending Financial Accounting Standards Board Accounting Standards Codification (ASC) by adding topic 842. The new ASU requires that lessees recognize on the statement of financial position the assets and liabilities for the rights and obligations created by all leases with terms of more than twelve months, regardless of their classification as either operating or capital leases. For non-profit organizations without public debt, this ASU takes effect for annual periods beginning after December 15, 2019.

The organization is currently evaluating the effect that these accounting pronouncements will have on the financial statements. There were no other accounting standards recently issued that had or are expected to have a material impact on the Organization's financial statements and associated disclosures.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 3 – Liquidity and Availability

Financial assets available within one year for general expenditure such as operating expenses, were as follows for the years ending December 31:

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 166,733	\$ 156,605
Pledges Receivable	<u>81,281</u>	<u>77,837</u>
Total financial assets available	<u>\$ 248,014</u>	<u>\$ 234,442</u>

To manage liquidity, the Organization strives to maintain three months of operating reserves on hand to meet current liquidity needs and address shortfalls in cash flow caused by seasonal revenue cycles. Once developed, the operating reserves will be maintained in local bank accounts. These operating reserves will be Board designated and not accessible to management for operations without Board approval. In periods when there is excess cash on hand not required for current obligations, the surplus is added to the operating reserves, upon board approval, to either replenish amounts expended or increase available resources. The Organization also intends to apply for lines of credit in the amount of \$25,000 which management can draw upon with Board approval.

Note 4 – Pledges Receivable

Unconditional promises to give consisted of the following as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Due within one year	\$ 81,281	\$ 77,837
Due in two to five years	<u>60,000</u>	<u>120,000</u>
Gross pledges	141,281	197,837
Unamortized discounts	<u>2,857</u>	<u>8,436</u>
Total	<u>\$ 138,424</u>	<u>\$ 189,401</u>

For the year ended December 31, 2018 and 2017, approximately 85% and 90% of pledges receivable was due from one donor, respectively.

Note 5 – Property and Equipment

Depreciation expense for the years ended December 31, 2018 and 2017 was \$1,560. Property and equipment consisted of the following for the years ending December 31:

	<u>2018</u>	<u>2017</u>
Vehicles	\$ 7,800	\$ 7,800
Equipment	<u>3,620</u>	<u>3,620</u>
	11,420	11,420
Less: Accumulated Depreciation	<u>10,504</u>	<u>9,610</u>
Net Property and Equipment	<u>\$ 916</u>	<u>\$ 1,810</u>

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 6 – Net Assets

Net assets consisted of the following at December 31, 2018 and 2017:

	2018		
	Without donor restrictions	With donor restrictions	Total net assets
Operating Funds	\$ 53,744	\$ 40,910	\$ 94,654
Invested in Fixed Assets	1,250	-	1,250
Pledges Receivable	-	138,424	138,424
Total net assets	\$ 54,994	\$ 179,334	\$ 234,328
	2017		
	Without donor restrictions	With donor restrictions	Total net assets
Operating Funds	\$ 43,863	\$ 45,548	\$ 89,411
Invested in Fixed Assets	2,810	-	2,810
Pledges Receivable	-	189,401	189,401
Total net assets	\$ 46,673	\$ 234,949	\$ 281,622

Net assets with temporary restrictions consisting of temporarily restricted contributions are as follows:

	2018	2017
Funds restricted for Sajni Center	\$ 9,537	\$ 27,000
Funds restricted for children from MA and NH	12,500	-
Funds restricted for floating hospital meditation program	8,000	-
Funds restricted for floating hospital message program	13,622	9,995
Funds restricted for ukulele program	963	492
Funds restricted for hospital based programs in VT and ME	14,712	17,462
Other funds temporarily restricted for time	120,000	180,000
Total temporarily restricted net assets	\$ 179,334	\$ 234,949

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors were \$99,913 and \$62,167 for the years ended December 31, 2018 and 2017, respectively.

Lucy's Love Bus Charitable Trust, Inc.
Notes to Financial Statements
December 31, 2018

Note 7 – Related Party Activity

One of the organization's Board members is a yoga teacher who specializes in restorative yoga and from whom the organization received services in 2018. The amount paid for these services during the year ended December 31, 2018 was \$1,105. There was \$250 payable to and no amounts receivable from related parties as of December 31, 2018.

Note 8 – Commitments

In August 2015, the Organization entered into an occupancy lease for shared office space in Boston, MA, terminating July 31, 2018. The lease provides for rental payments of \$250 per month. During 2018, this lease was renewed through February 28, 2019 for a monthly rental payment of \$350. The Organization entered into a second one-year occupancy lease for office space located in Amesbury, MA effective October 1, 2017. During 2018, this lease was renewed through September 30, 2019 for a monthly rental payment of \$1,280. Rent expense for the years ending December 31, 2018 and 2017 was \$18,100 and \$6,525, respectively. Future minimum lease payments for the year ending December 31, 2019 are \$12,220.

Note 9 – Subsequent Events

FASB ASC 855-10, "*Subsequent Events*," defines further disclosure requirements for events that occur after the balance sheet date, but before financial statements are issued. In accordance with FASB ASC 855-10, management has evaluated events subsequent to December 31, 2018 through April 11, 2019, which is the date the financial statements were available to be issued. There were no material events noted during this period that would either impact the results reflected in this report or the Organization's results going forward.