COMBINED FINANCIAL STATEMENTS

YOGA ALLIANCE REGISTRY D/B/A
YOGA ALLIANCE FOUNDATION

YAPLUS D/B/A YOGA ALLIANCE

FOR THE YEARS ENDED
DECEMBER 31, 2014 AND 2013

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

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Gelman, Rosenberg & Freedman
Certified Public Accountants

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, 2014 and 2013, 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, 2014 and 2013, 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 Rozenberg & Freedman

September 25, 2015

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

COMBINED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2014 AND 2013

ASSETS

	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	$ 1,314,648	$ 471,551
Investments (Notes 2 and 9)	2,464,703	1,654,278
Accounts receivable	4,297	-
Prepaid expenses	108,193	76,457
Total current assets	3,891,841	2,202,286
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION AND AMORTIZATION OF $990,159 IN 2014 AND $526,246 IN 2013 (Note 4)	1,371,751	1,279,764
OTHER ASSETS		
Security deposit	10,331	10,331
TOTAL ASSETS	**$ 5,273,923**	**$ 3,492,381**

LIABILITIES AND NET ASSETS

	2014	2013
CURRENT LIABILITIES		
Capital lease, current portion	$ -	$ 2,029
Accounts payable	135,090	258,713
Accrued salaries and related benefits	41,333	120,539
Accrued pension payable (Note 6)	42,122	35,800
Deferred revenue	489,416	29,454
Total current liabilities	707,961	446,535
LONG-TERM LIABILITIES		
Deferred rent liability (Note 5)	5,536	2,290
Total liabilities	713,497	448,825
NET ASSETS		
Unrestricted	4,560,426	3,043,556
TOTAL LIABILITIES AND NET ASSETS	**$ 5,273,923**	**$ 3,492,381**

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, 2014 AND 2013

	Unrestricted	
	2014	**2013**
REVENUE		
Registered yoga teachers	$ 2,872,582	$ 2,409,264
Registered yoga schools	874,850	785,592
Experienced registered yoga teachers	643,310	605,902
Membership	606,810	1,358
Conference	-	124,263
Application and other fees	-	5,275
Investment income (loss) (Note 2)	102,630	(108,812)
Other revenue	144,563	66,544
Total revenue	5,244,745	3,889,386
EXPENSES		
Program Services	3,024,825	2,806,423
Management and General	703,050	699,761
Total expenses	3,727,875	3,506,184
Changes in net assets	1,516,870	383,202
Net assets at beginning of year	3,043,556	2,660,354
NET ASSETS AT END OF YEAR	**$ 4,560,426**	**$ 3,043,556**

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, 2014

	Program Services	Management and General	Total Expenses
Salaries and wages	$ 1,001,935	$ 333,981	$ 1,335,916
Employee benefits (Note 6)	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 (Note 7)	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 (Note 5)	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 (Note 4)	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 STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Program Services	Management and General	Total Expenses
Salaries and wages	$ 1,001,247	$ 299,074	$ 1,300,321
Employee benefits (Note 6)	192,401	57,471	249,872
Payroll taxes	89,417	26,709	116,126
Fees for services:			
Management	145,026	7,633	152,659
Legal	-	188,587	188,587
Accounting	-	25,632	25,632
Other	21,255	-	21,255
Advertising and promotion (Note 7)	158,100	-	158,100
Office expenses:			
Bank charges and merchant fees	80,614	4,243	84,857
Supplies	28,426	1,496	29,922
Equipment rental	4,356	229	4,585
Postage and shipping	33,415	1,759	35,174
Printing costs	28,873	1,520	30,393
Telephone	23,415	1,232	24,647
Dues and subscriptions	181	3,444	3,625
Licenses and permits	-	195	195
Other office expenses	13,117	690	13,807
Information technology	324,818	17,096	341,914
Occupancy (Note 5)	79,719	4,196	83,915
Travel, meeting and conventions	83,688	37,599	121,287
Conferences, conventions and meetings	276,234	-	276,234
Interest	583	31	614
Depreciation and amortization (Note 4)	194,319	10,228	204,547
Loss on disposal of fixed assets	27,219	1,432	28,651
Insurance	-	9,265	9,265
TOTAL	**$ 2,806,423**	**$ 699,761**	**$ 3,506,184**

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 CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 1,516,870	$ 383,202
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	480,146	204,547
Loss on disposal of fixed assets	454	28,651
Realized and unrealized (gain) loss on investments	(75,612)	163,224
(Increase) decrease in:		
Accounts receivable	(4,297)	-
Prepaid expenses	(31,736)	17,506
Increase (decrease) in:		
Accounts payable	(123,623)	195,211
Accrued salaries and related benefits	(79,206)	48,997
Accrued pension payable	6,322	8,590
Deferred revenue	459,962	28,629
Deferred rent	3,246	(82,016)
Net cash provided by operating activities	2,152,526	996,541
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(572,587)	(1,055,536)
Purchases of investments	(3,605,791)	(1,429,830)
Proceeds from sales of investments	2,870,978	1,375,814
Net cash used by investing activities	(1,307,400)	(1,109,552)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease obligation	(2,029)	(11,674)
Net cash used by financing activities	(2,029)	(11,674)
Net increase (decrease) in cash and cash equivalents	843,097	(124,685)
Cash and cash equivalents at beginning of year	471,551	596,236
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 1,314,648**	**$ 471,551**
SUPPLEMENTAL INFORMATION:		
Interest Paid	**$ 19**	**$ 614**

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.

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.

Basis of presentation -

The accompanying 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.

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. Realized and unrealized losses and gains are included in investment income (loss) 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, 2014 and 2013 totaled $480,146 and $204,547, respectively.

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

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, 2014 and 2013, 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.

The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

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, 2014 and 2013.

- **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, 2014 and 2013.

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 the first time the advertising occurs.

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, 2014 and 2013:

	Fair Value	
	2014	2013
Money market funds	$ 63,541	$ 323,728
Corporate bonds	27,146	672,202
Mutual funds	40,020	144,340
Certificates of deposit	2,333,996	514,008
TOTAL INVESTMENTS	**$ 2,464,703**	**$ 1,654,278**

2. INVESTMENTS (Continued)

Included in investment income (loss) are the following:

	2014	2013
Interest and dividends	$ 33,177	$ 64,156
Unrealized gain (loss) on investments	138,409	(144,821)
Realized loss on sales of investments	(62,797)	(18,403)
Management fees	(6,159)	(9,744)
TOTAL INVESTMENT INCOME (LOSS)	**$ 102,630**	**$ (108,812)**

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 accrued interest of 3.25% and were due to the Foundation on a quarterly basis. 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, 2014 and 2013, the total amount of principal and interest due by the Alliance to the Foundation aggregated $1,291,727 and $1,357,377, 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, 2014 and 2013:

	2014	2013
Furniture and equipment	$ 281,415	$ 298,102
Website	1,624,683	1,052,096
Leasehold improvements	455,812	455,812
Total fixed assets	2,361,910	1,806,010
Less: Accumulated depreciation and amortization	(990,159)	(526,246)
NET FIXED ASSETS	**$ 1,371,751**	**$ 1,279,764**

Total depreciation and amortization expense was $480,146 and $204,547, for the years ended December 31, 2014 and 2013, 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)

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.

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 office space in Arlington, Virginia. The lease will commence on October 1, 2016 and will terminate on November 30, 2026. The monthly base rental requirement is $26,870 and will increase 2.75% per annum.

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

Year Ending December 31,	Office	Equipment	Total
2015	$ 189,774	$ 7,512	$ 197,286
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
Thereafter	2,642,954	-	2,642,954
	$ 4,026,996	$ 24,460	$ 4,051,456

Rent expense for the years ended December 31, 2014 and 2013 totaled $187,500 and $76,808, respectively, which is included in occupancy expense in the accompanying Combined Statements of Functional Expenses. The deferred rent liability aggregated $5,536 and $2,290 as of December 31, 2014 and 2013, 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, 2014 and 2013. Contributions for the years ended December 31, 2014 and 2013 were $42,122 and $35,800, respectively.

7. ADVERTISING

Included in program expense on the Combined Statements of Activities and Changes in Net Assets are advertising costs in the amounts of $83,620 and $158,100, for the years ended December 31, 2014 and 2013, respectively.

8. COMMITMENTS

The Organizations are committed under agreements for hotel rooms and conference space through the year 2015. There are cancellation penalties that would be due if the agreements were cancelled prior to the event date. The amount of the cancellation penalties increase through the date of the event. Although the room costs are usually paid directly by conference participants, the Organizations are contingently liable for all or a portion of these costs upon cancellation of the event. Management believes that the Organizations' future exposure to such losses is unlikely.

9. 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). 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, 2014 and 2013.

- *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.

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**

9. FAIR VALUE MEASUREMENT (Continued)

The table below summarizes, by level within the fair value hierarchy, the Organizations' investments as of December 31, 2013:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	$ 323,728	$ -	$ -	$ 323,728
Corporate bonds	672,202	-	-	672,202
Mutual funds	144,340	-	-	144,340
Certificates of deposit	-	514,008	-	514,008
TOTAL	**$ 1,140,270**	**$ 514,008**	**$ -**	**$ 1,654,278**

10. SUBSEQUENT EVENTS

In preparing these combined financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through September 25, 2015, 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, 2014

ASSETS

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
CURRENT ASSETS				
Cash and cash equivalents	$ 794,418	$ 520,230	$ -	$ 1,314,648
Investments	2,464,703	-	-	2,464,703
Accounts receivable	4,297	-	-	4,297
Loans receivable from Yoga Alliance	1,291,727	-	(1,291,727)	-
Prepaid expenses	101,702	6,491	-	108,193
Total current assets	4,656,847	526,721	(1,291,727)	3,891,841
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION AND AMORTIZATION OF $990,159	1,371,751	-	-	1,371,751
OTHER ASSETS				
Security deposit	10,331	-	-	10,331
TOTAL ASSETS	**$ 6,038,929**	**$ 526,721**	**$ (1,291,727)**	**$ 5,273,923**

LIABILITIES AND NET ASSETS

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	$ 113,415	$ 21,675	$ -	$ 135,090
Accrued salaries and related benefits	41,333	-	-	41,333
Accrued pension payable	42,122	-	-	42,122
Deferred revenue	-	489,416	-	489,416
Loans payable to Yoga Alliance Foundation	-	1,291,727	(1,291,727)	-
Total current liabilities	196,870	1,802,818	(1,291,727)	707,961
LONG-TERM LIABILITIES				
Deferred rent liability	5,536	-	-	5,536
Total liabilities	202,406	1,802,818	(1,291,727)	713,497
NET ASSETS				
Unrestricted (deficit)	5,836,523	(1,276,097)	-	4,560,426
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	**$ 6,038,929**	**$ 526,721**	**$ (1,291,727)**	**$ 5,273,923**

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, 2014

	Yoga Alliance Foundation	Yoga Alliance	Eliminations	Total
UNRESTRICTED REVENUE				
Registered yoga teachers	$ 2,872,582	$ -	$ -	$ 2,872,582
Registered yoga schools	851,189	23,661	-	874,850
Experienced registered yoga teachers	643,310	-	-	643,310
Membership	-	606,810	-	606,810
Investment income	102,316	314	-	102,630
Other revenue	7,840	136,723	-	144,563
Interest income from related party	76,016	-	(76,016)	-
Total unrestricted revenue	4,553,253	767,508	(76,016)	5,244,745
EXPENSES				
Program Services	2,338,431	748,074	(61,680)	3,024,825
Management and General	543,513	173,873	(14,336)	703,050
Total expenses	2,881,944	921,947	(76,016)	3,727,875
Change in unrestricted net assets (deficit)	1,671,309	(154,439)	-	1,516,870
Unrestricted net assets (deficit) at beginning of year	4,165,214	(1,121,658)	-	3,043,556
UNRESTRICTED NET ASSETS (DEFICIT) AT END OF YEAR	**$ 5,836,523**	**$ (1,276,097)**	**$ -**	**$ 4,560,426**