Splash

Consolidated Financial Statements

For the Year Ended December 31, 2018 and 2017

Table of Contents

Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
Splash and Subsidiary
Seattle, Washington

We have audited the accompanying consolidated financial statements of Splash and its Subsidiary (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities and changes in net assets, consolidated functional expenses, and consolidated cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

CN

T: 425-454-4919
T: 800-504-8747
F: 425-454-4620

10900 NE 4th St
Suite 1400
Bellevue WA
98004

clarknuber.com

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2018 and 2017, and the changes in its net assets, functional expenses, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

As discussed in Note 1, the Organization created a single member LLC, (the Subsidiary), during the year ended December 31, 2018. The balances and activities of the Subsidiary are reflected in these consolidated financial statements. Our opinion is not modified with respect to this matter.

Effect of Adopting New Accounting Standards

As discussed in Note 1, the Organization adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended December 31, 2018. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the Organization adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2018-08, (Topic 958) - *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* as of and for the year ended December 31, 2018. Our opinion is not modified with respect to this matter.

Clark Nuber P.S.

Certified Public Accountants
September 5, 2019

SPLASH AND SUBSIDIARY

Consolidated Statements of Financial Position
December 31, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 1,419,223	$ 546,452
Pledges receivable, current portion	252,396	109,861
Accounts receivable		54,903
Other receivables, current portion	70,441	85,600
Advances for international WASH projects	10,127	21,274
Prepaid expenses	37,889	56,397
Water purification systems and supplies	170,357	179,910
Total Current Assets	**1,960,433**	**1,054,397**
Pledge receivable, net of current portion	1,482,953	
Other receivables, net of current portion	66,300	37,700
Property and equipment, net	24,738	22,640
Security deposits	46,764	46,764
Total Assets	**$ 3,581,188**	**$ 1,161,501**
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	159,156	65,882
Deferred revenue		6,714
Total Current Liabilities	**159,156**	**72,596**
Program related investment note	50,000	
Total Liabilities	**209,156**	**72,596**
Net Assets:		
Without donor restrictions	697,229	474,284
With donor restrictions	2,674,803	614,621
Total Net Assets	**3,372,032**	**1,088,905**
Total Liabilities and Net Assets	**$ 3,581,188**	**$ 1,161,501**

See accompanying notes.

SPLASH AND SUBSIDIARY

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions and grants	$ 2,994,746	$ 3,067,759	$ 6,062,505
System sales, net of cost of goods sold of $1,687	5,370		5,370
Other revenue	294		294
Special events revenue, net	14,108		14,108
Net assets released from restriction	1,007,577	(1,007,577)	
Total Revenue and Support	**4,022,095**	**2,060,182**	**6,082,277**
Expenses:			
Program services	2,508,370		2,508,370
Management and general	758,708		758,708
Fundraising	532,072		532,072
Total Expenses	**3,799,150**		**3,799,150**
Change in Net Assets	**222,945**	**2,060,182**	**2,283,127**
Net assets, beginning of year	474,284	614,621	1,088,905
Net Assets, End of Year	**$ 697,229**	**$ 2,674,803**	**$ 3,372,032**

See accompanying notes.

SPLASH AND SUBSIDIARY

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2017

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions and grants	$ 1,980,190	$ 1,307,267	$ 3,287,457
System sales, net of cost of goods sold of $1,686	1,712		1,712
Other revenue	8,400		8,400
Net assets released from restriction	831,986	(831,986)	
Total Revenue and Support	**2,822,288**	**475,281**	**3,297,569**
Expenses:			
Program services	2,128,401		2,128,401
Management and general	621,648		621,648
Fundraising	319,937		319,937
Total Expenses	**3,069,986**		**3,069,986**
Change in Net Assets	**(247,698)**	**475,281**	**227,583**
Net assets, beginning of year	721,982	139,340	861,322
Net Assets, End of Year	**$ 474,284**	**$ 614,621**	**$ 1,088,905**

See accompanying notes.

SPLASH AND SUBSIDIARY

Consolidated Statements of Functional Expenses
For the Years Ended December 31, 2018 and 2017

	For the Year Ended December 31, 2018			
	Program Services	Management and General	Fundraising	Total
Global personnel expenses	$ 1,215,304	$ 321,618	$ 394,904	$ 1,931,826
WASH implementation	403,016			403,016
Programmatic partner fees	471,100			471,100
Occupancy	149,911	40,209	30,308	220,428
Travel and meetings	178,508	28,186	68,545	275,239
Supplies, postage and shipping	25,707	154,317	2,727	182,751
Other professional fees		146,231	72,508	218,739
Other	37,380	22,656	14,084	74,120
Depreciation	11,479	9,918		21,397
Communications	15,965	35,573	782	52,320
Noncompensation Expenses	**1,293,066**	**437,090**	**188,954**	**1,919,110**
Total Expenses	**2,508,370**	**758,708**	**583,858**	**3,850,936**
Less special event expenses			(51,786)	(51,786)
	$ 2,508,370	**$ 758,708**	**$ 532,072**	**$ 3,799,150**

	For the Year Ended December 31, 2017			
	Program Services	Management and General	Fundraising	Total
Global personnel expenses	$ 1,250,112	$ 277,896	$ 242,132	$ 1,770,140
WASH implementation	270,357			270,357
Programmatic partner fees	362,309			362,309
Travel and meetings	132,452	10,563	34,470	177,485
Other professional fees		87,278	9,542	96,820
Rent, utilities, parking	49,836	129,515	14	179,365
Supplies	28,775	72,169	17,484	118,428
Other expense	12,341	24,222	16,060	52,623
Communications	10,435	5,914	235	16,584
Depreciation	11,784	14,091		25,875
Noncompensation Expenses	**878,289**	**343,752**	**77,805**	**1,299,846**
Total Expenses	**$ 2,128,401**	**$ 621,648**	**$ 319,937**	**$ 3,069,986**

See accompanying notes.

SPLASH AND SUBSIDIARY

Consolidated Statements of Cash Flows
For the Year Ended December 31, 2018 and 2017

	2018	2017
Cash Flows From Operating Activities:		
Change in net assets	$ 2,283,127	$ 227,583
Adjustments to reconcile change in net assets to		
net cash provided by operating activities-		
Depreciation	21,397	25,875
Loss on disposal of property and equipment		2,044
In-kind contribution of multiple year software licenses and training, net	(13,441)	(123,300)
In-kind contribution of water purification systems and supplies		(38,224)
Changes in assets and liabilities:		
Accounts receivable	54,903	94,553
Advances for international WASH projects	11,147	27,298
Pledges receivable	(1,625,488)	(109,050)
Prepaid expenses	18,508	(7,252)
Water purification systems and supplies	9,553	10,624
Security deposits		3,890
Accounts payable and accrued expenses	93,274	18,189
Deferred revenue	(6,714)	1,344
Net Cash Provided by Operating Activities	**846,266**	**133,574**
Cash Flows From Investing Activities:		
Purchase of property and equipment	(23,495)	(14,276)
Net Cash Used in Investing Activities	**(23,495)**	**(14,276)**
Cash Flows From Financing Activies:		
Cash received from program related investment note	50,000	
Net Cash Provided by Financing Activities	**50,000**	
Net Change in Cash and Cash Equivalents	**872,771**	**119,298**
Cash and cash equivalents balance, beginning of year	546,452	427,154
Cash and Cash Equivalents Balance, End of Year	**$ 1,419,223**	**$ 546,452**

See accompanying notes.

Note 1 - Organization and Summary of Accounting Policies

Organization - The mission of Splash is to ensure clean water for kids. Splash changes the lives of vulnerable children in impoverished urban areas by providing clean, safe drinking water, hygiene education, and improved sanitation. Splash works in some of the fastest growing cities in the world, focusing on child-serving institutions including schools, orphanages, shelters, and hospitals to help kids lead healthier lives. Since 2007, Splash has completed 1,799 projects across Bangladesh, Cambodia, China, Ethiopia, India, Nepal, Thailand and Vietnam, serving more than 435,000 children daily (unaudited). Splash's goal is to reach one million children by 2023.

On June 6, 2018, Splash Social Enterprises LLC (the Subsidiary) was formed with Splash as its sole member. The LLC is a social enterprise that will sell Splash's patent-pending drinking and handwashing stations to non-profit and government customers. This initiative will allow Splash to leverage its impact across more children and geographies.

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of Splash and its Subsidiary (collectively, the Organization) after elimination of inter-entity accounts and activity.

Basis of Presentation - The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting under accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

> Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.
>
> Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

Revenue Recognition - Revenue is reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on the sale of assets are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Expirations of net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions and grants are recognized as revenue in the period received, including unconditional pledges when promised, at their fair value. Conditional contributions and grants are recognized as revenue at the time the conditions have been satisfied.

System sales are recognized as revenue when earned and are reported net of cost of goods sold and any sales discounts on the statements of activities and changes in net assets.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Advances for International WASH Projects - Advances for international WASH projects consist of cash advanced to fund operations in foreign offices. Cash in bank accounts and advances for international WASH projects held in foreign countries totaled $28,980 and $70,395 as of December 31, 2018 and 2017, respectively.

Note 1 - Continued

Pledges Receivable - Unconditional promises to give (pledges receivable) are recognized as revenue in the period received. Unconditional pledges receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

Conditional Promises to Give - Conditional promises to give are recognized as revenue by the Organization only when the conditions upon which they depend are substantially met. Outstanding conditional promises to give totaled $410,985 and $1,586,232 as of December 31, 2018 and 2017, respectively, and are intended to be used for expansion of operations overseas.

Accounts Receivable - Accounts receivable is stated at the amount management expects to realize from outstanding balances. Accounts receivable consists primarily of amounts due from donors for which conditions have been been satisfied for grants awarded. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. A valuation allowance was not deemed necessary at December 31, 2018 and 2017.

Other Receivables - Other receivables consist of donated software licenses and training vouchers. The licenses are for terms of two to three years, and the training vouchers may be used as desired.

Water Purification Systems and Supplies - The Organization purchases and holds water purification systems and related hardware. These supplies are reported on the consolidated statements of financial position at cost and are expensed upon installation on a first-in, first-out out basis. Water purification systems and supplies are assed for impaired value annually.

Property, Equipment and Depreciation - All acquisitions of furniture, fixtures and equipment in excess of $2,500 and building and leasehold improvements more than $5,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets ranging from three to five years.

Deferred Revenue - Deferred revenue consists of payments received for water purification systems that have not yet been delivered and related service contracts.

Program Related Investment Note - A program related investment note was obtained on August 27, 2018 by Splash's Subsidiary (Note 1). The loan was provided to help the Subsidiary begin producing low-cost, high quality water stations designed for children in urban settings in Asia and Africa, thereby assisting children living in low-income and lower-middle income countries. The loan is in the amount of $50,000 and is interest free. Beginning November 14, 2019, quarterly principal payments will become due in the amount of 4% of product sales revenue generated by the Subsidiary during the prior quarter. Any unpaid principal remaining will become due in its entirety when the loan matures on September 30, 2022. U.S. GAAP requires that interest expense be imputed for interest free or below market interest rate loans. Based on the indeterminable payment schedule and the stated term of the loan, management has determined the estimated imputed interest at December 31, 2018 and the interest expense for the year ended December 31, 2018 are immaterial.

The loan has certain nonfinancial restrictive covenants. The Organization was in compliance with these covenants as of December 31, 2018.

Note 1 - Continued

In-Kind Goods and Services - The Organization recognizes in-kind contributions of goods and services at fair value on the date received. The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not donated. In-kind goods and services consisted of the following for the years ended December 31:

	2018	2017
Software licenses and training	$ 104,170	$ 148,675
Goods and supplies	10,828	6,261
Annual fundraiser gifts in kind	3,788	
Professional services		50,045
Water purification systems		38,224
Total Donated Goods and Services	**$ 118,786**	**$ 243,205**

Use of Estimates - The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status - The Internal Revenue Service has determined that Splash is exempt from U.S. income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Splash Social Enterprises LLC is a disregarded entity for federal tax purposes.

Foreign Currency Translation - The functional currency of the Organization's field offices is the local currency in which the office is located. Assets and liabilities of the offices have been translated into U.S. dollars at year end exchange rates. Revenues and expenses have been translated at average monthly exchange rates. Translation adjustments are included in the consolidated statements of activities and changes in net assets and were immaterial for the years ended December 31, 2018 and 2017.

Expense Allocation - The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and changes in net assets and the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses related to headquarters staff who serve multiple functions are allocated based on estimates of time spent on various programs, fundraising and other. Airfare when travelling to multiple countries on one trip is allocated based on the number of days stayed in each country.

Concentration of Credit Risk - Financial instruments that potentially subject the Organization to concentrations of credit and market risk consist primarily of cash. Cash held by financial institutions exceeded federally insured limits during the years ended December 31, 2018 and 2017.

For the years ended December 31, 2018 and 2017, 66% of contributions and grants were from three donors and 40% was from one donor, respectively. Additionally, as of December 31, 2018 and 2017, 82% and 91% of outstanding pledges receivable were from one donor, respectively.

Note 1 - Continued

Recent Accounting Pronouncements - During the year ended December 31, 2018, the Organization adopted the requirements of the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* required for the Organization's year ended December 31, 2018. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets are now reported as net assets with donor restrictions. A footnote on liquidity and availability of financial assets has also been added (Note 9).

During the year ended December 31, 2018, the Organization elected to adopt the requirements of the FASB's Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* ASU 2018-08 was issued to clarify and improve the scope and accounting guidance for contributions received and contributions made. The amendments in the ASU assist entities in evaluating whether transactions should be accounted for as contributions within the scope of *Topic 958, Not-for-Profit Entities,* or as exchange transactions subject to ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2018-08 also assists entities in determining whether a contribution is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are the resource recipient and effective for periods beginning after December 15, 2019 for entities that are the resource provider. Early adoption is permitted. The requirements of ASU 2018-08 have been applied prospectively, as permitted by the ASU (Note 10).

Legal Matters - The Organization is subject to legal proceedings and claims that arise in the ordinary course of business. As of December 31, 2018 and 2017, management is not aware of any asserted or pending litigation or claims against the Organization that it expects to have a material adverse effect on its financial condition.

Subsequent Events - The Organization has evaluated subsequent events through September 5, 2019, the date on which the financial statements were available to be issued.

Note 2 - Pledges Receivable

Pledges receivable consisted of the following as of December 31:

	2018	2017
Due in less than one year	$ 252,396	$ 112,365
Due in two to five years	1,579,708	
Total pledges receviable	1,832,104	112,365
Less discount on receivables	(96,755)	
Less allowance for doubtful accounts		(2,504)
Pledges Receivable, Net	**$ 1,735,349**	**$ 109,861**

Note 3 - Property and Equipment

Property and equipment consisted of the following as of December 31:

	2018	2017
Vehicles	$ 55,124	$ 31,629
Computer equipment	7,094	16,657
Furniture and fixtures	5,136	18,429
Software		36,820
Leasehold improvements		18,918
Total property and equipment	67,354	122,453
Less accumulated depreciation	(42,616)	(99,813)
Property and Equipment, Net	**$ 24,738**	**$ 22,640**

Note 4 - Line of Credit

In September 2015 the Organization obtained a revolving line of credit with a bank (the Bank) that allows for borrowings up to $200,000. Interest accrues at 2.5% over prime rate, as determined by the Bank, and is payable monthly beginning October 20, 2015. Upon written notice to the Organization, the Bank may terminate its obligation to make revolving advances under the line of credit and convert the line of credit to a term note. As of December 31, 2018 and 2017, there was no outstanding balance due on the line of credit. The line of credit is secured by substantially all assets of the Organization.

Note 5 - Net Assets With Donor Restrictions

Net assets with donor restrictions consist of contributions restricted by donors for water purification projects in foreign countries and donated software licenses that will be used in future years. The release of net assets with donor restrictions for the year ended December 31, 2018 totaled $948,723 for WASH implementations and $58,854 for the use of software licenses. The release of net assets with donor restrictions for the year ended December 31, 2017 totaled $812,211 for WASH implementations and $19,775 for the use of software licenses.

Net assets with donor restrictions available for projects in the following countries or are restricted for time at December 31:

	2018	2017
Ethiopia	$ 1,965,649	$ 255,877
Multi-site support	259,012	71,866
Nepal	180,942	104,314
China	132,013	27,064
Software licenses (time restricted)	89,896	71,500
India	47,291	84,000
Total Net Assets With Donor Restriction	**$ 2,674,803**	**$ 614,621**

Note 6 - Commitments

Leases - The Organization leases office space in Seattle, Washington and in several countries. The noncancelable leases include escalating rent payments and expire by May 31, 2022. Future minimum rent payments under the noncancelable office space lease are as follows:

For the Year Ending December 31,

2019	$	173,478
2020		152,675
2021		157,058
2022		66,841
Total	**$**	**550,052**

Rent expense totaled $207,610 and $167,257 for the years ended December 31, 2018 and 2017, respectively.

Note 7 - Retirement Plan

Effective January 1, 2011, the Organization established a 401(k) profit sharing plan (the Plan). Employees become eligible to participate in the Plan upon employment and when they have attained the age of 21 years. Participants may contribute compensation up to the maximum amount allowed by law and are immediately vested in these contributions. The Plan provides for employer matching contributions of 100% of the first 3% of employee contributions. The matching contributions vest over two years. The Organization made matching contributions to the Plan totaling $33,700 and $30,115 for the years ended December 31, 2018 and 2017, respectively.

Note 8 - Expenses by Country

The Organization incurred expenses to implement WASH projects and infrastructure in the following countries for the years ended December 31:

		2018		2017
Ethiopia	$	645,063	$	511,428
India		469,556		427,960
Nepal		147,141		429,466
China		65,479		228,210
Cambodia		10,178		128,156
Total Expenses by Country	**$**	**1,337,417**	**$**	**1,725,220**

Note 9 - Availability and Liquidity of Financial Assets

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditure were as follows at December 31, 2018:

Cash and cash equivalents	$ 1,419,223
Pledges receivable, net	1,735,349
Other receivables	136,741
Total financial assets	3,291,313
Less noncash other receivables	(136,741)
Less donor-restricted for specific purposes	(2,584,907)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	**$ 569,665**

As part of the Organization's liquidity management, it actively engages its Board and partners and cultivates prospective donors to generate financial assets and build reserves for general expenditures. Although the Organization can use the donor-restricted financial assets to conduct program activities, if the activities could not be fulfilled, the funds would need to be returned to the donors. The Organization has a number of active projects and can decrease spending to manage liquidity when a decrease in funding is anticipated.

Note 10 - Effect of Implementing New Accounting Pronouncement

The Organization elected to early adopt the provisions of ASU 2018-08 (Note 1) during the year ended December 31, 2018. The primary effect of adoption of this ASU for the Organization is that certain grants received that were previously treated as conditional are now treated as unconditional. As a result, revenue for these grants should be recognized when the grants are awarded. Of the conditional grants totaling $1,586,232 as of December 31, 2017 (Note 1), $1,486,232 was recognized as revenue during the year ended December 31, 2018 because the terms included in the awards considered conditions had been satisfied during the year. Revenue of $100,000 was recognized during the year ended December 31, 2018 related to an award that was previously considered conditional before the adoption of ASU 2018-08.