

Higher Ground Sun Valley, Inc.

Financial Statements

Years ended April 30, 2018 and 2017





Independent Accountant's Auditor's Report

To the Board of Directors of
Higher Ground Sun Valley, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Higher Ground Sun Valley, Inc. (the "Organization"), which comprise the statements of financial position as of April 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Higher Ground Sun Valley, Inc. as of April 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

A handwritten signature in black ink that reads "Wipfli LLP".

Wipfli LLP
October 4, 2018
Idaho Falls, Idaho

Higher Ground Sun Valley, Inc.

Statements of Financial Position

<i>April 30,</i>	2018	2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 883,435	\$ 1,117,689
Investment securities	110,235	107,530
Pledges receivable	302,500	400,000
Prepaid expenses and other assets	29,889	35,120
Total current assets	1,326,059	1,660,339
PROPERTY AND EQUIPMENT		
Buildings and building improvements	445,824	445,824
Program equipment	135,748	99,008
Furniture and office equipment	61,019	53,687
Vehicles	161,387	161,387
Accumulated depreciation	(388,684)	(339,765)
Total property and equipment, net	415,294	420,141
OTHER ASSETS		
Pledges receivable, long term	-	-
Total assets	\$ 1,741,353	\$ 2,080,480
LIABILITIES		
Accounts payable	\$ 4,205	\$ 6,336
Accrued payroll and related liabilities	85,634	84,854
Credit cards payable	38,762	34,128
Current portion of note payable	14,712	13,756
Total current liabilities	143,313	139,074
LONG-TERM LIABILITIES		
Note payable, net of current portion	65,803	80,442
Total liabilities	209,116	219,516
NET ASSETS		
Unrestricted	950,003	1,089,670
Temporarily restricted	582,234	771,294
Total net assets	1,532,237	1,860,964
Total liabilities and net assets	\$ 1,741,353	\$ 2,080,480

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statement of Activities

Year Ended April 30,	2018		
	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Public Support			
Donations and grants	\$ 1,180,437	\$ 716,952	\$ 1,897,389
In-kind contributions	971,992	-	971,992
Special fundraising events, net of \$189,158 expenses	3,567	485,700	489,267
Rental income	17,335	-	17,335
Interest and dividend income	3,395	-	3,395
Net assets released from restrictions	1,391,712	(1,391,712)	-
Total revenue and support	3,568,438	(189,060)	3,379,378
EXPENSES			
Program	3,234,402	-	3,234,402
Fundraising	240,263	-	240,263
Administration	233,440	-	233,440
Total expenses	3,708,105	-	3,708,105
Increase (decrease) in net assets	(139,667)	(189,060)	(328,727)
Beginning net assets	1,089,670	771,294	1,860,964
Ending net assets	\$ 950,003	\$ 582,234	\$ 1,532,237

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statement of Activities

<i>Year Ended April 30,</i>	2017		
	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Public Support			
Donations and grants	\$ 304,270	\$ 863,200	\$ 1,167,470
In-kind contributions	897,713	-	897,713
Special fundraising events, net of \$191,590 expenses	627,851	331,467	959,318
Rental income	16,850	-	16,850
Interest and dividend income	6,158	-	6,158
Loss on disposal of assets	(8,621)	-	(8,621)
Net assets released from restrictions	1,162,606	(1,162,606)	-
Total revenue and support	3,006,827	32,061	3,038,888
EXPENSES			
Program	3,114,619	-	3,114,619
Fundraising	228,661	-	228,661
Administration	175,529	-	175,529
Total expenses	3,518,809	-	3,518,809
Increase (decrease) in net assets	(511,982)	32,061	(479,921)
Net assets at beginning of the year	1,601,652	739,233	2,340,885
Net assets at end of the year	\$ 1,089,670	\$ 771,294	\$ 1,860,964

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statements of Cash Flows

<i>Years Ended April 30,</i>	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from members and public	\$ 2,673,314	\$ 2,388,378
Interest and dividends received	23,161	21,374
Cash paid for program expenses	(2,301,672)	(2,177,070)
Cash paid for administrative expenses	(228,179)	(182,968)
Cash paid for fundraising expenses	(338,087)	(371,799)
Net cash flows provided (used) by operating activities	(171,463)	(322,085)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(43,973)	(30,329)
Purchase of investment securities, net	(5,135)	(105,896)
Net cash flows provided (used) by investing activities	(49,108)	(136,225)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	(13,971)	(23,662)
Net increase (decrease) in cash and cash equivalents	(234,542)	(481,972)
Cash and cash equivalents at beginning of year	1,117,689	1,599,661
Cash and cash equivalents at end of year	\$ 883,147	\$ 1,117,689

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statements of Cash Flows (Continued)

<i>Years Ended April 30,</i>	2018	2017
RECONCILIATION OF CHANGE IN NET ASSETS TO CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	(328,727)	(479,921)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation	48,819	44,065
Loss on disposed equipment	-	8,621
Net (gain) loss on investment securities	2,431	(1,634)
Decrease (increase) in		
Pledges receivable	97,500	70,000
Prepaid expense and other assets	5,231	(14,263)
Increase (decrease) in		
Accounts payable	(2,131)	4,439
Accrued payroll and related liabilities	780	21,613
Credit cards payable	4,634	24,995
Total adjustments	157,264	157,836
Net cash flows provided (used) by operating activities	\$ (171,463)	\$ (322,085)

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statement of Functional Expenses

<i>Year Ended April 30, 2018</i>	Program	Fundraising	Administration	Total
FUNCTIONAL EXPENSES				
Salaries and benefits	\$ 1,178,420	\$ 201,580	\$ 203,673	\$ 1,583,673
Staff education	14,123	-	-	14,123
Information services	25,407	1,540	2,844	29,791
Marketing and development	57,296	9,852	1,415	68,563
Insurance	114,369	8,647	12,354	135,370
Office expense	158,396	13,290	9,368	181,054
Professional services	37,383	1,165	437	38,985
Program related expenses	1,607,627	-	-	1,607,627
Depreciation	41,381	4,189	3,349	48,919
Total expenses	3,234,402	\$ 240,263	\$ 233,440	\$ 3,708,105
	87.2 %	6.5 %	6.3 %	100 %

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Statement of Functional Expenses

<i>Year Ended April 30, 2017</i>	Program	Fundraising	Administration	Total
FUNCTIONAL EXPENSES				
Salaries and benefits	\$ 1,219,903	\$ 178,473	\$ 143,236	\$ 1,541,612
Staff education	50,720	1,582	830	53,132
Recruiting expense	1,129	-	-	1,129
Fundraising	-	15,579	-	15,579
Information services	17,808	1,744	2,764	22,316
Insurance	108,772	8,733	4,367	121,872
Office expense	167,856	17,324	20,586	205,766
Professional services	43,033	1,055	528	44,616
Program related expenses	1,463,574	-	-	1,463,574
Interest expense	4,563	390	195	5,148
Depreciation	37,261	3,781	3,023	44,065
Total expenses	3,114,619	\$ 228,661	\$ 175,529	\$ 3,518,809
	88.5 %	6.5 %	5.0 %	100 %

See accompanying notes to financial statements.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 1: Summary of Significant Accounting Policies

Organization and Operations

Higher Ground Sun Valley, Inc. ("HGSV" or the "Organization"), formerly Sun Valley Adaptive Sports, Inc. is a non-profit organization located in Ketchum, Idaho for the purpose of enriching the lives of people with disabilities through sports and recreation. HGSV's mission is accomplished by providing the following four major programs: *Higher Ground Military Program* is a nationally recognized veteran rehabilitation program that combines sports, family, and coping therapies to restore and rehabilitate injured men and women of the armed forces. *Higher Ground Winter Recreation Program* serves children, teens, and adults with disabilities who are interested in skiing, snowboarding, sled hockey, or Nordic skiing, and is partnered with the Sun Valley Company. The *Higher Ground Summer Recreation Program* consists of three summer day camps that serve individuals with physical and cognitive disabilities. The local chapter of *Special Olympics* empowers athletes with cognitive disabilities to be healthy, productive, and respected members of their communities through athletic training and competition.

HGSV receives the majority of its support in the form of donations from individuals. Higher Ground Sun Valley, Inc. is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation.

Basis of Presentation

The financial statements of HGSV have been prepared in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. Those principles require reporting amounts for an organization's total assets, liabilities, and net assets in a statement of financial position; reporting the change in an organization's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows.

Those principles also require classification of an organization's net assets and its revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions into three separate classes of net assets - permanently restricted, temporarily restricted, and unrestricted. Certain restricted support is reported as unrestricted if the restrictions are met in the reporting period.

Estimates

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

Cash and Cash Equivalents

The Organization treats as cash and cash equivalents, demand deposits, and all investments with original maturities of 90 days or less.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Investment Securities

Investments in marketable securities with readily determinable fair values and all investment in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets. Investment income and gains or losses restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains or losses are recognized.

Pledges Receivable

A pledge is a promise to make a contribution at a later date. Pledges that include the amount of the pledge, a defined payment schedule or due date, are signed by the donor and are unconditional in nature are reflected as receivables and revenue in these financial statements. If considered significant, pledges receivable are discounted to their estimated present value. Conditional promises received to make a contribution are not reflected in the financial statements until all conditions have been satisfied except for the passage of time.

Property and Equipment

Property and equipment is stated at cost, or if donated, is recorded at the estimated fair market value at the date of donation. Maintenance and repairs that do not improve or extend the life of assets are currently expensed. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from thirty-nine years for buildings and improvements, to five to seven years for furniture, equipment, and vehicles.

Contribution Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities in net assets released from restriction.

Advertising and Promotion

HGSV uses advertising and promotion in the form of brochures, newsletters, newspaper and magazine advertisement, and television programming to promote its mission to the community it serves and to reach potential donors. Some promotional exposure is contributed in-kind to the HGSV. The costs of advertising and promotion are expensed as incurred.

Income Taxes

HGSV has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization's Form 990, Return of Organization Exempt from Income Tax, are subject to examination by the IRS, generally for three years after they were filed.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, *Revenue Recognition*, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. The Organization is currently evaluating the impact of the provisions of ASC 606.

In February 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This ASU provides guidance on the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous accounting standards and new disclosures on key information about leasing arrangements. The new standard supersedes current lease accounting requirements in FASB Accounting Standards Codification (ASC) Topic 840, *Leases*. When adopted, the amendments in the ASU must be applied using a modified retrospective approach. ASU No. 2016-02 is effective for nonpublic companies for annual periods beginning after December 15, 2019. The Company is currently evaluating the impact of the provisions of ASC 842.

On August 18, 2016, the FASB issued ASU 2016-14 (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities ("Updated")*. The Update reduces the number of asset classes from three to two, those with donor restriction and those without, requires all nonprofits to report expenses by nature and function and improves information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance, and cash flows. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2017. Early application of the amendments in this Update is permitted. The Organization has elected not to early implement the amendments.

Note 2: Cash and Cash Equivalents

At April 30, 2018 and 2017, the carrying amount of HGSV's cash and cash equivalents was comprised of the following:

	2018	2017
Cash and cash equivalents held at Wells Fargo	\$ 868,166	\$ 1,100,755
Cash held in money market and cash funds at Charles Schwab	1,064	16,934
Cash and cash equivalents held at Key Bank	8,031	-
Petty cash and other	6,174	-
Total	\$ 883,435	\$ 1,117,689

Bank balances totaled \$917,609 at April 30, 2018, of which 28.1% was covered by federal depository insurance and .1% was covered by Securities Investor Protection Corporation. Bank balances totaled \$1,159,745 at April 30, 2017, of which 21.6% was covered by federal depository insurance and 1.5% was covered by Securities Investor Protection Corporation.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 3: Investment Securities

Investment securities consist of mutual funds and other marketable securities held at Wells Fargo Advisors. At April 30, 2018, these investment securities were reported at market value of \$110,235, with a related historical cost of \$109,248, and a net unrealized gain of \$987. During the years ended April 30, 2018 and 2017, net realized and unrealized gains (losses) totaled \$987 and \$1,634. At April 30, 2017, these investment securities were reported at market value of \$107,530 with a related historical cost of \$105,896.

Note 4: Pledges Receivable

HGSV has received unconditional promises to give and as of April 30, 2018 and 2017, pledges receivables totaled \$302,500 and \$400,000, respectively. All pledges are receivable within the upcoming fiscal year.

Note 5: Credit Cards Payable

HGSV has multiple credit cards through Wells Fargo and Capital One with interest rates from 14.74% to 19.49% and a combined credit limit of \$136,600 as of April 30, 2018. Balances are generally paid in full on a monthly basis and do not incur interest charges. Balances outstanding for credit cards payable at April 30, 2018 and 2017, totaled \$38,762 and \$34,128, respectively.

Note 6: Lease Obligations/Conditional Pledge

Effective June 1, 2017, Higher Ground Sun Valley, Inc. extended their office space lease with a written agreement. The lease requires monthly rents of \$7,850 from June 1, 2017, through December 31, 2019. Future minimum lease payments under this operating lease totaled \$94,200 for 2019 year end and \$62,800 for 2020.

Effective February 3, 2015, HGSV entered into a phone system lease. The lease requires monthly payments of \$538 through March 3, 2018. HGSV renewed the lease as of April 2018 for a 36 month contract. The base amount they pay per month is \$27 plus taxes and fees depending on the amount of phones they have. At April 30, 2018, the total amount they are paying is \$807 per month. Future minimum lease payments under this operating lease would be \$9,681 for 2019, \$9,681 for 2020, and \$8,874 for 2021.

Higher Ground Sun Valley, Inc. leases storage space and other items on a month to month basis.

Total rent expense for all operating leases for the years ended April 30, 2018 and 2017, was \$105,855 and \$106,490, respectively.

Note 7: Note Payable - Revolving Credit Agreements

HGSV has a promissory note with Wells Fargo Bank due in monthly installments of \$1,494 bearing interest at 4.75% and matures on May 15, 2023. The promissory note is collateralized by certain real estate. The balance as of April 30, 2018 and 2017, was \$80,227 and \$94,198, respectively.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 7: Note Payable - Revolving Credit Agreements (Continued)

The following is a schedule of debt maturities subsequent to April 30, 2018:

<i>Fiscal Year</i>	Interest	Principal	Total
2019	\$ 3,212	\$ 14,712	\$ 17,924
2020	2,799	15,124	17,924
2021	2,065	15,859	17,924
2022	1,295	16,629	17,924
2023	488	17,436	17,924
2024	3	755	758
Total	\$ 9,862	\$ 80,515	\$ 90,378

Note 8: Net Assets

Net assets were designated by the board, invested in long-term assets, or restricted by donors for the following purposes at April 30, 2018:

<i>April 30, 2018</i>	Board Designated (Unrestricted)	Temporarily Restricted by Donors	Total
Higher Ground (HG) Military	\$ 294,358	\$ 426,529	\$ 720,887
Recreation	-	50,000	50,000
BCVM	-	13,178	13,178
Quasi-endowment	1,064	-	1,064
Scholarship	48,813	92,527	141,340
Invested in property and equipment, net of related debt	335,067	-	335,067
Unrestricted	271,210	-	271,210
Total	\$ 950,512	\$ 582,234	\$ 1,532,746

Net assets were designated by the board, invested in long-term assets, or restricted by donors for the following purposes at April 30, 2017:

<i>April 30, 2017</i>	Board Designated (Unrestricted)	Temporarily Restricted by Donors	Total
Higher Ground (HG) Military	\$ 251,744	\$ 596,458	\$ 848,202
HG Summer Recreation	-	55,730	55,730
HG Winter Recreation	-	11,350	11,350
Scholarships	65,169	107,756	172,925
Quasi-endowment	16,934	-	16,934
Invested in property and equipment, net of related debt	325,943	-	325,943
Unrestricted	429,880	-	429,880
Total	\$ 1,089,670	\$ 771,294	\$ 1,860,964

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 8: Net Assets (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by donors as follows during the years ended April 30, 2018 and 2017:

<i>Years Ended April 30,</i>	2018	2017
Higher Ground Military	\$ 1,084,840	\$ 916,136
Recreation	241,118	186,767
Adaptive sports	42,075	41,015
Scholarships	19,379	18,688
Other	4,300	-
Total	\$ 1,391,712	\$ 1,162,606

Note 9: Concentration of Contributions or Grants

During the years ended April 30, 2018 and 2017, HGSV received 27% and 30% of its donations and grants from two major donors in 2017 and one major donor in 2018. These donations were received in the form of a cash contribution and pledge receivable of \$350,000 in 2018, and \$512,500 in 2017, restricted to the Higher Ground Military program. During the years ended April 30, 2018 and 2017, HGSV received 56% and 34% of its in-kind contributions from one major donor in the form of non-cash contributions comprised of ski passes, lift tickets, accommodations, and other items valued at \$496,973 and \$300,715 from Sun Valley Company.

Note 10: Property Held for Lease

Higher Ground Sun Valley, Inc. owns office space in Ketchum, ID with a historical cost of \$445,824 with accumulated depreciation of \$124,618 where they were previously headquartered. HGSV outgrew the office space and moved to a new facility in which it leases. The owned property is leased under operating leases which expire during the next five years. Future minimum rentals to be collected on noncancelable operating leases are \$13,200 in 2019.

Note 11: Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan can access at the measurement date.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 11: Fair Value Measurements (Continued)

Level 2 - Inputs other than quoted prices included within 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
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs that are unobservable inputs for the asset or liability. Following is a description of the valuation methodologies used for assets measured at fair value.

Quoted market prices are used to determine the fair value of investments in publicly traded equity securities (common and preferred stock). Equity funds, fixed income funds and exchange trade funds are valued using quotes from pricing vendors based on recent trading activity and other observable market data. The fair value of alternative investments is based on the net asset value per share as a practical expedient. Real estate investment trusts (REITS) are valued based on the value that the shares were offered for sale at year end.

The methods described above may produce a fair value calculation that may not be indicative of net, realizable value or reflective of future fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy at April 30, 2018 and 2017:

	Fair Value of Assets as of April 30, 2018			
	Level 1	Level 2	Level 3	Total
Marketable investments	\$ 110,235	\$ -	\$ -	\$ 110,235
Total assets at fair value	\$ 110,235	\$ -	\$ -	\$ 110,235

	Fair Value of Assets as of April 30, 2017			
	Level 1	Level 2	Level 3	Total
Marketable investments	\$ 107,530	\$ -	\$ -	\$ 107,530
Total assets at fair value	\$ 107,530	\$ -	\$ -	\$ 107,530

There were no assets or liabilities measured at fair value on a nonrecurring basis as of April 30, 2018 and 2017.

Higher Ground Sun Valley, Inc.

Notes to the Financial Statements

Years Ended April 30, 2018 and 2017

Note 12: Employee Benefit Plan

Higher Ground Sun Valley sponsors a 403(b) plan for their employees. The plan covers all employees with at least two months of service. Participants can make salary contributions up to the smaller of 100% of their compensation or the IRS maximum limits and the HGSV will match up to 3% of these contributions. The Company's matching contributions charged to expense during the fiscal years ended April 30, 2018 and 2017, was \$28,021 and \$30,839.

Note 13: Donated Services

Higher Ground Sun Valley, Inc. receives donated services from unpaid volunteers who assist in special projects. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort, under generally accepted accounting principles, have not been satisfied.

During the years ended April 30, 2018 and 2017, HGSV received, as non-cash contributions, various goods and services used in its programs. These include ski passes, lift tickets, guided fishing trips, food, and other items valued at \$971,992 and \$837,713. The value of these goods and services are reflected as in-kind contributions and expenses in the statement of activities.

Each year, the Sun Valley Company donates \$60,000 of goods and services to be charged to a credit account at the resort. HGSV provides food, drinks, and lift tickets for participants during the ski season with this donation. As of April 30, 2018 and 2017, the full value of the donation had been utilized.

Note 14: Subsequent Events

Management of the Company evaluated subsequent events through October 4, 2018, which was the date the financial statements were available to be issued. There were no additional subsequent type events, identified by management of the Company, that are required to be disclosed