Combined Financial Statements

Yoga Alliance Registry d/b/a Yoga Alliance Foundation

YAplus d/b/a Yoga Alliance

For the Years Ended December 31, 2015 and 2014

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Yoga Alliance Registry d/b/a Yoga Alliance Foundation
YAplus d/b/a Yoga Alliance
Arlington, Virginia

We have audited the accompanying combined financial statements of the Yoga Alliance Registry d/b/a Yoga Alliance Foundation and YAplus d/b/a Yoga Alliance (collectively, the Organizations), which comprise the combined statements of financial position as of December 31, 2015 and 2014, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of the Organizations as of December 31, 2015 and 2014, and the combined changes in their net assets and their combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matter

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Combining Schedule of Financial Position on page 16 and the Combining Schedule of Activities on page 17 are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Gelman Rosenberg & Freedman

June 3, 2016

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	$ 1,306,750	$ 1,314,648
Investments	3,666,758	2,464,703
Accounts receivable	167,841	4,297
Prepaid expenses	94,409	108,193
Total current assets	5,235,758	3,891,841
FIXED ASSETS, Net of Accumulated Depreciation and Amortization of $1,556,817 in 2015 and $990,159 in 2014	2,044,173	1,371,751
OTHER ASSETS		
Security deposit	90,941	10,331
TOTAL ASSETS	**$ 7,370,872**	**$ 5,273,923**

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES		
Accounts payable	$ 196,239	$ 135,090
Accrued salaries and related benefits	52,751	41,333
Accrued pension payable	39,269	42,122
Deferred revenue	785,229	489,416
Total current liabilities	1,073,488	707,961
LONG-TERM LIABILITIES		
Deferred rent liability	113,620	5,536
Deferred lease incentive	500,240	-
Total long-term liabilities	613,860	5,536
Total liabilities	1,687,348	713,497
NET ASSETS		
Unrestricted	5,683,524	4,560,426
TOTAL LIABILITIES AND NET ASSETS	**$ 7,370,872**	**$ 5,273,923**

See accompanying notes to combined financial statements.

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Unrestricted	
	2015	**2014**
REVENUE		
Registered yoga teachers	$ 3,179,816	$ 2,872,582
Registered yoga schools	1,061,277	874,850
Experienced registered yoga teachers	743,247	643,310
Membership	1,182,448	606,810
Investment income	14,908	102,630
Other revenue	178,645	144,563
Total revenue	6,360,341	5,244,745
EXPENSES		
Program Services	4,382,210	3,024,825
Management and General	855,033	703,050
Total expenses	5,237,243	3,727,875
Changes in net assets	1,123,098	1,516,870
Net assets at beginning of year	4,560,426	3,043,556
NET ASSETS AT END OF YEAR	**$ 5,683,524**	**$ 4,560,426**

See accompanying notes to combined financial statements.

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Program Services	Management and General	Total Expenses
Salaries and wages	$ 953,446	$ 317,818	$ 1,271,264
Employee benefits	185,308	61,769	247,077
Payroll taxes	83,658	27,886	111,544
Fees for services:			
Legal	624,429	156,107	780,536
Accounting	-	41,515	41,515
Other	105,001	5,526	110,527
Advertising and promotion	327,547	-	327,547
Office expenses:			
Bank charges and merchant fees	155,883	8,204	164,087
Supplies	12,888	4,296	17,184
Equipment rental	21,693	7,231	28,924
Postage and shipping	12,498	4,166	16,664
Printing costs	24,899	1,310	26,209
Telephone	32,706	1,721	34,427
Dues and subscriptions	61	1,166	1,227
Licenses and permits	41	770	811
Other office expenses	13,037	4,346	17,383
Information technology	333,247	17,539	350,786
Occupancy	222,170	74,057	296,227
Strategic planning	-	42,284	42,284
Travel, meeting and conventions	26,462	26,462	52,924
Conferences, conventions and meetings	570,051	-	570,051
Depreciation and amortization	675,973	35,577	711,550
Loss on disposal of fixed assets	1,212	64	1,276
Insurance	-	15,219	15,219
TOTAL	**$ 4,382,210**	**$ 855,033**	**$ 5,237,243**

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services	Management and General	Total Expenses
Salaries and wages	$ 1,001,935	$ 333,981	$ 1,335,916
Employee benefits	193,700	64,567	258,267
Payroll taxes	84,507	28,169	112,676
Fees for services:			
Legal	277,075	69,269	346,344
Accounting	-	32,586	32,586
Other	115,711	6,090	121,801
Advertising and promotion	83,620	-	83,620
Office expenses:			
Bank charges and merchant fees	129,150	6,797	135,947
Supplies	21,667	7,222	28,889
Equipment rental	3,408	1,136	4,544
Postage and shipping	9,136	3,045	12,181
Printing costs	13,440	707	14,147
Telephone	30,282	1,594	31,876
Dues and subscriptions	60	1,148	1,208
Licenses and permits	40	755	795
Other office expenses	10,649	3,550	14,199
Information technology	288,088	15,163	303,251
Occupancy	142,095	47,365	189,460
Travel, meeting and conventions	42,645	42,645	85,290
Conferences, conventions and meetings	121,029	-	121,029
Interest	18	1	19
Depreciation and amortization	456,139	24,007	480,146
Loss on disposal of fixed assets	431	23	454
Insurance	-	13,230	13,230
TOTAL	**$ 3,024,825**	**$ 703,050**	**$ 3,727,875**

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 1,123,098	$ 1,516,870
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	711,550	480,146
Loss on disposal of fixed assets	1,276	454
Realized and unrealized loss (gain) on investments	18,872	(75,612)
(Increase) decrease in:		
Accounts receivable	(163,544)	(4,297)
Prepaid expenses	13,784	(31,736)
Security deposit	(80,610)	-
Increase (decrease) in:		
Accounts payable	61,149	(123,623)
Accrued salaries and related benefits	11,418	(79,206)
Accrued pension payable	(2,853)	6,322
Deferred revenue	295,813	459,962
Deferred rent	108,084	3,246
Deferred lease incentive	500,240	-
Net cash provided by operating activities	2,598,277	2,152,526
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,385,248)	(572,587)
Purchases of investments	(4,077,789)	(3,605,791)
Proceeds from sales of investments	2,856,862	2,870,978
Net cash used by investing activities	(2,606,175)	(1,307,400)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease obligation	-	(2,029)
Net cash used by financing activities	-	(2,029)
Net (decrease) increase in cash and cash equivalents	(7,898)	843,097
Cash and cash equivalents at beginning of year	1,314,648	471,551
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 1,306,750**	**$ 1,314,648**
SUPPLEMENTAL INFORMATION:		
Interest Paid	**$ -**	**$ 19**

See accompanying notes to combined financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Yoga Alliance Registry d/b/a the Yoga Alliance Foundation (the Foundation), a not-for-profit corporation, formerly Yoga Alliance®, was incorporated on May 29, 1987 under the laws of the State of Washington. The Foundation's mission is to support yoga teachers and the diversity and integrity of yoga. The Foundation registers yoga teachers who demonstrate qualifications that meet minimum teaching standards established by the Foundation's founding members. The Foundation also registers yoga schools whose teacher programs address those standards, assuring graduates are well-qualified to teach the practicing public.

YAplus d/b/a the Yoga Alliance (the Alliance), is a not-for-profit corporation incorporated in December 2011 under the laws of the State of Virginia. The Alliance is the professional society for yoga teachers, schools and students. The Foundation's annual registration fees include a membership assessment, and yoga teachers registering with the Foundation automatically become members of the Alliance.

Basis of presentation -

The accompanying combined financial statements reflect the activity of the Foundation and the Alliance (collectively, the Organizations). The financial statements have been combined because the Organizations are under common control. All intercompany transactions have been eliminated in combination.

The combined financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958-810, *Not-for-Profit Entities*, Consolidation.

Cash and cash equivalents -

The Organizations consider all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents, except for money market funds held with investment institutions.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of $250,000. At times during the year, the Organizations maintain cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized losses and gains, less management fees are included in investment income in the accompanying Combined Statements of Activities and Changes in Net Assets.

Accounts receivable -

Accounts receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of $1,000 are capitalized and stated at cost. Furniture, equipment and software are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended December 31, 2015 and 2014 totaled $711,550 and $480,146, respectively.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Combined Statements of Activities and Changes in Net Assets, to its current fair value.

Deferred revenue -

Deferred revenue consists of deferred conference registrations and deferred membership revenue. The Organizations recognize conference revenue when the related event has occurred. The Organizations recognize membership revenue on a pro rata basis over the annual membership period.

Income taxes -

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. The Foundation is not a private foundation.

The Alliance is exempt from Federal income taxes under Section 501(c)(6) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. The Alliance is not a private foundation.

Uncertain tax positions -

For the years ended December 31, 2015 and 2014, the Organizations have documented their consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and have determined that no material uncertain tax positions qualify for either recognition or disclosure in the combined financial statements.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Organizations and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Organizations and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statements of Activities and Changes in Net Assets as net assets released from restrictions. There were no temporarily restricted net assets as of December 31, 2015 and 2014.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in perpetuity by the Organizations. There were no permanently restricted net assets as of December 31, 2015 and 2014.

Registration fees -

The Organizations collect registration fees from yoga teachers and schools for the administration of their credentialing system, which are recognized as revenue when received.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Advertising -

The Organizations expense advertising costs as incurred. Included in program expense on the Combined Statements of Activities and Changes in Net Assets are advertising costs in the amounts of $327,547 and $83,620, for the years ended December 31, 2015 and 2014, respectively.

Use of estimates -

The preparation of the combined 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 combined financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Combined Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Risks and uncertainties -

The Organizations invest in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying combined financial statements.

Fair value measurement -

The Organizations adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Organizations account for a significant portion of their financial instruments at fair value or considers fair value in their measurement.

2. INVESTMENTS

Investments consisted of the following at December 31, 2015 and 2014:

	Fair Value	
	2015	**2014**
Money market funds	$ 115,386	$ 63,541
Corporate bonds	160,972	27,146
Mutual funds	369,278	40,020
Certificates of deposit	2,929,885	2,333,996
Exchange traded funds	91,237	-
TOTAL INVESTMENTS	**$ 3,666,758**	**$ 2,464,703**

2. INVESTMENTS (Continued)

Included in investment income are the following for the year ended December 31, 2015 and 2014:

	2015	2014
Interest and dividends	$ 33,860	$ 33,177
Unrealized (loss) gain on investments	(5,190)	138,409
Realized loss on sales of investments	(13,682)	(62,797)
Management fees	(80)	(6,159)
TOTAL INVESTMENT INCOME	**$ 14,908**	**$ 102,630**

3. LOAN AGREEMENT

On May 11, 2012, the Organizations entered into a ten-year revolving loan agreement providing draws (by the Alliance) of up to a maximum amount of $1,000,000. Borrowings made by the Alliance accrue interest of 3.25%, and interest-only payments are due to the Foundation on a quarterly basis. The total outstanding balance of the loan is due at the end of the ten-year term. In addition, on August 11, 2014, the Organizations entered into a cost sharing agreement, including a reimbursement schedule for amounts borrowed to date and through November 2017. Repayments include interest of 3% and are due on a quarterly basis. As of December 31, 2015 and 2014, the total amount of principal and interest due by the Alliance to the Foundation aggregated $1,910,342 and $1,291,727, respectively; in the accompanying Combined Statements of Financial Position, such amounts have been eliminated in combination.

4. FIXED ASSETS

Fixed assets consisted of the following at December 31, 2015 and 2014:

	2015	2014
Furniture and equipment	$ 204,162	$ 281,415
Website	2,501,163	1,624,683
Leasehold improvements	895,665	455,812
Total fixed assets	3,600,990	2,361,910
Less: Accumulated depreciation and amortization	(1,556,817)	(990,159)
NET FIXED ASSETS	**$ 2,044,173**	**$ 1,371,751**

Total depreciation and amortization expense was $711,550 and $480,146, for the years ended December 31, 2015 and 2014, respectively.

5. LEASE COMMITMENTS

The Organizations previously leased office space under a ten-year agreement beginning August 2008. The lease was terminated during 2013 due to the sale of the building and a new lease was entered into with the new landlord. The new lease is for a term of three years beginning August 2013. Base rent is $182,004 per year, plus a proportionate share of expenses, increasing by a factor of 3% per year.

5. LEASE COMMITMENTS (Continued)

During the year ended December 31, 2014, the Organizations entered into two operating leases related to a copier machine, maturing February 2019, and a postage machine, maturing April 2016, with monthly payments of $341 and $285, respectively.

On April 27, 2015, the Foundation entered into a lease for 8,375 square feet of office space in Arlington, Virginia. The lease commenced on September 1, 2015 and will terminate on November 30, 2026. The monthly base rental requirement is $26,870 and will increase 2.75% per annum.

As part of the new lease, the landlord provided the Foundation an allowance of $70 per square foot of rentable office space for tenant improvements and equipment.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Combined Statements of Financial Position.

The following is a schedule of the future minimum lease payments:

Year Ending December 31,	Office	Equipment	Total
2016	$ 193,246	$ 7,512	$ 200,758
2017	324,657	4,662	329,319
2018	333,597	4,092	337,689
2019	342,768	682	343,450
2020	352,148	-	352,148
Thereafter	2,290,807	-	2,290,807
	$ 3,837,223	$ 16,948	$ 3,854,171

Rent expense for the years ended December 31, 2015 and 2014 totaled $296,227 and $189,460, respectively, which is included in occupancy expense in the accompanying Combined Statements of Functional Expenses. The deferred rent liability aggregated $113,620 and $5,536 as of December 31, 2015 and 2014, respectively.

6. RETIREMENT PLAN

The Organizations adopted a 401(k) Profit Sharing Plan (the Plan). The Plan covers all employees who are 18 years and older upon becoming an employee of the Organizations. As required by the Plan document, the Organizations make contributions equal to 3% of compensation of the covered participants during the plan year. The Plan may also provide a discretionary contribution of compensation based on the classification a participant falls under. The Organizations did not make a discretionary contribution during the years ended December 31, 2015 and 2014. Contributions for the years ended December 31, 2015 and 2014 were $39,269 and $42,122, respectively.

7. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurements*, the Organizations have categorized their financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

7. FAIR VALUE MEASUREMENT (Continued)

In accordance with FASB ASC 820, *Fair Value Measurements*, the Organizations have categorized their financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Combined Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organizations have the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

- *Money market funds* - Fair value is equal to the reported net asset value of the fund.
- *Corporate bonds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual funds* - Fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Certificates of deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.
- *Exchange traded funds* - Valued at the closing price reported on the active market in which the individual securities are traded.

The table below summarizes, by level within the fair value hierarchy, the Organizations' investments as of December 31, 2015:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	$ 115,386	$ -	$ -	$ 115,386
Corporate bonds	160,972	-	-	160,972
Mutual funds	369,278	-	-	369,278
Certificates of deposit	-	2,929,885	-	2,929,885
Exchange traded funds	91,237	-	-	91,237
TOTAL	$ 736,873	$ 2,929,885	$ -	$ 3,666,758

7. FAIR VALUE MEASUREMENT (Continued)

The table below summarizes, by level within the fair value hierarchy, the Organizations' investments as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	$ 63,541	$ -	$ -	$ 63,541
Corporate bonds	27,146	-	-	27,146
Mutual funds	40,020	-	-	40,020
Certificates of deposit	-	2,333,996	-	2,333,996
TOTAL	**$ 130,707**	**$ 2,333,996**	**$ -**	**$ 2,464,703**

8. SUBSEQUENT EVENTS

In preparing these combined financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through June 3, 2016, the date the combined financial statements were issued.

SUPPLEMENTAL INFORMATION

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015

ASSETS

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
CURRENT ASSETS				
Cash and cash equivalents	$ 1,124,439	$ 182,311	$ -	$ 1,306,750
Investments	3,666,758	-	-	3,666,758
Accounts receivable	147,631	20,210	-	167,841
Loan receivable from Yoga Alliance	1,910,342	-	(1,910,342)	-
Prepaid expenses	61,642	32,767	-	94,409
Total current assets	6,910,812	235,288	(1,910,342)	5,235,758
FIXED ASSETS, Net of Accumulated Depreciation and Amortization of $1,556,817	2,044,173	-	-	2,044,173
OTHER ASSETS				
Security deposit	90,941	-	-	90,941
TOTAL ASSETS	**$ 9,045,926**	**$ 235,288**	**$ (1,910,342)**	**$ 7,370,872**

LIABILITIES AND NET ASSETS

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	$ 61,634	$ 134,605	$ -	$ 196,239
Accrued salaries and related benefits	13,450	39,301	-	52,751
Accrued pension payable	-	39,269	-	39,269
Deferred revenue	5,000	780,229	-	785,229
Loan payable to Yoga Alliance Foundation	-	1,910,342	(1,910,342)	-
Total current liabilities	80,084	2,903,746	(1,910,342)	1,073,488
LONG-TERM LIABILITIES				
Deferred rent liability	113,620	-	-	113,620
Deferred lease incentive	500,240	-	-	500,240
Total long-term liabilities	613,860	-	-	613,860
Total liabilities	693,944	2,903,746	(1,910,342)	1,687,348
NET ASSETS				
Unrestricted (deficit)	8,351,982	(2,668,458)	-	5,683,524
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	**$ 9,045,926**	**$ 235,288**	**$ (1,910,342)**	**$ 7,370,872**

YOGA ALLIANCE REGISTRY D/B/A YOGA ALLIANCE FOUNDATION
YAPLUS D/B/A YOGA ALLIANCE

COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
UNRESTRICTED REVENUE				
Registered yoga teachers	$ 3,179,816	$ -	$ -	$ 3,179,816
Registered yoga schools	1,025,077	36,200	-	1,061,277
Experienced registered yoga teachers	743,247	-	-	743,247
Membership	-	1,182,448	-	1,182,448
Investment income	14,723	185	-	14,908
Other revenue	31,865	146,780	-	178,645
Interest income from related party	66,237	-	(66,237)	-
Total unrestricted revenue	5,060,965	1,365,613	(66,237)	6,360,341
EXPENSES				
Program Services	2,133,528	2,311,607	(62,925)	4,382,210
Management and General	411,978	446,367	(3,312)	855,033
Total expenses	2,545,506	2,757,974	(66,237)	5,237,243
Change in unrestricted net assets (deficit)	2,515,459	(1,392,361)	-	1,123,098
Unrestricted net assets (deficit) at beginning of year	5,836,523	(1,276,097)	-	4,560,426
UNRESTRICTED NET ASSETS (DEFICIT) AT END OF YEAR	$ 8,351,982	$ (2,668,458)	$ -	$ 5,683,524