BENTON FRANKLIN HUMANE SOCIETY

Financial Statements and Independent Auditors' Report

December 31, 2023

CONTENTS

Northwest CPA Group PLLC

Certified Public Accountants

1333 Columbia Park Trail, Suite 120
Richland, WA 99352
Telephone: (509) 735-1300
Facsimile: (509) 735-1311

INDEPENDENT AUDITORS' REPORT

Board of Directors
Benton Franklin Humane Society
Kennewick, Washington

Opinion

We have audited the accompanying financial statements of Benton Franklin Humane Society (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Benton Franklin Humane Society as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Benton Franklin Humane Society's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Benton Franklin Humane Society's ability to continue as a going concern for a reasonable period of time.

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

Northwest CPA Group PLLC

Tri-Cities, Washington
September 19, 2024

Benton Franklin Humane Society
Statement of Financial Position
December 31, 2023

ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents		$ 335,480
Accounts receivable		4,370
Prepaid expenses		11,600
Investments		1,662,571
Beneficial interest in assets held by a foundation, *current*		100,000
Total current assets		2,114,021
PROPERTY AND EQUIPMENT:		
Vehicles and equipment	$ 287,558	
Buildings and improvements	1,686,890	
	1,974,448	
Less accumulated depreciation	829,635	
	1,144,813	
Land	159,718	
		1,304,531
OTHER ASSETS:		
Beneficial interest in assets held by a foundation, *noncurrent*		2,486,954
		$ 5,905,506

LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable		$ 4,784
Payroll liabilities		35,263
Accrued vacation		10,120
Total current liabilities		50,167
NET ASSETS:		
Without donor restrictions	$ 3,261,885	
With donor restrictions	2,593,454	
Total net assets		5,855,339
		$ 5,905,506

Benton Franklin Humane Society
Statement of Activities and Changes in Net Assets
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT:			
Contributions and grants, *financial*	$ 560,791	$ 105,998	$ 666,789
Fundraising event revenue	53,395	-	53,395
Hold and surrender	52,369	-	52,369
Animal adoptions	190,603	-	190,603
Medical program	27,695	-	27,695
Contract revenue	5,200	-	5,200
In-kind contributions, *non-financial*	28,248	-	28,248
Other revenue	5,820	-	5,820
	924,121	105,998	1,030,119
Net assets released from restrictions	100,000	(100,000)	-
	1,024,121	5,998	1,030,119
EXPENSES:			
Program services	889,930	-	889,930
Management and general	142,789	-	142,789
Fundraising	187,803	-	187,803
	1,220,522	-	1,220,522
CHANGES IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)	(196,401)	5,998	(190,403)
OTHER INCOME (EXPENSE):			
Gain on disposition of asset	300	-	300
Net investment income	183,905	-	183,905
Interest income	1,226	-	1,226
	185,431	-	185,431
CHANGES IN NET ASSETS	(10,970)	5,998	(4,972)
NET ASSETS, BEGINNING OF YEAR	3,272,855	2,587,456	5,860,311
NET ASSETS, END OF YEAR	$ 3,261,885	$ 2,593,454	$ 5,855,339

Benton Franklin Humane Society
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 532,894	$ 105,335	$ 114,836	$ 753,065
Animal care	130,050	-	-	130,050
Payroll taxes	62,246	9,632	10,833	82,711
Depreciation expense	50,396	7,200	2,400	59,996
Professional fundraising services	-	-	44,048	44,048
Occupancy	33,090	8,593	1,289	42,972
Insurance	21,109	2,483	1,242	24,834
Repairs and maintenance	20,103	427	108	20,638
Professional fees	5,373	4,028	-	9,401
Office expenses	7,571	1,009	647	9,227
Bank fees	8,567	226	42	8,835
Employee benefits	4,828	510	2,131	7,469
Fundraiser expenses	-	-	6,254	6,254
Dues and subscriptions	2,305	2,033	1,809	6,147
Travel and training	4,717	-	15	4,732
Postage, delivery, and printing	3,319	214	1,141	4,674
Taxes, licenses, and permits	3,361	306	66	3,733
Advertising and promotion	-	-	856	856
Miscellaneous expense	1	793	86	880
	$ 889,930	$ 142,789	$ 187,803	$ 1,220,522

Benton Franklin Humane Society
Statement of Cash Flows
Year Ended December 31, 2023

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grants and donors		$ 620,686
Cash received from operations		277,317
Cash paid to suppliers and employees		(1,157,706)
Interest received		1,226
Net cash used in operating activities		(258,477)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	$ (14,989)	
Receipts from beneficial interest in assets held by a foundation	100,000	
Proceeds from disposal of asset	300	
Net cash provided by investing activities		85,311
NET DECREASE IN CASH AND CASH EQUIVALENTS		(173,166)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		508,646
CASH AND CASH EQUIVALENTS, END OF YEAR		$ 335,480

Reconciliation of Changes in Net Assets to Net Cash Used in Operating Activities:		
Changes in net assets		$ (4,972)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	$ 59,996	
Realized gain on investments	(15,940)	
Unrealized gain on investments	(129,652)	
Interest and dividends reinvested	(38,313)	
Gain on disposal of assets	(300)	
Realized discount on beneficial interest in assets held by foundation	(99,498)	
Decrease (increase) in assets:		
Accounts receivable	(4,370)	
Prepaid expenses	(2,729)	
Increase (decrease) in liabilities:		
Accounts payable	(38,472)	
Accrued vacation	920	
Payroll liabilities	14,853	
Total adjustments		(253,505)
Net cash used in operating activities		$ (258,477)

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization:

Benton Franklin Humane Society (the Organization) is a not-for-profit charitable organization that provides support services for animals in Benton and Franklin Counties of Washington state and surrounding areas. The Organization advocates for the humane treatment of animals through adoption counseling, educational outreach, and community services. Funding sources include shelter fees and donations from caring individuals and businesses.

Summary of Significant Accounting Policies:

Basis of presentation – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and cash equivalents – The Organization considers all highly liquid investments, with an original maturity of three months or less, to be cash equivalents. The Organization maintains its cash in bank deposit accounts with financial institutions. Cash balances may exceed amounts insured by the Federal Deposit Insurance Corporation at various times during the year; management does not consider this to be a significant credit risk.

Accounts receivable – Receivables are carried at their original amount, less an estimate made for credit losses based on a review of outstanding amounts. Management determines the allowance for credit losses by identifying troubled accounts and by using historical experience applied to an aging of accounts as well as evaluating current economic conditions. Receivables are written off to the allowance when deemed uncollectible. No allowance was deemed necessary at December 31, 2023. Recoveries of receivables previously written off are recorded when received.

Investments – Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statement of financial position. Investment securities consist of a highly-diversified portfolio of cash, certificates of deposit, mutual funds, and exchange-traded products. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, and investment expenses. The investments in marketable securities are subject to market risk.

Property and equipment – Property and equipment are stated at cost or, if donated, at their approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets ranging from 5 to 39 years. The Organization capitalizes all property and equipment acquired in excess of $1,000.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Summary of Significant Accounting Policies (continued):

Beneficial interest in assets held by a foundation – The Organization is a beneficiary of a private foundation created in November 2007 to provide annual distributions over 150 years to five non-profit organizations. Annual distributions are received based on 5% of the foundation's assets, split equally with the four other nonprofit organizations. The Organization has valued the beneficial interest in assets held by a foundation at fair value based on future expected cash receipts from the foundation, discounted at 4%. The amounts ultimately realized could differ materially, and significant fluctuations in fair value could occur from year to year.

Financial instruments – At December 31, 2023, the carrying value of the Organization's financial instruments approximated fair value.

Net assets – Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and net asset changes are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

Revenue recognition – contributions:

Contributions – Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Summary of Significant Accounting Policies (continued):

Revenue recognition – contributions (continued):

In-kind contributions – Donated goods are recorded at their estimated fair value when received. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing these skills, and would typically need to be purchased if not provided by donation. Gifts of property and equipment, and gifts of cash to be used to acquire property and equipment, are reported as restricted support, and classified to net assets without donor restrictions when placed into service.

Revenue recognition – contracts with customers:

Animal operations – The Organization derives revenues from the adoption of animals to individuals within the community. Revenues for these adoptions are recognized when the animal is transferred to the new home (at the time of adoption). All services are recognized at a point in time. The Organization does not have any significant financing components as payment is received at or shortly after the adoption.

Medical program – The Organization provides vaccination, microchip, spay, neuter, and other services for municipalities or nonprofit organizations in the community. Fees are based on established rates per service provided and are billed and recognized as revenue at the end of each month.

Contracts – The Organization entered into a contract with the City of Prosser to provide shelter services for the City of Prosser. These services are based on per animal fee, which is billed monthly. The contract fees are recognized as revenue in the month services are provided.

Allocation of expenses – The costs of program and supporting service activities have been reported on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail by function. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Costs have been allocated between the various programs and support services on several bases and estimates. Occupancy costs have been allocated based on square footage. Salaries, wages, payroll taxes, and employee benefits have been allocated based on estimated time spent on specific job duties. Depreciation expense is based on the estimated usage of the underlying property and equipment. Office expense, repairs and maintenance, professional fees, postage, delivery and printing, insurance, bank fees, advertising and promotion, taxes, licenses and permits, and miscellaneous expense is based on estimated usage benefited by program services or supporting services.

Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Summary of Significant Accounting Policies (continued):

Advertising – Advertising cost is expensed as incurred. Advertising expense for the year ended December 31, 2023, was $856.

Income taxes – Under the provisions of Section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from federal income taxes, except for net income from unrelated business activities. For the year ended December 31, 2023, the Organization had no unrelated business activities subject to federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustments to the financial statements.

Use of 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 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.

Recently adopted accounting pronouncements – In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13 *Current Expected Credit Losses (CECL)* (Topic 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance were trade accounts receivable. The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

NOTE 2 – AVAILABILITY AND LIQUIDITY:

The Organization receives significant unrestricted contributions and program revenues to meet cash needs and fund general operating expenditures.

The Board of Directors continually assesses the Organization's ability to meet general expenditure needs. The Organization makes every effort to maintain sufficient cash in its operating accounts to satisfy needs and draws from its investment account only when necessary. Draws from the investment account require Board approval.

The Organization's financial assets available for general expenditure within one year of the balance sheet date are as follows:

Cash and cash equivalents	$ 335,480
Accounts receivable	4,370
Investments	1,662,571
Beneficial interest in assets held by a foundation	100,000
Total financial assets, available to meet cash needs for general expenditures within one year	$ 2,102,421

NOTE 3 – FAIR VALUE MEASUREMENTS:

The Financial Accounting Standards Board has established a fair value measurement standard, which establishes a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 – Quoted prices are available in active markets for identical investments as of the measurement date. The Organization does not adjust the quoted price for these investments.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the measurement date, but are not the same as those used in Level 1. Fair value is determined through quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

NOTE 3 – FAIR VALUE MEASUREMENTS (continued):

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire measurement in the hierarchy.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023.

Mutual Funds and Stocks (Level 1): Valued daily at the closing price as reported by the fund. Mutual funds held by the Organization are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds and exchange traded funds held by the Organization are deemed to be actively traded.

Certificates of deposit (Level 2): Valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions.

Beneficial interest in assets held by foundation (Level 3): Valued using an income approach by estimating annual distributions of $100,000 through November 2156 and presented at net present value, at a discount rate of 4%. Any difference between annual estimated distributions of $100,000 and actual amounts received is recorded as contributions in the statement of activities in the year received. During the year ended December 31, 2023, the actual amount received from the Foundation was $142,044.

NOTE 3 – FAIR VALUE MEASUREMENTS (continued):

The following table discloses by level within the fair value hierarchy the Organization's fair value measurements at December 31, 2023:

	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Valued on a recurring basis:				
Investments:				
Money market	$ 7,018	$ -	$ -	$ 7,018
Certificate of deposit	-	25,043	-	25,043
Mutual funds	1,321,499	-	-	1,321,499
Stocks	309,011	-	-	309,011
Total investments	$ 1,637,528	$ 25,043	$ -	$ 1,662,571
Valued on a nonrecurring basis:				
Beneficial interest in assets held by a foundation	$ -	$ -	$ 2,586,954	$ 2,586,954

Beneficial interest in assets held by a foundation – The Organization has been named as a beneficiary of a charitable private foundation. Under conditions of the trust, the Organization, along with four other charitable organizations, will receive annual distributions based on 5% of the value of the foundation's assets through November 2156. The discounted value of the total estimated annual distributions is included in the statement of financial position as beneficial interest in assets held by a foundation.

A roll forward of the fair value measurements using unobservable inputs (Level 3) for the year ending December 31, 2023, is as follows:

	Beneficial Interest in Assets Held by Foundation
Balance, December 31, 2022	$ 2,587,456
Estimated annual distribution	(100,000)
Present value discount	99,498
Balance, December 31, 2023	$ 2,586,954

NOTE 4 – NONCASH INVESTING ACTIVITIES:

Each year, the Organization purchases and sells within its investment account, with no resulting cash activity. In addition, income is also automatically reinvested. The noncash investing transactions are summarized as follows for the year ended December 31, 2023:

Sales	$ 341,997
Purchases	(374,930)
Interest and dividends reinvested	38,313

NOTE 5 – NET ASSET RESTRICTIONS:

Net assets with donor restrictions as of December 31, 2023, consisted of the following:

Subject to passage of time:	
Beneficial interest in assets held by a foundation	$ 2,586,954
Subject to purpose restrictions:	
Emergency medical care	6,500
	$ 2,593,454

Net assets were released from donor restrictions through the passage of time during the year ended December 31, 2023, is as follows:

Expiration of time restriction:	
Receipt from beneficial interest in assets held by a foundation	$ 100,000
Realized discount on beneficial interest in assets held by a foundation	(99,498)
	$ 502

NOTE 6 – IN-KIND CONTRIBUTIONS:

The Organization receives a significant amount of donated goods and services from volunteers. Contributions of services are recognized if the services received create or enhance nonfinancial assets, require specialized skills, are provided by individuals processing these skills, and would typically need to be purchased if not provided by donation. Services provided have not been recognized in the statement of activities and changes in net assets for the year ended December 31, 2023, as they do not meet the recognition requirements.

In-kind contributions other than contributed services and are valued at the item's fair market value at the date of donation. Securities are held for investment and all other in-kind contributions are held for use within the Organization or its programs.

In-kind contributions consisted of the following for the year ended December 31, 2023:

Animal food	$ 15,603
Shelter supplies	10,576
Surgical suite supplies	1,975
Office supplies and other	94
	$ 28,248

During the year ended December 31, 2023, there were no donor-imposed restrictions associated with in-kind contributions.

NOTE 7 – CONCENTRATIONS:

During the year ended December 31, 2023, approximately 20%, of revenue and support was received from one donor. A portion of this support was distributed from a trust and a charitable private foundation, each of which name the Organization as a qualified beneficiary.

Charitable Remainder Annuity Trust – The Organization has received contributions from a charitable remainder annuity trust. The trust provides for the payment of distributions to a designated beneficiary and five nonprofit organizations for the life of the beneficiary. Distributions of 5% of the total trust assets are made annually, with $24,000 paid to the designated beneficiary and the remaining amount paid equally to the five nonprofit beneficiaries. At the end of the trust's term, the remaining assets will be distributed as stipulated by the trust agreement. Information necessary to accurately measure the Organization's interest in the trust is not available, therefore, no related asset has been recorded in the financial statements.

Charitable Private Foundation – The Organization has also received contributions from a private foundation. Five percent of the assets of the foundation are distributed annually to the beneficiaries through November 2156. See also Note 1 and Note 3.

NOTE 8 – PRIOR PERIOD ADJUSTMENT:

A prior period adjustment has been made to the year ended December 31, 2022, as a result of an under-accrual of liabilities of $44,595. The following presents the adjusted balances at December 31, 2022:

Changes in Net Assets, Year Ended December 31, 2022	$ 244,906
Net Assets, December 31, 2022	$ 5,860,311

NOTE 9 – SUBSEQUENT EVENTS:

Subsequent events have been evaluated by management through September 19, 2024, which is the date the financial statements were available to be issued.