



## Audited Financial Statements

June 30, 2014



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
iMentor, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of iMentor, Inc., which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses 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.

### **Auditors' 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 auditors' 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.

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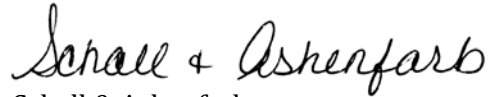
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of iMentor, Inc. as of June 30, 2014, and the changes in net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited iMentor, Inc.'s 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 14, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

February 2, 2015

**iMENTOR, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2014**  
(With comparative totals for June 30, 2013)

	<u>6/30/14</u>	<u>6/30/13</u>
<b>Assets</b>		
Cash and cash equivalents (Notes 2c and 2d)	\$10,705,771	\$5,810,569
Contributions and grants receivable (Note 3)	12,969,122	12,386,153
Prepaid expenses	149,069	157,379
Investments (Notes 2f and 4)	5,065,311	4,401,615
Fixed assets (net of accumulated depreciation) (Notes 2g and 5)	770,957	752,834
Security deposits	<u>264,437</u>	<u>206,250</u>
 Total assets	 <u>\$29,924,667</u>	 <u>\$23,714,800</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$759,198	\$476,869
Deferred revenue	512,390	32,744
Deferred rent	<u>428,164</u>	<u>392,097</u>
 Total liabilities	 <u>1,699,752</u>	 <u>901,710</u>
Net assets: (Note 2b)		
Unrestricted	4,148,399	4,008,305
Temporarily restricted (Note 6)	20,175,516	14,903,785
Permanently restricted (Note 7)	<u>3,901,000</u>	<u>3,901,000</u>
 Total net assets	 <u>28,224,915</u>	 <u>22,813,090</u>
 Total liabilities and net assets	 <u>\$29,924,667</u>	 <u>\$23,714,800</u>

*The attached notes and auditors' report are an integral part of these financial statements.*

**iMENTOR, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(With comparative totals for the year ended June 30, 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 6/30/14</u>	<u>Total 6/30/13</u>
Public support and revenue:					
Contributions:					
Board contributions	\$720,402			\$720,402	\$461,403
Other individual contributions	454,286			454,286	415,375
Foundation contributions	118,735	\$2,251,629		2,370,364	2,730,824
Corporate contributions	386,730	1,265,000		1,651,730	1,034,078
Growth campaign contributions		8,349,315		8,349,315	14,558,000
Government grants	250,000			250,000	515,994
In-kind contributions (Note 2j)	388,499			388,499	455,000
Special events	1,676,555			1,676,555	1,628,153
Partner program fees	247,790			247,790	364,262
NYC program fees	831,263			831,263	248,350
Other income	27,391			27,391	44,420
Investment income (Notes 2f and 4)	71,878	592,729		664,607	108,773
Net assets released from restriction (Note 6)	7,186,942	(7,186,942)		0	0
<b>Total public support and revenue</b>	<b>12,360,471</b>	<b>5,271,731</b>	<b>0</b>	<b>17,632,202</b>	<b>22,564,632</b>
Expenses:					
Program services	9,281,823			9,281,823	6,844,121
Management and general	1,860,876			1,860,876	1,571,826
Fundraising	1,077,678			1,077,678	1,317,202
<b>Total expenses</b>	<b>12,220,377</b>	<b>0</b>	<b>0</b>	<b>12,220,377</b>	<b>9,733,149</b>
Change in net assets	140,094	5,271,731	0	5,411,825	12,831,483
Net assets - beginning of year	4,008,305	14,903,785	3,901,000	22,813,090	9,981,607
Net assets - end of year	<u>\$4,148,399</u>	<u>\$20,175,516</u>	<u>\$3,901,000</u>	<u>\$28,224,915</u>	<u>\$22,813,090</u>

*The attached notes and auditors' report are an integral part of these financial statements.*

**iMENTOR, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(With comparative totals for the year ended June 30, 2013)

	Program Services			Supporting Services			Total 6/30/14	Total 6/30/13
	NYC	Partner Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Salaries	\$3,587,400	\$1,418,549	\$5,005,949	\$1,010,776	\$623,777	\$1,634,553	\$6,640,502	\$5,044,659
Payroll taxes and benefits	818,555	277,138	1,095,693	233,760	129,916	363,676	1,459,369	1,009,046
Occupancy	557,130	182,589	739,719	121,726	74,908	196,634	936,353	788,370
Insurance	67,994	22,284	90,278	14,856	9,142	23,998	114,276	101,696
Professional fees (including in-kind of \$299,702)	207,479	319,928	527,407	230,576	80,874	311,450	838,857	683,961
Talent development	28,337	10,984	39,321	64,022	21,094	85,116	124,437	211,718
Office supplies and expenses	34,816	6,062	40,878	5,494	24,068	29,562	70,440	39,497
Advertising and marketing (including in-kind of \$60,000)	26,511	2,862	29,373	68,893	5,407	74,300	103,673	103,657
Dues & subscriptions	1,264	486	1,750	8,132	4,377	12,509	14,259	19,621
Equipment lease and rental	14,451	4,592	19,043	3,116	1,930	5,046	24,089	13,344
Other expenses (including in-kind of \$28,797)	13,739	8,367	22,106	14,852	61,392	76,244	98,350	145,251
Software and equipment	41,560	31,830	73,390	24,776	9,876	34,652	108,042	33,164
Photography & video	7,501	4,276	11,777	1,053	5,481	6,534	18,311	12,483
Research and evaluation	346,621		346,621			0	346,621	233,072
IT/Telecommunications	96,933	26,734	123,667	17,670	10,666	28,336	152,003	157,695
Platform hosting	48,994	47,262	96,256			0	96,256	59,415
Travel and conferences	14,767	39,864	54,631	28,181	7,084	35,265	89,896	96,044
Mentor/mentee events	265,705		265,705			0	265,705	206,257
Background investigations	134,534	350	134,884	690	115	805	135,689	186,637
Depreciation and amortization	422,768	140,607	563,375	12,303	7,571	19,874	583,249	587,562
<b>Total</b>	<b>\$6,737,059</b>	<b>\$2,544,764</b>	<b>\$9,281,823</b>	<b>\$1,860,876</b>	<b>\$1,077,678</b>	<b>\$2,938,554</b>	<b>\$12,220,377</b>	<b>\$9,733,149</b>

*The attached notes and auditors' report are an integral part of these financial statements.*

**iMENTOR, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(With comparative totals for the year ended June 30, 2013)

	<u>6/30/14</u>	<u>6/30/13</u>
Cash flows from operating activities:		
Change in net assets	\$5,411,825	\$12,831,483
Adjustments to reconcile change in net assets to net cash provided by/(used for) operating activities:		
Depreciation and amortization	583,249	587,562
Unrealized gain on investments	(600,224)	(40,363)
Realized loss/(gain) on investments	7,495	32,418
(Increase)/decrease in assets:		
Contributions and grants receivable	(582,969)	(10,613,809)
Prepaid expenses	8,310	14,662
Security deposits	(58,187)	10,632
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	282,329	104,487
Deferred revenue	479,646	(100,642)
Deferred rent	36,067	27,389
Total adjustments	<u>155,716</u>	<u>(9,977,664)</u>
Net cash flows provided by operating activities	<u>5,567,541</u>	<u>2,853,819</u>
 Cash flows from investing activities:		
Outlays for fixed assets	(601,372)	(604,939)
Purchase of investments	(1,448,213)	(364,532)
Proceeds from sale of investments	1,377,246	325,242
Net cash flows used for investing activities	<u>(672,339)</u>	<u>(644,229)</u>
 Net increase in cash and cash equivalents	4,895,202	2,209,590
 Cash and cash equivalents - beginning of year	<u>5,810,569</u>	<u>3,600,979</u>
 Cash and cash equivalents - end of year	<u>\$10,705,771</u>	<u>\$5,810,569</u>

No interest or income taxes were paid.

*The attached notes and auditors' report are an integral part of these financial statements.*

**iMENTOR, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**Note 1 - Nature of Entity**

iMentor, Inc. is a not-for-profit organization that builds mentoring relationships that empower students in low-income communities to graduate high school, succeed in college, and achieve their ambitions. Students and mentors work one-to-one through weekly emails and monthly in-person meetings to develop strong personal relationships, nurture a college aspiration, navigate the college application process, and build critical skills that lead to college success. iMentor brings together public schools, nonprofits, and community volunteers to empower more students to build bright futures. iMentor, Inc. consists of two programs:

- iMentor NYC is a school-based mentoring program matching high school students in New York City in one-to-one relationships with college-educated mentors for three to four years. iMentor partners with public schools to ensure every student receives a mentor and augment existing guidance and college counseling programs.
- iMentor Partner Programs is a national partnership program that brings iMentor's effective mentoring model to communities nationwide. iMentor provides its curriculum, technology tools, and best practices to non-profits nationwide to help them run effective programs in the iMentor model.

iMentor, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

**Note 2 - Summary of Significant Accounting Policies**

a. Basis of Accounting

The financial statements of iMentor, Inc. have been prepared on the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid. All significant receivables, payables, and other liabilities have been reflected.

b. Basis of Presentation

iMentor, Inc. reports information regarding its financial position and activities according to the following classes of net assets:

- *Unrestricted* – represents all activity without donor imposed restrictions.
- *Temporarily restricted* – accounts for activity based on specific donor restrictions that are expected to be satisfied by passage of time or performance of activities.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity.



c. Cash and Cash Equivalents

iMentor, Inc. considers all liquid investments that are not restricted and have an initial maturity of three months or less to be cash and cash equivalents. Amounts held by the investment custodian for long term purposes are included with investments.

d. Concentration of Credit Risk

Financial instruments which potentially subject iMentor, Inc. to concentration of credit risk consist of cash, money market accounts and investment securities. iMentor, Inc. invests with financial institutions that management deems to be creditworthy. At June 30, 2014 and 2013, iMentor's balances were in excess of insurance levels by \$10,275,973 and \$5,525,221, respectively. However iMentor has not experienced any losses due to the failure of any financial institution.

e. Contributions and Grants Receivable

iMentor, Inc. records unconditional promises to give as revenue when a pledge is considered unconditional in nature. Contributions are recognized at net realizable value if expected to be received within one year or at the fair value using risk adjusted present value techniques if expected to be received after one year. Pledges are reviewed for collectability. Management has not established a reserve for uncollectable pledges as they deem all pledges to be collectable.

Conditional promises to give are recognized when the conditions on which they depend are substantially met. Conditional pledges that have not been recognized at June 30, 2014 and 2013 amounted to \$4,740,000 and \$4,725,000, respectively.

Government grants are reviewed to determine if they have traits more similar to contributions or exchange transactions. All government grants have been determined to be exchange transactions and are recognized as income when earned. The difference between cash received and amounts recognized as income are reflected as grants receivable or refundable advances.

f. Investments

Securities are reflected at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses have been included.

g. Fixed Assets

Fixed assets to which iMentor, Inc. retains title to and capital items purchased which benefit future periods are capitalized at cost, or if donated, at the estimated fair market value at the time of donation.

Fixed assets consist of the technology platform, iMentor.org website, leasehold improvements, furniture, equipment and computers, which are being depreciated over their estimated useful lives and lease terms using the straight-line method.

h. Deferred Rent

Rent expense is recorded on the straight-line basis over the life of the lease. Rent expense recognized in excess of cash payments, primarily due to free rent received at the beginning of the lease, is reflected as deferred rent. As future payments exceed the

annual expense recognized, deferred rent will be reduced to zero by the end of the lease term.

i. Contributions

Contributions are recorded as unrestricted, unless the donor has made a specific restriction as to time or purpose, in which case they are recorded as temporarily restricted or permanently restricted. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Contributions received with restrictions that expire within the same reporting period are reported as unrestricted.

j. Donated Services

iMentor, Inc. recognizes contributions of services that create or enhance non-financial assets, or require specialized skills, are performed by those who possess those skills and would typically be purchased if not donated. During 2014 and 2013, \$299,702 and \$339,136 of in-kind professional fees have been recognized, respectively. Additionally, \$60,000 of in-kind marketing has been recognized in both years.

iMentor also received donated items for their special event that were valued at \$28,797 and \$55,864, in 2014 and 2013, respectively. They have been recorded as an in-kind donation and related expense on the statement of activities.

k. Promotional Costs

Promotional costs are expensed as incurred.

l. Management Estimates

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

m. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of iMentor, Inc.

n. Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with iMentor's financial statements for the year ended June 30, 2013 from which the summarized information was derived.

- o. Accounting for Uncertainty of Income Taxes  
iMentor does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2011 and later are subject to examination by applicable taxing authorities.
- p. Subsequent Events  
Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through February 2, 2015, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

**Note 3 - Contributions Receivable**

Contributions receivable are due as follows:

Year ended June 30, 2015	\$5,214,851
Year ended June 30, 2016	3,723,500
Year ended June 30, 2017	2,223,500
Year ended June 30, 2018	1,400,000
Year ended June 30, 2019	0
Greater than five years	<u>652,511</u>
	13,214,362
Less: discount	<u>(245,240)</u>
Total	<u>\$12,969,122</u>

**Note 4 - Investments**

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. All investments have been classified as Level 1, which means that the valuation is based on unadjusted quoted prices in active markets for identical assets that iMentor, Inc. has the ability to access.

The fair value of investments is as follows:

	<u>6/30/14</u>	<u>6/30/13</u>
U.S. Treasuries Money Fund	\$485,062	\$827,759
Mutual Funds:		
Diversified Bond Fund	2,215,900	1,548,070
Exchange Traded Funds:		
Commodity Index Fund	<u>2,364,349</u>	<u>2,025,786</u>
	<u>\$5,065,311</u>	<u>\$4,401,615</u>

Investment income is as follows:

	<u>6/30/14</u>	<u>6/30/13</u>
Interest & dividends – endowment	\$70,967	\$92,976
Interest & dividends – other	911	7,852
Realized loss on sale of investments	(7,495)	(32,418)
Unrealized gains	<u>600,224</u>	<u>40,363</u>
	<u>\$664,607</u>	<u>\$108,773</u>

All investments are specifically designated towards the endowment.

**Note 5 - Fixed Assets**

Fixed assets consisted of the following:

	<u>6/30/14</u>	<u>6/30/13</u>
Website and computer software	\$3,017,614	\$2,487,714
Computers and equipment	256,608	261,496
Leasehold improvements	313,471	278,351
Furniture and fixtures	<u>44,884</u>	<u>46,116</u>
Fixed assets – cost	3,632,577	3,073,677
Less: accumulated depreciation and amortization	<u>(2,861,620)</u>	<u>(2,320,843)</u>
Fixed assets – net	<u>\$770,957</u>	<u>\$752,834</u>

**Note 6 - Temporarily Restricted Net Assets**

Net assets were released from restriction due to the following:

	<u>6/30/14</u>	<u>6/30/13</u>
Satisfaction of program purposes:		
Growth Campaign	\$4,290,503	\$2,894,675
Social Innovation Fund	1,486,990	1,687,054
Other programs	<u>1,409,449</u>	<u>904,752</u>
Total program restrictions	7,186,942	5,486,481
Satisfaction of time restrictions	<u>0</u>	<u>25,000</u>
Total	<u>\$7,186,942</u>	<u>\$5,511,481</u>

Temporarily restricted net assets were available for:

	<u>6/30/14</u>	<u>6/30/13</u>
Programs:		
Growth Campaign	\$17,161,012	\$13,102,200
Social Innovation Fund	1,104,444	441,434
Other programs	<u>576,039</u>	<u>650,488</u>
Total programs	18,841,495	14,194,122
Endowment	681,511	88,782
Specific time periods	<u>652,510</u>	<u>620,881</u>
	<u>\$20,175,516</u>	<u>\$14,903,785</u>

**Note 7 - Permanently Restricted Net Assets/Endowment Funds**

iMentor has an endowment fund that was established in June 2008. The interest and dividends from these investments can be used to support iMentor's general activities. Additionally, the endowment includes earnings from investment gains that have not been designated for specific use by the donor and have not yet been appropriated by the board of directors. These have been classified as temporarily restricted until appropriated for expenditure by the board.

*Interpretation of Relevant Law*

iMentor follows New York Prudent Management of Institutional Funds Act (“NYPMIFA”), which the board of directors has interpreted to require certain amounts be retained permanently. Absent explicit donor stipulations to the contrary, iMentor will preserve the fair value of the original gift as of the gift date of all donor-restricted endowment funds. However, under certain circumstances, iMentor has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, iMentor classifies as permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Absent any specific donor-stipulations, when endowment funds have earnings in excess of amounts that need to be retained permanently, these excess amounts are classified as temporarily restricted net assets until appropriated for expenditure by the organization’s governing board.

*Spending Policies*

In accordance with NYPMIFA, iMentor considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of iMentor and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of iMentor
- (7) The investment policies of iMentor
- (8) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on iMentor

Changes in endowment net assets for the year ended:

	<u>June 30, 2014</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$411,833	\$88,782	\$3,901,000	\$4,401,615
Interest and dividend income	70,967	0	0	70,967
Unrealized gains	0	600,224	0	600,224
Realized losses on investments	<u>0</u>	<u>(7,495)</u>	<u>0</u>	<u>(7,495)</u>
Endowment net assets, end of year	<u>\$482,800</u>	<u>\$681,511</u>	<u>\$3,901,000</u>	<u>\$5,065,311</u>

June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$318,857	\$80,837	\$3,901,000	\$4,300,694
Interest and dividend income	92,976	0	0	92,976
Unrealized gains	0	40,363	0	40,363
Realized losses on investments	<u>0</u>	<u>(32,418)</u>	<u>0</u>	<u>(32,418)</u>
Endowment net assets, end of year	<u>\$411,833</u>	<u>\$88,782</u>	<u>\$3,901,000</u>	<u>\$4,401,615</u>

*Endowment Investment Policies*

iMentor has adopted an investment policy for endowment assets that relies on the accumulation of interest, dividends and other market value gains for future appropriation.

*Funds with Deficiencies*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires iMentor to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2014 or 2013.

**Note 8 - Commitments and Contingencies**

iMentor, Inc. has two separate non-cancelable leases for office spaces in New York City that expire at various dates in 2015 and 2019. The minimum annual commitments for lease payments are as follows:

For the year ended: June 30, 2015	\$1,016,113
June 30, 2016	975,531
June 30, 2017	996,830
June 30, 2018	1,018,604
June 30, 2019	1,040,864
Thereafter	<u>441,019</u>
Total	<u>\$5,488,961</u>

Government supported projects are subject to audit by the applicable granting agency.

iMentor has a contract with another entity to complete a multi-year evaluation study. The total commitment under the agreement is \$967,812 through 2018. Remaining payments as of June 30, 2014 totaled \$652,780.

**Note 9 - Related Party Transactions**

The majority of donated legal services were performed by a law firm which one of the members of the Board of Directors is a partner of.

**Note 10 - Risk and Uncertainties**

iMentor, Inc. has investments that are exposed to various risks such as interest rate, market and credit risks. Changes in the value of investment securities may occur in the near term and such changes could affect the amounts reported in the statement of financial position.

iMentor, Inc. is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; actions to employees, and natural disasters. iMentor, Inc. maintains commercial insurance to protect itself from such risks.