

MOVEMBER FOUNDATION

Financial Statements
For the Years Ended
April 30, 2014 and 2013
and
Independent Auditor's Report

MOVEMBER FOUNDATION

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report.....	1-2
Financial Statements:	
Statements of Financial Position.....	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5-6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8-14

Independent Auditor's Report

To the Board of Directors
Movember Foundation
Culver City, California

We have audited the accompanying financial statements of Movember Foundation (a non-profit organization) (the Foundation) which comprise the statements of financial position as of April 30, 2014 and 2013, and the related statements of activities and changes in net assets, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Movember Foundation as of April 30, 2014 and 2013, 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 of America.

H&A Certified Public Accountants, Inc.

July 9, 2014

MOVEMBER FOUNDATION

STATEMENTS OF FINANCIAL POSITION

APRIL 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 11,071,725	\$ 9,897,827
Accounts and other receivables	1,000	123,385
Net related party receivable	183,435	56,655
Prepaid expenses	<u>55,058</u>	<u>33,149</u>
TOTAL CURRENT ASSETS	11,311,218	10,111,016
PROPERTY AND EQUIPMENT, net	91,766	17,842
OTHER ASSETS		
Deposits	<u>132,101</u>	<u>9,600</u>
TOTAL ASSETS	<u>\$ 11,535,085</u>	<u>\$ 10,138,458</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 57,635	\$ -
Accrued expenses	93,548	61,002
Payable to Men's Health Partners	<u>7,618,420</u>	<u>6,965,345</u>
TOTAL CURRENT LIABILITIES	<u>7,769,603</u>	<u>7,026,347</u>
NET ASSETS		
Unrestricted		
Board designated for Global Action Plan	395,364	271,294
Undesignated	3,370,118	2,731,949
Temporarily restricted	<u>-</u>	<u>108,868</u>
TOTAL NET ASSETS	<u>3,765,482</u>	<u>3,112,111</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,535,085</u>	<u>\$ 10,138,458</u>

See accompanying notes to financial statements

MOVEMBER FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>CHANGES IN UNRESTRICTED NET ASSETS</u>		
SUPPORT AND REVENUE		
Contributions received	\$ 22,776,638	\$ 20,823,524
Gala party	11,615	29,439
Sales of goods	59,522	-
Interest and other income	29,846	10,245
	<u>22,877,621</u>	<u>20,863,208</u>
TOTAL SUPPORT AND REVENUE		
	22,877,621	20,863,208
NET ASSETS RELEASED FROM RESTRICTION	<u>108,868</u>	<u>-</u>
TOTAL SUPPORT, REVENUE AND SATISFACTION OF RESTRICTIONS	<u>22,986,489</u>	<u>20,863,208</u>
EXPENSES		
Program		
Men's health awareness	2,016,305	1,780,071
Donated to Men's Health Partners	16,990,028	16,530,690
Administration	858,434	446,435
Fundraising	2,359,483	1,856,493
	<u>22,224,250</u>	<u>20,613,689</u>
TOTAL EXPENSES		
	22,224,250	20,613,689
INCREASE IN UNRESTRICTED NET ASSETS	762,239	249,519
UNRESTRICTED NET ASSETS AT BEGINNING OF YEAR	<u>3,003,243</u>	<u>2,753,724</u>
UNRESTRICTED NET ASSETS AT END OF YEAR	<u>\$ 3,765,482</u>	<u>\$ 3,003,243</u>
<u>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</u>		
CONTRIBUTIONS RECEIVED	\$ -	\$ 108,868
NET ASSETS RELEASED FROM RESTRICTION	<u>(108,868)</u>	<u>-</u>
NET CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(108,868)	108,868
TEMPORARILY RESTRICTED NET ASSETS AT BEGINNING OF YEAR	<u>108,868</u>	<u>-</u>
TEMPORARILY RESTRICTED NET ASSETS AT END OF YEAR	<u>\$ -</u>	<u>\$ 108,868</u>

See accompanying notes to financial statements

MOVEMBER FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED APRIL 30, 2014

	Program				Total
	Men's Health Awareness	Funds Donated	Administration	Supporting Services Fundraising	
Donation to Prostate Cancer Foundation	\$ -	\$ 10,157,893	\$ -	\$ -	\$ 10,157,893
Donation to LIVES TRONG Foundation	-	6,771,929	-	-	6,771,929
Funding to other beneficiaries	-	60,206	-	-	60,206
Administration	-	-	27,402	-	27,402
Marketing and promotion	252,802	-	-	4,519	257,321
Health education, awareness, and communication	665,242	-	-	15,270	680,512
Professional services	220	-	48,954	464,856	514,030
Information and technology	-	-	79,359	-	79,359
Salaries and related costs	253,510	-	92,378	1,094,418	1,440,306
Travel	71,013	-	-	30,434	101,447
Entertainment	6,250	-	9,781	-	16,031
Web	25,779	-	-	-	25,779
Rent and utilities	-	-	298,967	-	298,967
Other	-	-	81,482	-	81,482
Foreign exchange loss (see Note G)	5,526	-	2,882	6,976	15,384
Global services allocation	735,963	-	190,575	743,010	1,669,548
Depreciation	-	-	26,654	-	26,654
TOTAL EXPENSES	\$ 2,016,305	\$ 16,990,028	\$ 858,434	\$ 2,359,483	\$ 22,224,250

See accompanying notes to financial statements

MOVEMBER FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED APRIL 30, 2013

	Program		Supporting Services		Total
	Men's Health Awareness	Funds Donated	Administration	Fundraising	
Donation to Prostate Cancer Foundation	\$ -	\$ 10,339,272	\$ -	-	\$10,339,272
Donation to LIVESTRONG Foundation	-	6,191,418	-	-	6,191,418
Administration	-	-	35,284	-	35,284
Marketing and promotion	232,162	-	-	4,489	236,651
Health education, awareness, and communication	522,991	-	-	15,577	538,568
Professional services	1,679	-	38,509	438,546	478,734
Information and technology	-	-	41,882	-	41,882
Salaries and related costs	424,187	-	39,921	644,043	1,108,151
Travel	57,433	-	-	24,614	82,047
Entertainment	6,135	-	13,653	-	19,788
Web	10,293	-	-	-	10,293
Rent and utilities	-	-	66,833	-	66,833
Other	-	-	42,836	-	42,836
Foreign exchange gain (see Note G)	-	-	(11,720)	-	(11,720)
Global services allocation	525,191	-	167,907	729,224	1,422,322
Depreciation	-	-	11,330	-	11,330
TOTAL EXPENSES	\$ 1,780,071	\$ 16,530,690	\$ 446,435	\$1,856,493	\$20,613,689

See accompanying notes to financial statements

MOVEMBER FOUNDATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in unrestricted net assets	\$ 762,239	\$ 249,519
Change in temporarily restricted net assets	<u>(108,868)</u>	<u>108,868</u>
Total change in net assets	<u>653,371</u>	<u>358,387</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	26,654	11,330
Loss on disposal of property and equipment	-	87
(Increase) decrease in assets:		
Accounts and other receivables	122,385	(123,385)
Related party receivable	(126,780)	(56,655)
Deposits	(122,501)	-
Prepaid expenses and other assets	(21,909)	(22,208)
Increase (decrease) in liabilities:		
Accounts payable	57,635	-
Accrued expenses	32,546	12,752
Payable to Men's Health Partners	653,075	(3,303,528)
Related party payable	<u>-</u>	<u>(177,792)</u>
Total adjustments	<u>621,105</u>	<u>(3,659,399)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,274,476	(3,301,012)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(100,578)</u>	<u>(16,161)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,173,898	(3,317,173)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>9,897,827</u>	<u>13,215,000</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 11,071,725</u>	<u>\$ 9,897,827</u>

See accompanying notes to financial statements

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE A - ORGANIZATION

Movember Foundation (the Foundation) (a California non-profit Corporation), with an office in Culver City, California, is a not-for-profit organization formed in 2007 to organize and promote events and campaigns to bring the world's largest movement for men's health to the United States and to bring much needed awareness and funding to cancers that affect men, specifically prostate and testicular cancer. The Foundation raises funds primarily from individual donors and provides donations to the two organizations that serve as the Foundation's Men's Health Partners, the Prostate Cancer Foundation (PCF), which receives 50% of the income to be donated, and the LIVESTRONG Foundation (LSF), which receives 40% of the income to be donated. The remaining 10% of the net campaign income is retained internally for the Global Action Plan (GAP), a global program governed by the Global Scientific Committee and the Movember Board of Directors which awards funds to various researchers and institutions. The GAP funds are designated as Board Designated for Global Action Plan at April 30, 2014 and 2013 in the accompanying statements of net assets. The Foundation is an affiliate of the Australian based The Movember Group Pty Ltd (MGPL), Trustee of the Movember Foundation. Effective April 8, 2013, the name of the Foundation changed from Movember, Inc. to Movember Foundation.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Support and Revenue

The Foundation receives most of its income from contributions. The primary campaign activities occur in the month of November each year. Amounts contributed are recognized when they are received by the Foundation or when there is a written unconditional promise to give by the donor.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions.

Net assets of the two restricted classes are created by donor-imposed restrictions on their use. All other net assets, including Board-designated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

Unrestricted net assets consist of funds that are available for the Foundation to utilize in any of its programs or supporting services at the discretion of the Board of Directors.

Temporarily restricted net assets consist of funds that are restricted by donors for a specific time period or purpose. Temporarily restricted net assets at April 30, 2013 related to unconditional promises to pay. They were released from restriction upon the Foundation's receipt of the funds.

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanently restricted net assets consist of funds that contain donor-imposed restrictions requiring the principal be invested in perpetuity and that only the income be used. Income earned on these funds may be unrestricted or temporarily restricted, depending upon the donor-imposed restrictions. There were no permanently restricted net assets at April 30, 2014 or 2013.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers cash on hand, cash in demand deposit accounts including money market funds, and instruments with an original maturity date of 90 days or less at date of purchase to be cash and cash equivalents. The Foundation maintains its cash and cash equivalent balances with one bank. Deposits of up to \$250,000 at FDIC-insured institutions are covered by FDIC insurance. Deposits are generally in excess of the FDIC insurance limit; however, management does not believe the Foundation is exposed to any significant related credit risk.

Property and Equipment

Property and equipment are stated at cost, or fair market value if the property is donated, less accumulated depreciation. Depreciation is accounted for on the straight line method over the estimated useful lives of the assets, which is 5 years for computer equipment and furniture and fixtures. Leasehold improvements are depreciated over the shorter of the useful life of the improvement or the lease term, including renewal periods that are reasonably assured.

Expenditures for maintenance and repairs are expensed in the period incurred. Expenditures for major items are capitalized. Costs of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirement.

Change in Accounting Method

Effective May 1, 2013, the Foundation changed the method of accounting for property and equipment from the declining balance or straight line method to the straight line method. In addition, the Foundation determined that the actual lives for certain assets differed from the useful lives that had previously been used for depreciation purposes in the Foundation's financial statements. As a result, the Foundation revised the estimated useful lives of certain assets effective May 1, 2013. The change in accounting method and the revision of estimated useful lives did not have a material effect on the Foundation's financial position as of April 30, 2014 or the changes in its net assets for the year then ended.

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Certain costs have been allocated among the programs, administrative, and fundraising activities benefited.

Income Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and under Section 23701(d) of the California Revenue and Taxation Code.

The Foundation's informational returns for the years ended April 30, 2011 and subsequent remain open for examination by the Internal Revenue Service. The returns for California, the Foundation's only state jurisdiction, remain open for examination by state tax authorities for the years ended April 30, 2010 and subsequent.

Management Estimates

Preparing the Foundation's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE C – CASH AND CASH EQUIVALENTS

The Foundation's cash and cash equivalents balances have been designated by the Board of Directors for the following purposes as of April 30:

	<u>2014</u>	<u>2013</u>
Payable to Men's Health Partners	\$ 7,618,420	\$ 6,965,345
Reserved for Global Action Plan	395,364	271,294
Reserved for future expenses and reserves	<u>3,057,941</u>	<u>2,661,188</u>
Total cash and cash equivalents	<u>\$11,071,725</u>	<u>\$ 9,897,827</u>

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at April 30:

	<u>2014</u>	<u>2013</u>
Furniture and fixtures	\$ 44,983	\$ 436
Computer equipment	61,036	36,342
Leasehold improvements	<u>31,338</u>	<u>-</u>
Total property and equipment	137,357	36,778
Less accumulated depreciation	<u>(45,591)</u>	<u>(18,936)</u>
Total property and equipment, net	<u>\$ 91,766</u>	<u>\$ 17,842</u>

NOTE E – DISTRIBUTIONS TO BENEFICIARIES AND DONATIONS PAYABLE

Included in the awards of \$10,157,893 and \$10,339,272 to PCF for the years ended April 30, 2014 and 2013, respectively, are GAP distributions of \$1,692,982 and \$2,600,000, respectively. All of the distributions to PCF and LSF are included under program expenses in the statements of activities and changes in net assets.

Donations payable totaling \$7,618,420 and \$6,965,345 reflected in the statements of financial position at April 30, 2014 and 2013, respectively, consist of binding commitments awarded to PCF and LSF during the years then ended but not paid as of the end of each financial year.

NOTE F – OPERATING LEASES

The Foundation leased office space in Venice, California. Minimum monthly payments under the lease agreement were \$5,092 plus various common area charges and utilities through March 2013, and \$10,000 thereafter. The lease was terminated on August 23, 2013.

On May 30, 2013, the Foundation entered into a five-year lease agreement (the Agreement) for office space in Culver City, California. Minimum monthly payments under the Agreement are \$29,343 plus various common area charges and utilities. The Agreement provides for rent increases. On June 6, 2013, the Foundation made a payment of \$161,444 toward this lease, which included a security deposit of \$132,101 plus first month rent of \$29,343. Under certain circumstances, \$60,000 of the security deposit may be refunded to the Foundation on an accelerated basis.

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE F – OPERATING LEASES (Continued)

Rent expense was approximately \$290,000 and \$63,900 for the years ended April 30, 2014 and 2013, respectively. Rent reimbursed from MGPL, a related entity, totaled approximately \$45,000 and \$11,000 for the years ended April 30, 2014 and 2013, respectively.

Future minimum lease payments are as follows for the years ending April 30:

2015	\$ 359,156
2016	369,924
2017	381,020
2018	392,452
2019	<u>132,100</u>
Total	<u>\$1,634,652</u>

NOTE G – FOREIGN EXCHANGE

Included in the Foundation's administration costs for the years ended April 30, 2014 and 2013 are exchange gains and losses, which relate to expenses allocated from MGPL for the Foundation's share of its global expenses (see Note H). These intercompany allocations are subject to the inherent risks associated with foreign exchange rate movements. Foreign currency denominated assets and liabilities are translated into U.S. dollars at the exchange rate existing at the statement of financial position date, and revenue and expense items are translated at the exchange rate existing at the transaction date. Because the Foundation settles intercompany transactions in the currency of the receiving entity, any foreign exchange gains or losses representing changes in exchange rates from the transaction date to the settlement date are borne by the Foundation.

During the years ended April 30, 2014 and 2013, fluctuations in the value of the U.S. dollar caused a net foreign exchange loss of \$15,384 and gain of \$11,720, respectively.

NOTE H – GLOBAL SERVICES ALLOCATION

MGPL, together with local country affiliates (including the Foundation), is a global operation with its head office based in Melbourne, Australia. In order to minimize costs in all countries in which the Foundation operates, MGPL charges the Foundation for its share of certain costs for central services. These services are conducted centrally to ensure consistency over the Movember brand and to achieve economies of scale for Movember's global programs, thereby resulting in lower costs in each country. The services carried out centrally include website development, hosting and maintenance; campaign theme design and related materials; financial and accounting services; human resources services; and general management, including program implementation and beneficiary partner management services. MGPL's and the Foundation's management believe the

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE H – GLOBAL SERVICES ALLOCATION (Continued)

charge from MGPL is significantly less than if the Foundation were to conduct all of these activities on a stand-alone local basis. The costs are charged on actual consumption or, where this cannot be identified, on an equitable basis that is fair to all regions. MGPL does not charge interest or mark up costs. The global services allocation expense for the Foundation was \$1,669,548 and \$1,422,322 for the years ended April 30, 2014 and 2013, respectively.

NOTE I – RELATED PARTY TRANSACTIONS

The Foundation performs accounting and other services for Movember Canada and charges them for these services. Expense reimbursements received or receivable from Movember Canada for accounting and other services provided during the years ended April 30, 2014 and 2013 totaled \$130,258 and \$97,975, respectively.

The Foundation purchases and pays for campaign and Mo Collection merchandise on behalf of Movember UK and other related entities. Those entities then reimburse the Foundation for their share of the products purchased. Expense reimbursements received or receivable from Movember UK for campaign and Mo Collection merchandise provided during the years ended April 30, 2014 and 2013 totaled \$144,738 and \$12,000, respectively.

Reimbursements received or receivable are netted against related operating expenses.

During the years ended April 30, 2014 and 2013, MGPL charged the Foundation its share of certain costs for services provided by MGPL's directors through the global services allocation (see Note H). The Foundation charged MGPL and some of the other international entities for certain expenses, primarily related to salaries, paid by the Foundation but allocated to those entities.

The following tables summarize the composition of the net related party receivables and payables at April 30, 2014 and 2013:

	April 30, 2014			
	MGPL	Canada	UK	Total
Receivable	\$ 173,260	\$ 5,023	\$ 5,152	\$ 183,435
Payable	-	-	-	-
Net receivable	\$ 173,260	\$ 5,023	\$ 5,152	\$ 183,435

MOVEMBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

NOTE I – RELATED PARTY TRANSACTIONS (Continued)

	April 30, 2013			
	MGPL	Canada	UK	Total
Receivable	\$ 30,449	\$ 25,860	\$ 841	\$ 57,150
Payable	(495)	-	-	(495)
Net receivable	<u>\$ 29,954</u>	<u>\$ 25,860</u>	<u>\$ 841</u>	<u>\$ 56,655</u>

MGPL retains the services of Urchin Associates, which is under the directorship of one of MGPL's directors, to develop the creative concept for the global campaign each year. Urchin's world-class creative, brand, and design services have been fundamental to the campaign concept.

NOTE J – ALLOCATION OF JOINT COSTS

During the years ended April 30, 2014 and 2013, the Foundation conducted activities that included a campaign and special events and incurred joint costs of \$3,371,131 and \$2,795,776, respectively. Joint costs were allocated as follows.

	2014	2013
Men's Health Awareness	\$1,221,735	\$1,166,641
Administration	254,549	209,508
Fundraising	<u>1,894,847</u>	<u>1,419,627</u>
Total	<u>\$3,371,131</u>	<u>\$2,795,776</u>

NOTE K – RETIREMENT PLAN

The Foundation maintains a 401(k) Profit Sharing Plan for its employees who are 21 years of age and older. Under the plan, eligible employees may elect to defer up to 80% of their compensation subject to Internal Revenue Service limits. The Foundation does not make any matching contributions.

NOTE L – SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 9, 2014, the date the financial statements were available to be issued.