The Colorado Trust

Independent Auditor’s Report and Financial Statements

December 31, 2013 and 2012

The Colorado Trust
December 31, 2013 and 2012

Contents

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Independent Auditor's Report on Financial Statements

Board of Trustees
The Colorado Trust
Denver, Colorado

We have audited the accompanying financial statements of The Colorado Trust, which comprise the statements of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

Board of Trustees
The Colorado Trust

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Colorado Trust as of December 31, 2013, 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.

Prior Year Audited by Other Auditors

The 2012 financial statements were audited by other auditors and their report thereon, dated April 17, 2013, expressed an unmodified opinion.

BKD, LLP

Denver, Colorado
May 7, 2014

The Colorado Trust

Statements of Financial Position

December 31, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 4,018,049	$ 895,664
Investments	450,030,512	411,641,037
Interest and real estate distributions receivable, net	-	637,262
Property and equipment, net	209,590	263,725
Investments held under deferred compensation agreements	324,272	327,594
Other assets	27,488	30,200
Total assets	$ 454,609,911	$ 413,795,482
Liabilities and Net Assets		
Accounts payable and accrued liabilities	$ 245,520	$ 185,085
Grants payable	2,592,534	5,841,570
Excise tax payable	1,341,598	775,867
Deferred gain on sale - leaseback	3,515,219	3,764,819
Deferred compensation	324,272	327,594
Total liabilities	8,019,143	10,894,935
Net Assets		
Unrestricted	446,590,768	402,900,547
Total liabilities and net assets	$ 454,609,911	$ 413,795,482

The Colorado Trust

Statements of Activities

Years Ended December 31, 2013 and 2012

	2013	2012
Unrestricted Revenue, Gains and Other Support		
Interest and dividend income	$ 3,984,771	$ 6,435,096
Net realized and unrealized gain on investments	50,739,863	44,855,916
Income from real estate transactions	942,845	780,777
Other income	1,737	6,285
Investment management fees	(311,822)	(262,639)
Net assets released from restriction	-	668,000
Total revenue, gains and support	55,357,394	52,483,435
Expenses		
Program services		
Access to health	3,793,312	10,547,779
Health equity	169,145	-
Grants to Dioceses	745,685	945,771
Other grant programs	4,335,385	1,862,921
Total program services expenses	9,043,527	13,356,471
Supporting services		
Management and general	1,737,901	1,678,442
Excise tax expense	885,745	955,036
Total supporting services expenses	2,623,646	2,633,478
Total expenses	11,667,173	15,989,949
Increase in unrestricted net assets	43,690,221	36,493,486
Temporarily Restricted Support		
Net assets released from restriction	-	(668,000)
Decrease in temporarily restricted net assets	-	(668,000)
Change in Net Assets	43,690,221	35,825,486
Net Assets, Beginning of Year	402,900,547	367,075,061
Net Assets, End of Year	$ 446,590,768	$ 402,900,547

The Colorado Trust
Statements of Cash Flows
Years Ended December 31, 2013 and 2012

	2013	2012
Operating Activities		
Change in net assets	$ 43,690,221	$ 35,825,486
Items not requiring (providing) cash		
Depreciation expense	135,957	127,214
Recognition of deferred gain	(249,600)	(249,600)
Deferred excise tax expense	531,217	592,676
Allowance for uncollectible interest receivable	1,605,126	1,437,000
Net realized and unrealized gain on investments	(50,739,863)	(44,855,916)
Change in operating assets		
Contributions receivable	-	668,000
Dividends and interest receivable	-	(466,470)
Other assets	6,034	65,248
Change in operating liabilities		
Accounts payable and accrued expenses	2,361	6,376
Other accrued liabilities	54,752	(176,876)
Grants payable	(3,249,036)	(1,253,431)
Excise tax payable	34,514	83,273
Net cash used in operating activities	(8,178,317)	(8,197,020)
Investing Activities		
Net proceeds from sale of investments	11,382,524	8,088,147
Purchase of property and equipment	(81,822)	(146,389)
Net cash provided by investing activities	11,300,702	7,941,758
Increase (Decrease) in Cash and Cash Equivalents	3,122,385	(255,262)
Cash and Cash Equivalents, Beginning of Year	895,664	1,150,926
Cash and Cash Equivalents, End of Year	$ 4,018,049	$ 895,664

The Colorado Trust
Notes to Financial Statements
December 31, 2013 and 2012

Note 1: Nature of Operations

The Colorado Trust (The Trust) was established in 1985 and endowed by the proceeds of the sale of PSL Healthcare Corporation, a Colorado not-for-profit corporation. The Trust was formed as a not-for-profit charitable foundation whose mission is to improve the health and well-being of the people of the State of Colorado. The Trust's vision and the focus of its grant making is for all Coloradans to have fair and equal opportunities to lead healthy, productive lives regardless of race, ethnicity, income or where they live. The Trust's operations and grant making activities are funded by investments and earnings thereon.

Note 2: Summary of Significant Accounting Policies

Basis of Financial Presentation

The accompanying financial statements are prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates

The preparation of financial statements in conformity GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Trust considers all unrestricted liquid investments with original maturities of three months or less, and which are not held as part of an investment portfolio or on behalf of others, to be cash equivalents. At December 31, 2013 and 2012, cash equivalents consisted primarily of money market accounts with brokers.

At December 31, 2013, The Trust's cash accounts exceeded federally insured limits by approximately $1,394,661.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains or losses on investments carried at fair value; and realized gains and losses on other investments.

Investment Risk

Investment securities are exposed to various risks, such as interest rate, market, and credit. Though the market value of investments is subject to fluctuations on a year to year basis, The Trust believes that the investment policy is appropriate for meeting the long-term mission of The Trust.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. The Trust capitalizes all expenditures for property and equipment in excess of $5,000 and with a useful life exceeding one year. Depreciation is charged to expense using the straight-line method over the estimated useful life of each asset ranging from 3 - 20 years.

Grants

The Board of Trustees approves expenditures for specific grant programs in support of The Trust's mission. Grant expense is recognized when The Trust identifies a grantee and awards a grant contract. Grants authorized but unpaid at year-end are reported as liabilities in accordance with GAAP. Grants scheduled for payments more than one year in the future are discounted using an appropriate interest rate.

Tax Status

The Trust has been classified as a private foundation as defined in Section 509(a) of the Internal Revenue Code (the Code), and is exempt from federal income tax under Section 501(c)(3) of the Code. Private foundations are subject to an excise tax on net investment income, which includes realized gains on the sale of assets. The tax is equal to 2% of net investment income, but can be reduced to 1% if qualifying grant payments exceed certain minimum amounts.

Management evaluates uncertain tax positions for more-likely-than-not sustainability. Management has concluded that as of December 31, 2013 and 2012, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Trust is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Certain of The Trust's investments generate unrelated business taxable income. The Trust did not incur income taxes related to those activities in 2013 or 2012. The Trust is no longer subject to income tax examinations for the years prior to December 31, 2010 and 2009.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the appropriate programs and supporting services benefited.

Reclassifications

Certain reclassifications have been made to the 2012 financial statements to conform to the 2013 financial statement presentation. These reclassifications had no effect on the change in net assets.

Note 3: Grant and Contract Commitments

Grants payable is determined by discounting multi-year grants to net present value using a discount rate commensurate with market conditions and the grant payment schedule at the time the grant is committed. The discount rate used by The Trust is 1% due to the short-term length of the remaining payment schedule.

Grants which have been approved but not paid are scheduled for payment as follows:

2014	$ 2,054,091
2015	410,164
2016	135,000
Less present value of payments scheduled after 2014	(6,721)
	$ 2,592,534

Note 4: Investments and Investment Returns

The investment goal of The Trust is to invest its assets in a manner that will maintain, over the long-term, the real value of its investments while allowing for suitable grant expenditures that facilitate the fulfillment of The Trust's mission.

To achieve this goal, some investment risk must be taken. The Trust diversifies its investment portfolio among various financial instruments and asset categories, using multiple investment strategies to mitigate investment risks. The Trust's investments are managed by independent professional investment management firms and are held in various investment structures such as limited partnerships, foreign domiciled funds, and pooled investments.

Investments at December 31 consisted of the following:

	2013	2012
Domestic equities	$ 122,559,000	$ 102,514,299
International equities	109,725,009	97,870,816
Fixed income funds	80,017,718	73,546,963
Private equity	25,981,215	23,756,217
Hedge funds/multi-strategy	80,437,063	76,288,669
Real estate	31,310,507	37,664,073
Total investments	$ 450,030,512	$ 411,641,037

Domestic Equities, International Equities, and Fixed-Income Funds

This category consists of investments in mutual funds, partnerships and commingled funds. All of these investments are in funds which are in publicly traded companies on various major stock exchanges. Certain funds cannot be valued directly, and therefore are valued by reference to the fair value of the underlying publicly traded equities. Liquidity is available monthly upon 30 days or less notice, at which time the underlying investments are sold and the proceeds are distributed. At December 31, 2013 and 2012, the fair value of these investments measured using the net asset value per share is $199,113,416 and $169,133,356, respectively.

Private Equity

This category includes a variety of private equity strategies including global distressed debt, natural resources and venture capital. At December 31, 2013, the total committed was $55,750,000 of which $29,778,375 remains to be called. Each fund is allocated to fund managers over a period of 3 to 5 years and is designed to have a lifespan of 7 to 10 years before it is fully liquidated. Liquidity is only available through distributions as the underlying investments mature or are sold. At December 31, 2013 and 2012, the fair value of these investments measured using the net asset value per share is $25,981,215 and $23,756,216, respectively.

Hedge Funds/Multi Strategy

This category consists primarily of investments in fund-of-funds, each managed by a single fund manager. Each fund manager is free to invest in hedge funds that pursue multiple strategies to diversify risk and reduce volatility. These include relative value, event driven and tactical strategies and represent multiple core investment holdings. The underlying investments include both equity and credit instruments. This category also includes a multi-strategy fund invested in domestic equities traded on major stock exchanges. These investments do not currently have any lock ups, gates or other redemption restrictions and quarterly liquidity is available upon 60 - 95 days’ notice.

This category includes a loan to a fund that concentrates on investments in fixed base operations (FBO) that service private aviation activities on airports in the United States. The terms of the loan include preferential interest payments and contingent interest in the event that successful operations exceed a predetermined rate of return. Based on appraisals and other information obtained from the fund manager, a reserve of $3,126,491 and $1,437,000 was recorded against accrued interest receivable and the loan amount for the years ended December 31, 2013 and 2012, respectively. At December 31, 2013 and 2012, the fair value of these investments measured using net asset value per share is $52,287,099 and $53,314,860, respectively.

Real Estate

This category includes commercial real estate owned through limited partnership funds and a Real Estate Investment Trust. These funds are broadly diversified across real estate asset classes and are further diversified geographically. Liquidity varies based on the amount the owners collectively wish to redeem and executed sales by the investment managers of the underlying real estate properties. Quarterly redemptions are made 60 – 90 days after written notice. At December 31, 2013, the total committed to the Real Estate Investment Trust was $8 million, of which $2,864,009 remains to be called. One of the funds, valued at $2,658,458 at December 31, 2013, consists of two properties in the western United States. Liquidity of this fund is available upon sale of the assets. All valuations are based on annual appraisals of the underlying properties conducted by independent appraisers generally on a rolling quarterly basis. At December 31, 2013 and 2012, the fair value of these investments measured using net asset value per share is $31,310,507 and $25,172,275, respectively.

Note 5: Fair Value of Assets and Liabilities

The Trust reports its investments in accordance with fair value standards. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This standard requires an entity to maximize the use of observable inputs (such as quoted prices in active markets) and to minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. In addition, The Trust reports certain investments using the "practical expedient" method. The practical expedient allows net asset value per share determined by the investment manager to represent fair value for reporting purposes when certain criteria are met.

Fair value measurement standards require The Trust to classify financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or 3 reporting depending on lock up and notice periods associated with the underlying funds.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Level 1 and 2 assets have been valued using a market approach. Fair values for assets in Level 2 are calculated using quoted market prices for similar assets in markets that are not active, or have been estimated using the net asset value per share as reported by the investment manager and no further adjustments have been made. However, the underlying assets may be actively traded. Fair values for assets in Level 3 have been estimated using the net asset value per share as reported by the investment managers and no further adjustments have been made. The investment managers utilize a combination of market and income approaches. One or more of the following inputs are used: quoted market prices, appraisals, and assumptions about discounted cash flow and other present value techniques depending on the type of investment. There were no changes in the valuation techniques during the current year.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Levels 1, 2 and 3) are intended to reflect the ability to observe the inputs used in the valuation of investments and are not necessarily an indication of risk or liquidity.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument, as well as the effects of market, interest and credit risk. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observation and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in The Trust's financial statements.

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2013 and 2012:

2013

		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic equities	$ 122,559,000	$ -	$ 122,559,000	$ -
International equities	109,725,009	46,329,053	63,395,956	-
Fixed income funds	80,017,718	56,603,834	23,413,884	-
Private equity	25,981,215	-	-	25,981,215
Hedge funds/ multi-strategy	80,437,063	23,149,964	11,630,970	45,656,129
Real estate	31,310,507	-	-	31,310,507
	$ 450,030,512	$ 126,082,851	$ 220,999,810	$ 102,947,851

2012

		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic equities	$ 102,514,299	$ 78,449,847	$ 24,064,452	$ -
International equities	97,870,816	42,513,318	55,357,498	-
Fixed income funds	73,546,963	73,546,963	-	-
Private equity	23,756,217	-	-	23,756,217
Hedge funds/ multi-strategy	76,288,669	22,973,812	40,659,001	12,655,856
Real estate	37,664,073	12,491,798	-	25,172,275
	$ 411,641,037	$ 229,975,738	$ 120,080,951	$ 61,584,348

Level 3 Reconciliation

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of financial position using significant unobservable (Level 3) inputs:

	Private Equity	Hedge Funds	Real Estate Funds
Balance, December 31, 2011	$ 21,815,668	$ 11,753,680	$ 34,027,801
Total realized and unrealized gains (losses)	1,901,777	902,176	1,015,609
Other investment income	(351,990)	-	839,245
Purchases	3,437,383	-	-
Distributions	(3,046,621)	-	-
Transfers (A)	-	-	(10,710,380)
Balance, December 31, 2012	23,756,217	12,655,856	25,172,275
Total realized and unrealized gains (losses)	3,314,492	2,179,982	2,294,400
Other investment income	(395,870)	33,353	11,405
Purchases	2,993,573	20,000,000	5,135,991
Distributions	(3,687,197)	-	(1,303,564)
Transfers (B)	-	10,786,938	-
Balance, December 31, 2013	$ 25,981,215	$ 45,656,129	$ 31,310,507

The change in net assets related to Level 3 investments due to the change in unrealized gains was $4,358,754 and $3,161,694 at December 31, 2013 and 2012, respectively.

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized at the period ending date.

(A) A real estate fund previously classified as a Level 3 investment converted to a publicly traded security during 2012. Accordingly, the investment was transferred to a Level 1 investment at the period ending date.

(B) Based on pricing information for one hedge fund at year-end, the fund was transferred from Level 2 to a Level 3.

Fair value measurements for Level 3 investments are the responsibility of The Trust's management. Management utilizes the valuations provided by fund managers to generate fair value estimates on a monthly or quarterly basis. Management challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

Fair Value of Financial Instruments

The following methods were used to estimate the fair value of all other financial instruments not recognized at fair value in the accompanying statements of financial position.

Cash and cash equivalents – The carrying amount approximates fair value.

Grants payable – The carrying value approximates fair value.

Other – The carrying value of all other financial instruments approximates fair value.

Note 6: Property and Equipment

Property and equipment at December 31 consists of:

	2013	2012
Projects in process	$ 29,588	$ -
Building improvements	45,590	40,112
Machinery and equipment	830,643	783,889
Furniture and fixtures	358,283	358,282
	1,264,104	1,182,283
Less accumulated depreciation	(1,054,514)	(918,558)
Property and equipment, net	$ 209,590	$ 263,725

Note 7: Sale-Leaseback Transaction Note Payable to Bank

On January 31, 2008, The Trust sold its real estate investment in the Capitol Center at 225 E. Sixteenth Avenue, Denver, Colorado, the adjacent parking structure, and The Colorado Trust Building at 1600 Sherman Street, Denver, Colorado, to Capitol Center LLC, a Colorado limited liability company, for $21,500,000. At that time, the net proceeds received by The Trust and were reinvested in its investment portfolio to support future grant making. Concurrently, The Trust leased back The Colorado Trust Building under a 20-year lease agreement with four optional 5-year renewal periods. In accordance with generally accepted accounting principles, The Trust accounted for the transaction as a sale-leaseback and deferred a portion of the gain on the sale equal to the net present value of The Trust's future minimum lease payments, $4,992,021. The deferred gain is being amortized on a straight-line basis over the 20-year life of the lease in the amount of $249,600.

Rent expense in 2013 and 2012 was $586,651 and $583,694, respectively. Rent expense includes rent escalation for property maintenance of $182,747 and $187,811 for 2013 and 2012, respectively.

Future minimum lease payments under the operating lease, before amortization of the deferred gain or rent escalation charges, are as follows for years ending December 31:

2014	$ 462,096
2015	470,207
2016	478,735
2017	487,201
2018	495,868
2019 - 2028	4,934,475
	$ 7,328,582

Note 8: Deferred Compensation Agreement

Effective January 1, 2002, The Trust adopted a non-qualified deferred compensation plan under Section 457(b) of the Code. The plan is available to certain employees. Participants may make an election each year to defer up to the maximum amount permitted by law. There are no employer matching contributions. Participant contributions are not subject to vesting.

At December 31, 2013 and 2012, the assets and related liabilities of the Section 457(b) deferred compensation plan were recorded at the fair market values of $324,272 and $327,594, respectively.

Note 9: Collaborative Agreement

During 2010, The Trust entered into a collaborative agreement with The Colorado Health Foundation (TCHF) in support of the project *Building Public Will to Achieve Access to Health for all Coloradans* (the Project). The Project was developed by The Trust to increase awareness and understanding of achieving and sustaining access to health for all Coloradans.

To assist in funding the Project, TCHF granted $2,000,000 to The Trust in 2010. The Trust received the funding from TCHF in three equal annual installments beginning in 2010 and ending in 2012.

Note 10: Agreements with Dioceses

The Episcopal Dioceses of Colorado and the Presbytery of Denver (the Dioceses) are beneficiaries of a 1985 agreement between The Trust and the PSL Healthcare Corporation. The agreement, which was subsequently amended in 1989 to clarify its provisions, requires distribution to each organization equal to 5% of the total grant expenditures each year, less the amount paid to each organization in that year. Distributions to each organization in 2013 based on grant expenditures paid in 2012 were $472,885, for a total of $945,770. Included in grants payable at December 31, 2013 is $745,685, representing the payments due the Dioceses in 2014 for grant expenditures paid during 2013.

Note 11: Employee Benefit Plans

The Trust provides a money purchase pension plan for all eligible employees. The Trust contributes an amount equal to 12.5% of the annual compensation of each employee enrolled in the plan. Contributions to the plan vest over a period of three years. There are no employee contributions. Employer contributions to the plan were $321,329 and $327,714 in 2013 and 2012, respectively.

The Trust has a tax-sheltered annuity plan under Section 403(b) of the Code available to all employees. Under the plan, each participating employee has the option to contribute amounts, on a pre-tax basis, up to the maximum allowable by the Code. Contributions to the plan vest immediately. There are no employer matching contributions.

Note 12: Federal Excise Taxes

Deferred taxes are recognized in the financial statements for the excise tax on the unrealized gains on investments. The liability for deferred excise tax on unrealized gains included in excise tax payable was $1,147,846 at December 31, 2013 and $616,629 at December 31, 2012. The current provision for federal excise taxes are provided at 2% for the years ended December 31, 2013 and 2012, respectively, and deferred taxes are provided for at 1.5% for both years. The following are Federal excise tax components.

Excise tax expense consists of the following at December 31:

	2013	2012
Current excise tax expense	$ 354,528	$ 362,360
Deferred excise tax expense	531,217	592,676
	$ 885,745	$ 955,036

Note 13: Subsequent Event

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.