THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2018 AND 2017

WITH INDEPENDENT AUDITORS' REPORT

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THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
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WNDE
White Nelson Diehl Evans LLP
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Ayn Rand Institute: The Center for the Advancement of Objectivism
Santa Ana, California

We have audited the accompanying financial statements of The Ayn Rand Institute: The Center for the Advancement of Objectivism (a nonprofit corporation) (the "Institute"), which comprise the statements of financial position as of September 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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 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 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 auditors consider internal control relevant to the Institute'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 Institute'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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Institute as of September 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

White Nelson Diehl Evans LLP

Irvine, California
August 16, 2019

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2018 AND 2017

ASSETS

	2018	2017
Current Assets:		
Cash and cash equivalents	$ 2,686,040	$ 219,985
Investments in marketable securities	79,973	92,250
Current portion of contributions receivable (less allowance for doubtful accounts of $5,877 and $5,877 in 2018 and 2017, respectively)	256,259	662,163
Inventories	18,604	26,676
Prepaid expenses	145,459	191,660
Current portion of investments - split-interest agreements (Note 6)	114,168	175,539
Total Current Assets	3,300,503	1,368,273
Other Assets:		
Investments - split-interest agreements, net of current portion (Note 6)	2,371,393	2,518,198
Beneficial interests in insurance policy and trusts	478,232	550,371
Property and equipment, at net book value (Note 4)	187,836	42,366
Deposits and other assets	156,162	53,293
457(b) plan participant accounts (Note 11)	1,019,150	964,271
Investments in marketable securities - James G. Comer scholarship fund	-	153,076
Total Other Assets	4,212,773	4,281,575
Total Assets	$ 7,513,276	$ 5,649,848

LIABILITIES AND NET ASSETS

	2018	2017
Current Liabilities:		
Accounts payable	$ 477,222	$ 788,578
Accrued compensation and related expenses	362,899	469,782
Accrued liabilities	617,396	268,417
Note payable to affiliate (Note 7)	143,582	141,460
Current portion of liabilities under split-interest agreements (Note 6)	114,168	175,539
Total Current Liabilities	1,715,267	1,843,776
Other Liabilities:		
Liabilities under split-interest agreements, net of current portion (Note 6)	1,658,731	2,108,737
457(b) plan participant accounts (Note 11)	1,019,150	964,271
Loan payable	4,500	4,500
Total Other Liabilities	2,682,381	3,077,508
Total Liabilities	4,397,648	4,921,284
Net Assets:		
Unrestricted	431,849	(1,391,777)
Temporarily Restricted	2,683,779	2,120,341
Total Net Assets	3,115,628	728,564
Total Liabilities And Net Assets	$ 7,513,276	$ 5,649,848

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and Support:				
Contributions	$ 7,747,749	$ 2,096,775	$ -	$ 9,844,524
Program revenue	484,290	-	-	484,290
Other income	32,631	-	-	32,631
Investment returns, gains, and losses - investments			-	
in marketable securities (Note 1)	17,512	-	-	17,512
Net increase (decrease) in split-interest agreements	525,533	(16,139)	-	509,394
Net assets released from restrictions (Note 9)	1,517,198	(1,517,198)	-	-
Total Revenues and Support	10,324,913	563,438	-	10,888,351
Expenses:				
Program Services:				
Educational programs	2,566,015	-	-	2,566,015
Outreach	2,656,986	-	-	2,656,986
Other	1,097,388	-	-	1,097,388
Total Program Services	6,320,389	-	-	6,320,389
Fundraising	1,073,976	-	-	1,073,976
Management and general	1,106,922	-	-	1,106,922
Total Expenses	8,501,287	-	-	8,501,287
Change in Net Assets	1,823,626	563,438	-	2,387,064
Net Assets (Deficit), Beginning of Year	(1,391,777)	2,120,341	-	728,564
Net Assets (Deficit), End of Year	$ 431,849	$ 2,683,779	$ -	$ 3,115,628

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and Support:				
Contributions	$ 6,099,876	$ 1,973,049	$ -	$ 8,072,925
Program revenue	364,219	-	-	364,219
Other income	138,602	-	-	138,602
Investment returns, gains, and losses - investments in marketable securities (Note 1)	25,821	-	-	25,821
Net increase in split-interest agreements	828,658	12,581	-	841,239
Net assets released from restrictions (Note 9)	2,151,393	(2,151,393)	-	-
Total Revenues and Support	9,608,569	(165,763)	-	9,442,806
Expenses:				
Program Services:				
Educational programs	3,654,646	-	-	3,654,646
Outreach	2,884,148	-	-	2,884,148
Other	1,164,249	-	-	1,164,249
Total Program Services	7,703,043	-	-	7,703,043
Fundraising	1,251,947	-	-	1,251,947
Management and general	767,021	-	-	767,021
Total Expenses	9,722,011	-	-	9,722,011
Change in Net Assets	(113,442)	(165,763)	-	(279,205)
Net Assets (Deficit), Beginning of Year	(1,278,335)	2,286,104	-	1,007,769
Net Assets (Deficit), End of Year	$ (1,391,777)	$ 2,120,341	$ -	$ 728,564

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2018

	Program Services						
	Educational Programs	Outreach Programs	Other	Total	Fundraising	Management and General	Total
Accounting	$ -	$ -	$ -	$ -	$ 21,124	$ 30,985	$ 52,109
Advertising and promotion	58,491	5,452	-	63,943	15	310	64,268
Books	23,270	10,610	6,975	40,855	12,120	1,975	54,950
Burden	216,067	249,503	97,940	563,510	89,817	36,037	689,364
Depreciation	14,179	8,882	5,692	28,753	3,475	3,391	35,619
Design	135	4,508	-	4,643	5,500	-	10,143
Editing	-	-	3,607	3,607	135	-	3,742
Equipment	12,242	9,029	5,078	26,349	4,417	25,522	56,288
Events	135,557	66,104	97,611	299,272	60,123	13,793	373,188
Insurance	50	-	-	50	-	23,146	23,196
Interest	5,614	1,693	986	8,293	612	2,320	11,225
Legal	18,407	-	-	18,407	5,095	26,868	50,370
List rental	28,838	-	-	28,838	1,600	-	30,438
Meetings, training, and conferences	1,547	280	865	2,692	873	-	3,565
Online services	35,517	183,346	17,243	236,106	10,869	10,578	257,553
Other	1,669	6,268	1,603	9,540	150	174,572	184,262
Outreach	12,439	2,464	2,781	17,684	15,844	5,851	39,379
Outside services	222,370	421,061	199,668	843,099	177,088	147,077	1,167,264
Postage and freight	60,376	36,343	1,072	97,791	24,894	3,776	126,461
Printing and mailing	43,693	21,312	6,538	71,543	51,861	9,623	133,027
Prizes, grants, and scholarships	39,728	143,936	-	183,664	-	-	183,664
Rent	218,236	113,444	95,496	427,176	38,076	190,333	655,585
Repairs and maintenance	710	510	300	1,520	1,345	2,948	5,813
Royalties	12,368	589	500	13,457	450	-	13,907
Salaries	1,182,529	1,273,916	492,710	2,949,155	476,953	308,687	3,734,795
Supplies	7,925	7,722	7,759	23,406	8,816	9,138	41,360
Taxes, licenses, and fees	3,064	1,420	10,127	14,611	23,912	18,501	57,024
Telephone	14,131	10,228	5,069	29,428	9,118	9,645	48,191
Transportation	2,615	6,010	2,190	10,815	2,348	602	13,765
Travel	194,248	72,356	35,578	302,182	27,346	51,244	380,772
	$ 2,566,015	$ 2,656,986	$ 1,097,388	$ 6,320,389	$ 1,073,976	$ 1,106,922	$ 8,501,287

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2017

	Program Services						
	Educational Programs	Outreach Programs	Other	Total	Fundraising	Management and General	Total
Accounting	$ -	$ -	$ -	$ -	$ 24,431	$ 28,781	$ 53,212
Advertising and promotion	126,180	146,332	-	272,512	1,569	750	274,831
Books	510,271	8,491	75,573	594,335	5,004	235	599,574
Burden	259,980	246,805	87,104	593,889	116,129	46,528	756,546
Depreciation	22,890	6,774	3,924	33,588	2,477	2,418	38,483
Design	-	2,856	-	2,856	5,518	-	8,374
Editing	200	50	2,915	3,165	1,378	-	4,543
Equipment	10,410	5,700	3,068	19,178	3,714	2,523	25,415
Events	114,767	58,951	87,008	260,726	118,651	3,843	383,220
Insurance	-	-	635	635	-	19,825	20,460
Interest	503	315	180	998	130	2,582	3,710
Legal	-	-	-	-	2,433	30,460	32,893
List rental	4,509	-	-	4,509	-	-	4,509
Meetings, training, and conferences	1,188	6,000	220	7,408	585	2,898	10,891
Online services	25,577	170,987	14,076	210,640	10,580	17,065	238,285
Other	7,053	1,124	1,029	9,206	200	50,245	59,651
Outreach	12,703	1,457	6,620	20,780	35,877	1,896	58,553
Outside services	277,442	317,731	167,974	763,147	46,360	17,661	827,168
Postage and freight	110,753	43,818	9,338	163,909	40,136	2,769	206,814
Printing and mailing	64,163	17,354	6,589	88,106	77,835	210	166,151
Prizes, grants, and scholarships	248,805	101,000	-	349,805	-	-	349,805
Rent	282,816	158,186	113,295	554,297	48,777	122,222	725,296
Repairs and maintenance	2,448	1,468	766	4,682	1,046	2,977	8,705
Royalties	12,627	3,890	3,612	20,129	600	-	20,729
Salaries	1,411,090	1,404,831	494,203	3,310,124	611,152	361,434	4,282,710
Supplies	11,537	9,317	6,036	26,890	14,339	5,490	46,719
Taxes, licenses, and fees	2,034	1,018	12,462	15,514	18,828	14,537	48,879
Telephone	25,758	23,045	8,409	57,212	9,907	6,897	74,016
Transportation	1,716	1,068	4,617	7,401	450	245	8,096
Travel	107,226	145,580	54,596	307,402	53,841	22,530	383,773
	$ 3,654,646	$ 2,884,148	$ 1,164,249	$ 7,703,043	$ 1,251,947	$ 767,021	$ 9,722,011

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2018 AND 2017

	2018	2017
Cash Flows from Operating Activities:		
Change in Net Assets	$ 2,387,064	$ (279,205)
Adjustments to Reconcile Change in Net Assets to Net Cash and Cash Equivalents Provided by (Used in) Operating Activities:		
Contributions of marketable securities	(515,530)	(324,343)
Accrued interest on note payable to affiliate	2,122	2,460
Gain on realization of beneficial interest in trust	-	(16,039)
Provision for bad debt expense	170,359	49,022
Loss on disposal of fixed assets	822	313
Depreciation	35,619	38,483
Net increase in split-interest agreements	(303,201)	(749,549)
Unrealized and realized gains (losses) - investments in marketable securities	1,986	(22,130)
Beneficial interest in insurance policy	74,527	51,894
Beneficial interest in trusts	(2,388)	(3,110)
Changes in:		
Contributions receivable	235,545	244,482
Inventories	8,072	5,278
Prepaid expenses	46,201	(118,586)
Deposits and other assets	(102,869)	-
Accounts payable and accrued liabilities	(67,415)	557,580
Net Cash and Cash Equivalents Provided by (Used in) Operating Activities	1,970,914	(563,450)
Cash Flows from Investing Activities:		
Proceeds from sale of investments in marketable securities	677,184	314,139
Proceeds received from beneficial interest in trust	-	138,913
Proceeds from sale of equipment	-	247
Reinvested dividend and interest income from marketable securities	(132)	(3,698)
Purchase of property and equipment	(181,911)	(18,849)
Net Cash and Cash Equivalents Provided by Investing Activities	495,141	430,752
Cash Flows from Financing Activities:		
Payments made on loans from affiliate	-	(60,000)
Net Cash and Cash Equivalents Used in Financing Activities	-	(60,000)
Net Increase (Decrease) in Cash and Cash Equivalents	2,466,055	(192,698)
Cash and Cash Equivalents, Beginning of Year	219,985	412,683
Cash and Cash Equivalents, End of Year	$ 2,686,040	$ 219,985

The accompanying notes are an integral part of these financial statements.

THE AYN RAND INSTITUTE:
THE CENTER FOR THE ADVANCEMENT OF OBJECTIVISM
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2018 AND 2017

	2018	2017
Supplemental Disclosure:		
Interest paid	$ 11,225	$ 3,710
Supplemental Disclosures of Noncash Operating, Investing, and Financing Activities:		
During the year, the Institute offset accounts payable and accrued liabilities with gains (losses) on investments in marketable securities related to a charitable remainder trust (Note 1)	$ (1,845)	$ 1,623

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Ayn Rand Institute: The Center for the Advancement of Objectivism ("ARI" or the "Institute") is a Pennsylvania nonprofit corporation organized and operated exclusively for educational, literacy, and other charitable purposes. ARI advances the study of the philosophy of Objectivism and the education of the general public with respect to Objectivism.

The following are descriptions of the programs ARI offers to promote Objectivism:

Educational Programs

High School Programs: The mission of High School Programs is to increase the awareness and use of Ayn Rand's novels in high school classrooms and among high school students. ARI's annual essay contests on Ayn Rand's novels receive tens of thousands of entries each year. ARI provides teachers with hundreds of thousands of free classroom book sets of Ayn Rand's novels and resources to help teachers present Ayn Rand's works and ideas in the classroom. ARI identifies and cultivates student organizations that are prime audiences for Ayn Rand's ideas; e.g., high school debate organizations.

College Programs: ARI's outreach programs for college professors and students aim at raising awareness and increasing knowledge of Ayn Rand's ideas and their impact on various academic fields. These programs include hosting conferences and workshops, exhibiting at conferences, distributing copies of Ayn Rand books and essays, writing newsletters, running an internship program, supporting student clubs, facilitating speaker events on college campuses, and providing intellectual support for Ayn Rand researchers.

Ayn Rand Institute Campus: The Ayn Rand Institute Campus is an online education website that offers courses from beginner to advanced levels on Ayn Rand's fiction works and on her philosophy and its application, as well as supplementary educational content and discussion boards. The courses are largely free and open to anyone interested in Ayn Rand's ideas; however, the target audiences include students, educators, and other intellectuals.

Advanced Training: In order to train the next generation of Objectivist intellectuals, ARI runs the Objectivist Academic Center ("OAC"). The OAC offers the only systematic program of instruction in the essentials of Objectivism. The three-year program focuses on students exploring the possibility of an intellectual career; the Advanced Education Program offers instruction to committed students, as well as career guidance, mentoring, and financial assistance.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Nature of Operations (Continued)

Outreach Programs

Publishing: The Publishing department develops, supports, and proposes marketing strategies and advertising to the publishers of Ayn Rand's books. The department also supports the publication of books based on ARI programs or those written by staff writers or on material from the Ayn Rand Archives, primarily through outside publishers.

Marketing and Communications: ARI promotes Ayn Rand's philosophical case for a culture of reason, self-interest, and laissez-faire capitalism to public policy and business communities, media, the general public, and various student audiences. ARI markets and disseminates op-eds, articles, blog posts, videos, and books to millions of readers yearly. It creates and distributes a weekly email newsletter, *Impact Weekly*, and a quarterly print publication, *Impact Quarterly*, as well as email and print newsletters and updates to its various subscriber lists. ARI experts appear on significant TV, radio, and online programs and present talks around the world, many of which are recorded and available for viewing online. ARI's Yaron Brook has a syndicated radio show and a Blog Talk Radio show. ARI encourages and supports robust social media communities on Facebook, Twitter, LinkedIn, and other platforms.

International Outreach: ARI sends speakers to address student and general audiences outside the United States and encourages and assists various Ayn Rand programs to be established abroad. While a major part of this work takes place in Europe under a program called Ayn Rand Institute Europe, ARI's international programs are also active in Latin America, Asia, and Israel.

Digital Initiative and Website: ARI's digital initiative aims to create a digital experience that introduces audiences to Ayn Rand through her writings and philosophy and acquaints them with the application of her ideas. The three main websites are Aynrand.org, ari.AynRand.org, and campus.AynRand.org. In addition, the digital experience is supported by a number of social media properties.

Other

Ayn Rand Archives: The Ayn Rand Archives (the "Archives") collects and preserves documents by and about Ayn Rand, including individuals and organizations influenced by her philosophy. The department functions as a full-service repository that hosts researchers, answers reference questions, and assists journalists. In addition, the Archives produces projects to advance public awareness of Ayn Rand's development and cultural impact. The Archives is the world's definitive Ayn Rand-themed collection.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Nature of Operations (Continued)

Other (Continued)

Online Bookstore: The Ayn Rand Institute eStore sells downloadable audio content related to Ayn Rand and Objectivism.

Conferences: Each summer, ARI hosts a multiday summer conference open to the public for Objectivist scholars to present talks and panels on a variety of topics related to Objectivism.

Basis of Presentation

The accompanying consolidated financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). References to the "ASC" hereafter refer to the Accounting Standards Codification established by the Financial Accounting Standards Board ("FASB") as the source of authoritative US GAAP.

Unrestricted Net Assets - Unrestricted net assets are net assets that are not subject to donor-imposed stipulations. These assets are available to support the Institute's activities and operations at the discretion of the Board of Directors.

Temporarily Restricted Net Assets - Temporarily restricted net assets are net assets subject to donor-imposed stipulations that will be met either by actions of the donor, the Institute, and/or the passage of time.

Permanently Restricted Net Assets - Permanently restricted net assets are net assets subject to donor-imposed stipulations that the corpus be maintained permanently by the Institute. At September 30, 2018 and 2017, there were no permanently restricted net assets.

Support and Revenue

Contributions are recognized when the donor makes an unconditional promise to give to the Institute. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Certain contributions are in the form of split-interest agreements; see Note 6 for more details.

Contributed securities and other noncash donations are recorded as donations at their estimated fair values at the date of donation.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Support and Revenue (Continued)

In-kind contributions are recognized in the financial statements if the services or goods received enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, or would typically need to be purchased if not provided by donation. For the years ended September 30, 2018 and 2017, the Institute received $0 and $111,623, respectively, of in-kind contributions for advertising services. Accordingly, the Institute has recorded contribution revenue and advertising expense for these amounts in the accompanying statements of activities.

The Institute may also receive a significant amount of contributed time from volunteers that does not meet the recognition criteria described. Accordingly, the value of such contributed time is not reflected in the accompanying financial statements.

Cash and Cash Equivalents

The Institute considers all highly liquid investments purchased with an initial maturity of three months or less to be cash and cash equivalents.

Investments in Marketable Securities

Investments consist of short-term investments, mutual funds, and exchange-traded funds, bonds, and equity securities that are carried at fair value (see Note 3). These investments are managed by third-party professionals or held by third-party trustees. Net appreciation (depreciation) in the fair value of investments, which consists of the realized and unrealized gains or (losses) on those investments, is shown in the statements of activities.

Investment returns consisted of the following during the years ended September 30, 2018 and 2017:

	2018	2017
Interest and dividends on investments in marketable securities	$ 2,744	$ 3,698
Gain (loss) on sale of marketable securities	13,743	(607)
Unrealized gain on securities held	1,025	22,730
Total	$ 17,512	$ 25,821

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Investments in Marketable Securities (Continued)

During the years ended September 30, 2018 and 2017, the Institute received contributed marketable securities with a fair market value on the date of contribution totaling $515,530 and $324,343, respectively. The contributed marketable securities were sold during the years ended September 30, 2018 and 2017, for a loss of $2,706 and $607, respectively. The loss on sales of investments is recorded as part of realized and unrealized gains (losses) - investments in marketable securities in the statements of activities and the selling fees are included in taxes, licenses, and fees in the accompanying statements of functional expenses.

Fair Value Measurements

The Institute has adopted accounting guidance related to fair value measurements. This guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal market, or in the absence of a principal market, the most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. This guidance also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The accounting guidance describes three levels of inputs in priority that may be used to measure fair value:

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

Level 2: Observable inputs other than quoted prices included within Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (such as interest rates and yield curves, credit risks, and default rates) or other inputs that are principally derived from or corroborated by observable market data by correlation or by other means; and

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

The inputs used to determine the fair value of assets and liabilities are discussed in Note 3.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Charitable Remainder Trust

The Institute is the trustee of a revocable charitable remainder unitrust established by two donors. The donors receive quarterly distributions during their lives equal to a specified percentage of the fair market value of the trust's assets, determined annually. If the trust is not revoked before the death of both donors, the remaining assets of the trust will be distributed to the Institute. As the trust is revocable by the donors, the Institute recognizes a liability equal to the trust's assets, which totaled $74,389 and $76,233 and is included in accrued liabilities in the accompanying statements of financial position at September 30, 2018 and 2017, respectively. The Institute offsets all investment gains/losses, expenses, and quarterly payments to donors against this liability.

Contributions Receivable

The Institute uses the allowance method to determine uncollectible contributions receivable. The allowance is based on historical experience, current economic conditions, and management's analysis of outstanding contributions receivable. An allowance of $5,877 was recorded against receivables as of September 30, 2018 and 2017.

Inventories

Inventories consist of purchased merchandise and materials for resale and are stated at the lower of cost or net realizable value. Cost is determined on the average-cost method, which approximates the first-in, first-out method. Net realizable value is determined by comparison with recent purchases less disposition costs.

Beneficial Interests in Insurance Policy and Trusts

In 2006, the Institute received a beneficial interest in a $1,000,000 insurance policy. The asset is recorded at its fair value (discounted at the Institute's nonrelated borrowing rate of 5.50 percent and 4.25 percent at September 30, 2018 and 2017, respectively, using applicable mortality tables), as the donor contributed the entire policy to the Institute. At September 30, 2018 and 2017, the fair value of this asset is $342,729 and $417,256, respectively. The change in fair value of the insurance policy of $(74,527) and $(51,895) is recorded as contributions in the accompanying statements of activities for the years ended September 30, 2018 and 2017, respectively.

The Institute is a remainder beneficiary of two irrevocable trusts, both held by a third party. The Institute is to receive a share of the principal upon the death of the two current income beneficiaries. The Institute's share of the assets is recorded at their fair values (discounted at the Institute's nonrelated borrowing rate of 5.50 percent and 4.25 percent at September 30, 2018 and 2017, respectively, using applicable mortality tables).

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Beneficial Interests in Insurance Policy and Trusts (Continued)

During the year ended September 30, 2017, one of the income beneficiaries passed away and the Institute received its share of the assets totaling $138,913. The Institute recorded a gain on the realization of the trust of $16,039, which is included in contributions in the accompanying statement of activities. At September 30, 2018 and 2017, the fair value of the remaining assets is $135,503 and $133,115, respectively. The change in value of the remainder of the interest in the trusts of $2,388 and $3,110 is recorded as contributions in the accompanying statements of activities for the years ended September 30, 2018 and 2017, respectively.

Property and Equipment

Property and equipment are stated at cost. Donated assets are recorded at their fair market value when received. The cost of purchased assets or fair market value of donated assets is depreciated using the straight-line method over the estimated useful lives of the related assets, which range from three to seven years. Leasehold improvements are amortized over the lesser of their estimated useful lives or the related lease term. Maintenance and repairs are charged to expense as incurred. Significant renewals and betterments are capitalized.

Income Taxes

The Institute is a public charity that has obtained an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and under similar code sections for each state. Accordingly, no provision has been made for federal or state income taxes. The Institute is subject, however, to federal and California income taxes on unrelated business taxable income as stipulated in Internal Revenue Code Section 511 and Regulation Section 1.511. During the years ended September 30, 2018 and 2017, the Institute had no unrelated business taxable income.

The Institute annually evaluates tax positions as part of the preparation of its exempt tax return. This process includes an analysis of whether tax positions the Institute takes with regard to a particular item of income or deduction would meet the definition of an uncertain tax position under current accounting guidance. The Institute believes its tax positions are appropriate based on current facts and circumstances. The Institute’s policy is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At September 30, 2018 and 2017, the Institute did not have any unrecognized tax benefits. The Institute is no longer subject to US federal, state, or local income tax examinations by tax authorities for fiscal years ended before 2014.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimated usage. Usage is calculated using an appropriate methodology such as percentage of staff time. The Institute incurs joint costs for mailings, events, and travel, which are allocated between fundraising and program costs.

For the years ended September 30, 2018 and 2017, there were no joint costs. The amounts are accounted for in postage and freight expenses in the accompanying statements of functional expenses.

Use of Estimates

The preparation of the financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the collectability and timing of collection of contributions receivable, the realizability of inventories and property and equipment, the value of beneficial interests in insurance policy and trusts, the liability to beneficiaries under split-interest agreements, and the allocations of expenses, including salaries, to programs. Actual results could differ from those estimates.

Recent Accounting Pronouncements - Not Yet Adopted

In May 2014, the FASB issued Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606).* The ASU establishes new revenue recognition guidance (“ASC 606”), which replaces the current revenue recognition guidance. ASC 606 is a comprehensive revenue recognition standard for virtually all industries, including those that previously followed industry-specific guidance, such as the real estate, construction, and software industries. The core principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 is effective for nonpublic companies for annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted. The Institute does not expect the provisions of ASC 606 to have a material impact on the presentation of its financial statements.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements - Not Yet Adopted (Continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, with subsequent improvements and corrections issued in ASU 2018-01, ASU 2018-10, and ASU 2018-20. ASU 2016-02 amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2020; however, early adoption is permitted. The Institute is currently evaluating the impact of the provisions of ASU 2016-02 on the presentation of its financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326)*, with subsequent improvements issued in ASU 2018-19. ASU 2016-13 requires that credit losses on most financial assets measured at amortized cost and certain other instruments, including trade receivables, be measured using an expected credit loss model. The ASU also replaces the current accounting model for purchased credit-impaired loans and debt securities. Further, the ASU makes certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, including not-for-profit entities, the amendments are effective for fiscal years beginning after December 15, 2021. The Institute does not expect the provisions of ASU 2016-13 to have a material impact on the presentation of its financial statements.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities - Revenue Recognition (Topic 958-605)*. ASU 2018-08 clarifies and improves the scope and the accounting guidance for contributions received and contributions made. This update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958 or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. ASU 2018-08 is effective for fiscal years beginning after December 15, 2019, and early adoption is permitted. The Institute does not expect provisions of ASU 2018-08 to have a material impact on the presentation of its financial statements.

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements – Not Yet Adopted (Continued)

On August 18, 2016, the FASB issued ASU 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which finalizes proposed ASU 2015-230 and simplifies and improves the manner in which a not-for-profit entity classifies its net assets, as well as the information that it presents in financial statements and notes concerning liquidity, financial performance, and cash flows. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted prospectively as of the beginning of an interim or annual reporting period. The Institute is currently evaluating the impact of the provisions of ASU 2016-14 on the presentation of its financial statements.

Note 2: Concentrations, Risks, and Uncertainties

The Institute maintains its cash balances at various financial institutions. The total cash balances are insured by the Federal Deposit Insurance Corporation for up to $250,000 per institution. At September 30, 2018, the Institute has approximately $2,400,000 in excess of the federally insured limit. At September 30, 2017, were no amounts in excess of the federally insured limit. The Institute has investments in securities at various financial institutions that are members of the Securities Investor Protection Corporation, which provides limited protection for cash and securities for up to a maximum of $500,000, including a maximum of $250,000 of cash balances.

During the years ended September 30, 2018 and 2017, the Institute received contributions totaling approximately $2,200,000 and $2,700,000, respectively, from a donor-advised fund.

The Institute has made certain indemnities and guarantees, under which it may be required to make payments to a guaranteed or indemnified party, in relation to certain actions or transactions. The Institute indemnifies its directors, officers, employees, and agents, as permitted under the laws of the States of California and Pennsylvania. In connection with its facility leases, the Institute has indemnified its lessors for certain claims arising from the use of the facilities. Additionally, the Institute indemnified a financial institution under a line of credit agreement against certain claims as a result of a breach of representation made to the financial institution.

The duration of the guarantees and indemnities varies and is generally tied to the life of the agreement. These guarantees and indemnities do not provide for any limitation of the maximum potential future payments the Institute could be obligated to make. Historically, the Institute has not been obligated nor incurred any payments for these obligations, and therefore, no liabilities have been recorded for these indemnities and guarantees in the accompanying statements of financial position.

Note 3: Assets and Liabilities Measured at Fair Value

The following is a description of the valuation methodologies used for investments in marketable securities, bonds, and investments - split-interest agreements measured at fair value, as well as the fair value measurements for beneficial interests in trusts and liabilities under split-interest agreements, including the general classification of such instruments pursuant to the valuation hierarchy.

Bonds

Bonds are generally valued by using pricing models (e.g., discounted cash flows), which are quoted prices of securities with similar characteristics or broker quotes. These investments have been included in Level 2 of the valuation hierarchy. Observable inputs used in measuring the fair value of bonds include published interest rates, redemption dates, and the discount rate based on historical market activity.

Mutual Funds and Exchange-Traded Funds

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Institute are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Institute are deemed to be actively traded. These investments have been classified within Level 1 of the valuation hierarchy.

Beneficial Interests in Insurance Policy and Trusts

Beneficial interests in insurance policy and trusts are valued by using pricing models (e.g., discounted cash flows). These assets have been included in Level 2 of the valuation hierarchy. Observable inputs include current value of investment, expected mortality, and a discount rate based on the Institute’s current borrowing rate.

Liabilities under Split-Interest Agreements

Liabilities under split-interest agreements are valued by using pricing models (e.g., discounted cash flows). These liabilities have been included in Level 3 of the valuation hierarchy. A detailed listing of activity and the assumptions used in calculating fair value for the years ended September 30, 2018 and 2017, is included in Note 6.

Note 3: Assets and Liabilities Measured at Fair Value (Continued)

Fair Value Hierarchy

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis as of September 30, 2018:

	Quoted Priced in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market funds	$ 93,945	$ -	$ -	$ 93,945
Bonds	-	58,927	-	58,927
Mutual funds and exchange-traded funds	2,412,662	-	-	2,412,662
Beneficial interests in insurance policy and trusts	-	478,232	-	478,232
Total	$ 2,506,607	$ 537,159	$ -	$ 3,043,766

The following table presents the fair value hierarchy for those liabilities measured at fair value on a recurring basis as of September 30, 2018:

	Quoted Priced in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Liabilities under Split Interest Agreements	$ -	$ -	$ (1,772,899)	$ (1,772,899)

Note 3: Assets and Liabilities Measured at Fair Value (Continued)

Fair Value Hierarchy (Continued)

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis as of September 30, 2017:

	Quoted Priced in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market funds	$ 92,040	$ -	$ -	$ 92,040
Bonds	-	55,245	-	55,245
Mutual funds and exchange-traded funds	2,791,778	-	-	2,791,778
Beneficial interests in insurance policy and trusts	-	550,371	-	550,371
Total	$ 2,883,818	$ 605,616	$ -	$ 3,489,434

The following table presents the fair value hierarchy for those liabilities measured at fair value on a recurring basis as of September 30, 2017:

	Quoted Priced in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Liabilities under Split Interest Agreements	$ -	$ -	$ (2,284,276)	$ (2,284,276)

Note 4: Property and Equipment

Property and equipment consist of the following at September 30, 2018 and 2017:

	2018	2017
Computers	$ 61,850	$ 167,328
Office equipment	17,549	145,798
Furniture	115,053	63,306
Leasehold improvements	40,519	140,849
	234,971	517,281
Less: Accumulated depreciation	(47,135)	(474,915)
Total	$ 187,836	$ 42,366

Depreciation expense for the years September 30, 2018 and 2017, was $35,619 and $38,483, respectively.

Note 5: Commitments and Contingencies

Obligations under Operating Leases

The Institute operates from facilities leased under two noncancelable operating leases expiring through January 2024. The future minimum payments under these operating leases are as follows:

2019	$ 631,496
2020	640,673
2021	602,234
2022	620,281
2023	638,936
2024 and thereafter	269,508
Total	$ 3,403,128

Total rent expense for the years ended September 30, 2018 and 2017, was $655,585 and $725,296, respectively.

Conference Agreements

The Institute has entered into binding agreements with unrelated third parties whereby it is committed to certain fees related to conferences the Institute will hold through July 7, 2018. Minimum costs associated with these commitments as of September 30, 2018 and 2017, totaled $814,551 and $213,754, respectively.

Note 5: Commitments and Contingencies (Continued)

Litigation

The Institute experiences routine litigation in the normal course of its business. Management does not believe that any pending or threatened litigation will have a material adverse effect on its financial statements.

Note 6: Split-Interest Agreements

Charitable Gift Annuities

Under charitable gift annuity contracts, a donor gives the Institute a lump-sum donation at the beginning of the contract and the Institute makes predetermined payments to the donor and/or the designated beneficiary for his or her lifetime. If the donor does not specify when the payments are to begin, the Institute records the largest liability amount among the range of annuity options available to the donor. At the end of the annuitant's life, the Institute keeps any remaining assets not used in making the required payments and recognizes revenue for the termination of the remaining liability, if any. These contracts are guaranteed by all the Institute's assets. In the contract, the donor may specify how the Institute must use the remaining assets, if any, at the termination of the contract. On an annual basis, the Institute adjusts the value of the assets to fair value and revalues the liabilities to make distributions to the designated beneficiaries based on actuarial assumptions.

The present value of the estimated future payments is calculated using a 3.40 percent and 2.40 percent discount rate for the years ended September 30, 2018 and 2017, respectively, as required by law and applicable mortality tables.

To estimate the remaining lives of donors, the Institute utilized the 2012 Individual Annuity Reserving Report and Table for both years ended September 30, 2018 and 2017. The Institute issues gift annuities in various states, certain of which have criteria and registration requirements. Among these states, the Institute is registered in California and Florida (the "States"), which impose certain asset reserve requirements on issuers of gift annuities. The Institute meets the reserve requirements for the States' annuitants by placing the required funds in trusts with a third-party trustee, which are to be held and invested in accordance with the applicable restrictions until the annuitant's death.

Note 6: Split-Interest Agreements (Continued)

Charitable Gift Annuities (Continued)

As of September 30, 2018 and 2017, the Institute was in compliance with the States' requirements for minimum reserves as follows:

	2018		2017	
	Regulating State		Regulating State	
	California	Florida	California	Florida
Assets on reserve	$ 136,144	$ 127,111	$ 143,048	$ 131,834
Required reserve amount	117,017	93,446	121,064	100,611
Excess	$ 19,127	$ 33,665	$ 21,984	$ 31,223

Pooled Income Funds

Pooled income funds are arrangements whereby many donors' life income gifts are invested and pooled together, and each income beneficiary is assigned a relative number of units in the pool. Contribution revenue is recorded at the fair value of the assets received, discounted at an annual rate of 3.092 percent for both years ended September 30, 2018 and 2017, as required by law, for the estimated time period until each donor's death.

Until a donor's death, the donor is paid the actual income earned on the donor's units in the pooled income fund. The estimated discounted cash outflows of the pooled income funds are recorded as a liability under split-interest agreements and amortized over the donor's expected life based on applicable mortality tables. Upon a donor's death, the value of the donor's units reverts to the Institute.

Initial net values of the contributions from pooled income funds are recorded as contributions in the accompanying statements of activities under temporarily restricted net assets. Increases/decreases resulting from changes in actuarial assumptions and accretions of the discount are recorded as net increase (decrease) in split-interest agreements in the accompanying statements of activities under temporarily restricted net assets.

Note 6: Split-Interest Agreements (Continued)

Summary

There were no changes made to assumptions used to calculate the liability related to split-interest agreements for the year ended September 30, 2018. Charitable gift annuity and pooled income fund activities for the years ended September 30, 2018 and 2017, are as follows:

	Investments in Charitable Gift Annuities	Investments in Pooled Income Funds	Liabilities to Beneficiaries under Charitable Gift Annuities	Deferred Revenue under Pooled Income Funds	Net Activity
Balance, September 30, 2016	$ 2,369,073	$ 227,192	$ (2,819,434)	$ (116,919)	$ (340,088)
Changes in value	231,016	6,203	161,656	6,377	405,252
New split-interest agreements	-	-	(83,536)	-	(83,536)
Terminated agreements	(8,802)	-	436,635	-	427,833
Payments on split-interest agreements	(124,953)	(5,992)	124,953	5,992	-
Balance, September 30, 2017	2,466,334	227,403	(2,179,726)	(104,550)	409,461
Changes in value	124,035	908	45,470	(17,047)	153,367
New split-interest agreements	103,476	-	-	-	103,476
Terminated agreements	(308,594)	-	354,953	-	46,359
Payments on split-interest agreements	(122,065)	(5,936)	122,065	5,936	-
Balance, September 30, 2018	$ 2,263,186	$ 222,375	$ (1,657,238)	$ (115,661)	$ 712,663

Note 7: Related-Party Transactions

Note Payable to Affiliate

The Institute entered into various unsecured note agreements with an affiliate bearing interest at an annual rate of 1.5 percent due on demand. At September 30, 2018 and 2017, a note payable to affiliate in the amount of $143,582 and $141,460, respectively, is included in the accompanying statements of financial position. Interest expense for the years ended September 30, 2018 and 2017, was $2,122 and $2,460, respectively.

Note 7: Related-Party Transactions (Continued)

Royalties and Other Services

The Institute has several transactions with affiliated entities, including The Objectivist Forum, RYB Enterprises, and others. These transactions involve payments for royalties, teaching fees, and other services. For the years ended September 30, 2018 and 2017, royalty fees totaled approximately $650 and $1,000, respectively, and teaching fees and other services totaled approximately $40,000 and $23,000, respectively, which are recorded in outside services in the accompanying statements of functional expenses.

Contributions

Various board members make contributions to the Institute through donations, fundraising events, and volunteer time. General contributions recorded from board members (or their affiliated foundations) during the years ended September 30, 2018 and 2017, totaled approximately $2,888,000 and $764,000, respectively, which are recorded in contributions in the accompanying statements of activities. Contributions receivable from related parties, including board members, as of
September 30, 2018 and 2017, totaled approximately $0 and $60,000, respectively.

Note 8: Line of Credit

At September 30, 2018 and 2017, the Institute had a $1,000,000 unsecured revolving line of credit agreement with a financial institution. The line of credit matures on March 17, 2020. At September 30, 2018 and 2017, advances bear interest at the rate of 5.50 percent and 4.25 percent, respectively. As of September 30, 2018 and 2017, there was no amount outstanding. The line of credit provides for various covenants and restrictions. As of September 30, 2018 and 2017, the Institute was in compliance or had obtained a waiver with respect to all covenants.

Note 9: Temporarily Restricted Net Assets

Changes in the temporarily restricted net assets to be used for the benefit of the Institute or its operations are as follows as of and for the year ended September 30, 2018:

	Available September 30, 2017	Contributions	Expenditures	Available September 30, 2018
Archives - Estate of Allan Gotthelf	$ 94,624	$ 25,354	$ 13,467	$ 106,511
Archives - Smith	42,231	-	11,254	30,978
Atlas Project	34,947	19,050	33,115	20,882
Ayn Rand Institute Campus	145,285	-	145,285	-
Book Promotion	413,194	247,725	9,886	651,033
Campus Clubs	1,000	-	1,000	-
Chicago Chapter	167,498	50,000	38,642	178,858
Chicago Scholarship Fund	5,776	-	39	5,737
College Programs	-	223,850	223,850	-
Essay Contests	-	154,319	134,528	19,791
European Programs	-	88,847	88,847	-
Free Books to Teachers	169,932	335,354	123,352	381,934
Internships	10,847	-	-	10,847
Israel	174,835	145,260	29,575	
John Ridpath Fund for New Intellectuals	20,646	-	-	20,646
Latin America	4,856	-	4,856	-
Memorial Scholarship Funds	305,114	20,116	-	325,230
Mobile App Project	-	400,000	100,688	299,312
OAC Scholarships	105,746	-	11,197	94,549
Objectivist Student Conference	229,274	200,815	418,692	11,397
OCON Scholarships	-	138,054	-	138,054
Podcast	9,520	-	9,520	-
Radio Show	-	2,317	386	1,931
Technical assistance	3,337	-	3,337	-
Restricted for use in future periods	356,514	-	-	356,514
Total	$ 2,120,341	$ 2,080,636	$ 1,517,198	$ 2,683,779

Note 9: Temporarily Restricted Net Assets (Continued)

Changes in the temporarily restricted net assets to be used for the benefit of the Institute or its operations are as follows as of and for the year ended September 30, 2017:

	Available September 30, 2016	Contributions	Expenditures	Available September 30, 2017
Archives	$ 1,778	$ 21,277	$ 23,055	$ -
Archives - Estate of Allan Gotthelf	96,566	25	1,967	94,624
Archives - Smith	42,231	-	-	42,231
Atlas Project	-	58,310	23,363	34,947
Ayn Rand Institute Campus	181,814	-	36,529	145,285
Book Promotion	12,544	658,725	258,075	413,194
Campus Clubs	1,000	-	-	1,000
Chicago Chapter	160,225	87,756	80,483	167,498
Chicago Scholarship Fund	6,605	-	829	5,776
College Programs	64,500	60,000	124,500	-
Essay Contests	1,778	70,554	72,332	-
European Programs	-	129,230	129,230	-
Free Books to Teachers	266,895	514,276	611,239	169,932
Internships	10,847	-	-	10,847
Israel	5,500	58,249	63,749	-
John Ridpath Fund for New Intellectuals	55,680	1,000	36,034	20,646
Latin America	8,894	10,000	14,038	4,856
Memorial Scholarship Funds	278,077	39,559	12,522	305,114
OAC Scholarships	88,145	30,972	13,371	105,746
Objectivist Student Conference	410,622	45,300	226,648	229,274
OCON Scholarships	-	25,175	25,175	-
Podcast	13,881	-	4,361	9,520
Radio Show	-	8,255	8,255	-
Technical assistance	1,803	1,997	463	3,337
Restricted for use in future periods	576,719	164,970	385,175	356,514
Total	$ 2,286,104	$ 1,985,630	$ 2,151,393	$ 2,120,341

Note 10: Special Events

During 2017, the Institute held several large annual dinners for donors and others, which are for both program and fundraising purposes. Revenue from these events for the year ended September 30, 2017, totaled $524,111, of which $97,130 is included in other income and $426,981 is included in contributions in the accompanying statement of activities. Expenses from these events for the year ended September 30, 2017, totaled $102,289, respectively, which are included in events in the accompanying statement of functional expenses. There were no such events in 2018.

Note 11: Retirement Plan

The Institute's employees participate in a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers all employees of the Institute. The Institute will match 50 percent of employee's elective deferrals to an annual maximum of $3,000 per employee. The employees may also make contributions to the plan for up to the maximum amount allowed by the Internal Revenue Code. The Institute contributed $22,950 and $80,016 to the plan during the years ended September 30, 2018 and 2017, respectively, which are recorded in burden in the accompanying statements of functional expenses. The assets of this plan are the legal assets of the participants in the plan, and therefore, there are no assets or liabilities reported in the statements of financial position for this plan.

Several Institute employees participate in a tax-deferred plan qualified under Section 457(b) of the Internal Revenue Code. The plan is available to a select group of management employees and is funded solely by employee contributions. The Institute may make discretionary contributions to the plan as determined each year by the Institute. For the years ended September 30, 2018 and 2017, there were no Institute contributions to the plan. The assets of this plan are the legal assets of the Institute until they are distributed to the participants; therefore, plan assets and a corresponding liability of $1,019,150 and $964,271 at September 30, 2018 and 2017, respectively, are reported in the statements of financial position.

Note 12: Noncapitalized Assets

The Institute has collections that are housed in the Ayn Rand Archives. These collections include the Ayn Rand Papers, as well as other artifacts of historical significance and works of art. In accordance with US GAAP, these items are not capitalized on the financial statements.

Note 13: Subsequent Events

Other events occurring after September 30, 2018, have been evaluated for possible adjustment to the financial statements or disclosure as of August 16, 2019, the date the financial statements were available to be issued.