
**The Federated Charities
Corporation of Frederick**

**Financial Statements and
Independent Accountants' Review Report**

**For the Years Ended
December 31, 2020 and 2019**

LSWG

**CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS**



INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
The Federated Charities Corporation of Frederick

We have reviewed the accompanying financial statements of The Federated Charities Corporation of Frederick, (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

LSWG, P.A.

Frederick, Maryland
April 20, 2021

The Federated Charities Corporation of Frederick
Statements of Financial Position
December 31,

	<u>Assets</u>	
	<u>2020</u>	<u>2019</u>
Current Assets		
Cash and cash equivalents	\$ 68,029	\$ 83,916
Restricted cash		
Security deposits	6,058	6,788
Fiscal sponsorship	16,298	-
Contributions receivable	426	1,034
Deposits	17,761	-
Prepaid expenses	2,289	2,271
Total Current Assets	<u>110,861</u>	<u>94,009</u>
 Property and Equipment, net	 <u>1,417,752</u>	 <u>1,477,717</u>
 Total Assets	 <u><u>\$ 1,528,613</u></u>	 <u><u>\$ 1,571,726</u></u>
	 <u>Liabilities and Net Assets</u>	
Current Liabilities		
Accounts payable	\$ 10,849	\$ 6,120
Accrued expenses	4,444	6,341
Current portion of notes payable	18,101	153,328
Prepaid rents	944	8,349
Total Current Liabilities	<u>34,338</u>	<u>174,138</u>
 Long Term Liabilities		
Notes payable, net of current portion	192,103	-
Security deposits	6,058	6,813
Total Long Term Liabilities	<u>198,161</u>	<u>6,813</u>
 Total Liabilities	 232,499	 180,951
 Net Assets		
Net assets without donor restrictions	1,277,174	1,373,031
Net assets with donor restrictions	18,940	17,744
Total Net Assets	<u>1,296,114</u>	<u>1,390,775</u>
 Total Liabilities and Net Assets	 <u><u>\$ 1,528,613</u></u>	 <u><u>\$ 1,571,726</u></u>

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Support and Revenue			
Contributions	\$ 29,271	\$ -	\$ 29,271
Fundraising income	6,458	-	6,458
Grants	1,000	53,303	54,303
Rental income	220,344	-	220,344
Fiscal sponsorship			
In-kind inventory	-	29,446	29,446
Contributions	-	21,407	21,407
Interest income	144	-	144
Miscellaneous income	2,209	-	2,209
	<u>259,426</u>	<u>104,156</u>	<u>363,582</u>
Net assets released from restrictions:			
Satisfaction of program restrictions	102,960	(102,960)	-
	<u>362,386</u>	<u>1,196</u>	<u>363,582</u>
Total Support and Revenue			
Expenses			
Program	371,759	-	371,759
Management and general	38,391	-	38,391
Fundraising	22,776	-	22,776
Total Expenses	<u>432,926</u>	<u>-</u>	<u>432,926</u>
Change in Net Assets from Operations	(70,540)	1,196	(69,344)
Write-down of inventory	<u>(25,317)</u>	<u>-</u>	<u>(25,317)</u>
Change in Net Assets	(95,857)	1,196	(94,661)
Net Assets			
Beginning of year	1,373,031	17,744	1,390,775
End of year	<u>\$ 1,277,174</u>	<u>\$ 18,940</u>	<u>\$ 1,296,114</u>

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2019

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Contributions	\$ 32,222	\$ 6,944	\$ 39,166
Fundraising income	12,344	-	12,344
Grants	2,711	17,500	20,211
Rental income	213,748	-	213,748
Interest income	59	-	59
Miscellaneous income	230	-	230
	<u>261,314</u>	<u>24,444</u>	<u>285,758</u>
Net assets released from restrictions:			
Satisfaction of program restrictions	16,892	(16,892)	-
	<u>278,206</u>	<u>7,552</u>	<u>285,758</u>
Expenses			
Program	270,461	-	270,461
Management and general	44,217	-	44,217
Fundraising	17,455	-	17,455
Total Expenses	<u>332,133</u>	<u>-</u>	<u>332,133</u>
Change in Net Assets	(53,927)	7,552	(46,375)
Net Assets			
Beginning of year	1,426,958	10,192	1,437,150
End of year	<u>\$ 1,373,031</u>	<u>\$ 17,744</u>	<u>\$ 1,390,775</u>

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program	Management and General	Fundraising	Total
Salaries and bonuses	\$ 50,727	\$ 13,240	\$ 7,773	\$ 71,740
Employee benefits	1,086	348	240	1,674
Payroll taxes	3,625	1,475	610	5,710
Total personnel related expenses	<u>55,438</u>	<u>15,063</u>	<u>8,623</u>	<u>79,124</u>
Contractual services	25,517	12,600	-	38,117
Utilities	20,935	-	-	20,935
Insurance	11,296	2,204	-	13,500
Non-capital building improvements	103,972	-	-	103,972
Repairs and maintenance	29,701	-	-	29,701
Supplies	10,536	880	29	11,445
Interest expense	7,845	-	-	7,845
Marketing and printed materials	2,002	564	6,356	8,922
Professional development	278	138	-	416
Membership and subscriptions	746	2,970	2,988	6,704
Telephone and internet	11,652	1,292	-	12,944
Program expense - fiscal sponsorship	8,808	-	-	8,808
Program expense - other	10,947	400	-	11,347
Fundraising expense	-	-	3,443	3,443
Office and board expenses	8,689	713	-	9,402
Travel and transportation	1,252	-	-	1,252
Bank and service charges	1,638	59	376	2,073
Postage and shipping	9	135	771	915
Meals and entertainment	146	86	-	232
Licenses and permits	282	-	190	472
Payroll processing	105	1,287	-	1,392
Depreciation	<u>59,965</u>	<u>-</u>	<u>-</u>	<u>59,965</u>
Total expenses	<u><u>\$ 371,759</u></u>	<u><u>\$ 38,391</u></u>	<u><u>\$ 22,776</u></u>	<u><u>\$ 432,926</u></u>

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Statement of Functional Expenses
For the Year Ended December 31, 2019

	Program	Management and General	Fundraising	Total
Salaries and bonuses	\$ 48,120	\$ 14,484	\$ 7,755	\$ 70,359
Employee benefits	937	477	237	1,651
Payroll taxes	3,650	1,109	607	5,366
Total personnel related expenses	<u>52,707</u>	<u>16,070</u>	<u>8,599</u>	<u>77,376</u>
Contractual services	36,556	11,955	50	48,561
Utilities	22,290	39	-	22,329
Insurance	12,271	2,624	-	14,895
Repairs and maintenance	31,465	1,827	-	33,292
Supplies	7,418	2,033	139	9,590
Interest expense	5,312	1,061	-	6,373
Marketing and printed materials	892	1,205	3,130	5,227
Professional development	314	89	12	415
Membership and subscriptions	1,445	3,422	310	5,177
Telephone and internet	6,731	849	-	7,580
Program expense	5,492	-	82	5,574
Fundraising expense	-	-	2,982	2,982
Office and board expense	870	483	556	1,909
Travel and transportation	964	873	-	1,837
Bank and service charges	75	152	144	371
Postage and shipping	26	172	1,304	1,502
Meals and entertainment	223	53	64	340
Licenses and permits	332	-	83	415
Payroll processing	-	1,310	-	1,310
Contributions	24,545	-	-	24,545
Depreciation	60,533	-	-	60,533
Total expenses	<u>\$ 270,461</u>	<u>\$ 44,217</u>	<u>\$ 17,455</u>	<u>\$ 332,133</u>

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Statements of Cash Flows
For the Years Ended December 31,

	2020	2019
Change in Cash and Cash Equivalents, Including Restricted Cash		
Cash Flows from Operating Activities		
Change in Net Assets	\$ (94,661)	\$ (46,375)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	59,965	60,533
Donation of inventory	-	24,545
Change in assets and liabilities:		
Contributions receivable	608	415
Deposits	(17,761)	-
Prepaid expenses	(18)	2,251
Accounts payable	4,729	(169)
Accrued expenses	(1,897)	(2,733)
Prepaid rents	(7,405)	2,020
Security deposits	(755)	4,850
Net Cash (Used in) Provided by Operating Activities	(57,195)	45,337
Cash Flows from Investing Activities		
Acquisition of property and equipment	-	(3,600)
Net Cash (Used in) Investing Activities	-	(3,600)
Cash Flows from Financing Activities		
Payments on capital lease obligations	-	(3,365)
Proceeds from notes payable	75,000	-
Principal payments on notes payable	(18,124)	(14,271)
Net Cash Provided by (Used in) Financing Activities	56,876	(17,636)
Change in Cash, Cash Equivalents and Restricted Cash	(319)	24,101
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	90,704	66,603
Cash, Cash Equivalents and Restricted Cash, End of Year	\$ 90,385	\$ 90,704
 Reconciliation of Cash, Cash Equivalents and Restricted Cash:		
Amounts reported within the Statements of Financial Position that sum to the total above:		
Cash and cash equivalents	\$ 68,029	\$ 83,916
Restricted cash, security deposits	6,058	6,788
Restricted cash, fiscal sponsorship	16,298	-
Total Cash, Cash Equivalents and Restricted Cash	\$ 90,385	\$ 90,704
 Supplemental Disclosures - cash paid during the year for:		
Interest	\$ 7,845	\$ 6,373
Taxes	-	-

See accompanying notes and independent accountants' review report.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(1) History and Nature of Organization

The Federated Charities Corporation of Frederick (Federated) was founded on March 24, 1911 for the purpose of offering charitable and benevolent work in Frederick City and County. The mission of Federated is to provide compassionate community services in Frederick and offer education and resources to support non-profits in a collaborative environment, which includes operating a nonprofit center, providing training and professional development to nonprofit professionals, offering space and collaboration opportunities to local 501(C)(3) organizations, as well as several direct service outreach programs which provide direct services to clients.

(2) Summary of Significant Accounting Policies

Basis of Presentation – the financial statements of Federated have been prepared on the accrual basis of accounting. Federated reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – net assets that are not subject to or are no longer subject to donor imposed stipulations. These net assets are generally available for the operations of Federated.

Net Assets With Donor Restrictions – net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenue and support are reported as increases 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 restriction. Gains and losses on other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Cash and Cash Equivalents - Federated considers all money market funds to be cash equivalents. Restricted cash consists of separate bank accounts maintained for security deposits received and held under the tenant rental program and fiscal sponsorships. The security deposit bank account is offset by a related liability, security deposits.

Contributions Receivable - Contributions receivable are stated at the amount management expects to collect from outstanding balances. Management considers contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they will be charged to operations when that determination is made. As of December 31, 2020 and 2019, all contributions receivable are expected to be collected within one year.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(2) Summary of Significant Accounting Policies (continued)

Property, Equipment, and Depreciation - Property and equipment is recorded at cost if purchased, and at fair market value if donated. Federated has a policy of capitalizing items over \$2,500. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Building and improvements	15 - 40 years
Furniture and fixtures	7 years
Machinery and equipment	2.5 - 7 years

Classification of Depreciation on Assets Acquired Under Capital Leases - The depreciation expense on assets acquired under capital leases is included with depreciation expense on owned assets.

Revenue Recognition - Federated earns revenue primarily through tenant rental income, grants and contributions and fundraising income. In 2020 Federated also earned revenue under a fiscal sponsorship agreement.

Federated recognizes revenue from tenant rental income during the period covered by the rental agreement. All amounts received in advance of the rental or access period are deferred to the applicable period.

Federated recognizes unconditional grants, contributions, fundraising and fiscal sponsorship income when the following are received - cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest. Conditional grants and contributions – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Tenant Rental Program - Federated leases approximately 87% of its real property to unrelated entities under year-to-year or multi-year leases, generally with terms of one to three years. Rental income for the years ended December 31, 2020 and 2019 was \$220,344 and \$213,748, respectively. During 2020, the facility was 80% to 100% occupied. During 2019, the facility was fully occupied. Total space available is approximately 23,748 square feet of which 20,633 square feet is rented to 9 to 12 tenants. The remaining space of approximately 3,115 square feet is dedicated to co-work space, other programs and general administration.

Fiscal Sponsorship - In 2020 Federated entered into a fiscal sponsorship agreement with an individual for activities related to the sale and distribution of a book. Federated received donated books to be used for activities under this agreement that were recorded at the estimated fair value of \$29,446 as both a contribution and inventory. At December 31, 2020, Federated determined there had been a decline in value and recorded a write-down of \$25,317. The fiscal sponsorship agreement was terminated in February 2021.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(2) Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses - Federated operating costs have been allocated between program, management and general, and fundraising expenses based on direct identification when possible, and allocation if a single expenditure benefits more than on program or function. Salaries, payroll taxes and employee retirement costs are charged to program, management and general and fundraising based on actual time worked.

Fundraising and Advertising - Federated expenses fundraising and advertising costs as incurred. Fundraising costs and advertising were \$3,443 and \$8,922, respectively, for the year ended December 31, 2020. Fundraising costs and advertising were \$2,982 and \$5,227, respectively, for the year ended December 31, 2019.

Income Taxes - Federated is generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Federated has been classified as a private operating foundation described in section 4942(j)(3) and is subject to federal excise tax on net investment income and income tax on unrelated business income. Federated did not have any net investment income or net unrelated business income for the years ended December 31, 2020 and 2019.

Federated annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the financial statements.

Federated is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The organization believes it is no longer subject to income tax examinations for years prior to 2017.

Estimates - The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated Material and Services - At times, Federated may benefit from services supplied by volunteers. The value of this contributed time is not reflected in these statements because it does not meet the criteria for recognition under US GAAP. Contributed services meeting the criteria for recognition under US GAAP are recorded at their fair market value in the period received. Donated materials and equipment, if any, are reflected as contributions at their estimated fair value at date of receipt. During the year ended December 31, 2020, Federated received donated inventory as noted above under a fiscal sponsorship agreement. There were no donated material or services recorded for the year ended December 31, 2019.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(3) Property and Equipment

Property and equipment consisted of the following at December 31:

	2020	2019
Building and improvements	\$ 2,380,304	\$ 2,380,304
Furniture and fixtures	18,070	18,070
Machinery and equipment	800	2,075
Total depreciable property and equipment	2,399,174	2,400,449
Less accumulated depreciation	1,139,422	1,080,732
	1,259,752	1,319,717
Land	158,000	158,000
Property and equipment, net	\$ 1,417,752	\$ 1,477,717

Depreciation expense for the years ended December 31, 2020 and 2019 was \$59,965 and \$60,533, respectively.

(4) Notes Payable

Federated has a promissory note with a local financial institution to finance its building. The note is collateralized by a deed of trust on the building. The note originated in 2002 and the terms have been amended several times. Under the current terms, the note is payable in monthly installments of \$1,609, including interest at 3.75%. Effective July 2025, the interest rate will vary at prime plus 1%, with a floor rate of 4%. Payments extend until maturity in April 2029.

In February, 2020, Federated executed a note with an unrelated party to finance building renovations, payable in monthly installments of \$574, including interest at 4.5% through February, 2035.

Interest expense on all notes payable for the years ended December 31, 2020 and 2019 was \$7,845 and \$5,992, respectively.

Maturities on notes payable at December 31, 2020 are as follows:

2021	\$	18,101
2022		18,739
2023		19,493
2024		20,266
2025		21,090
Thereafter		112,515

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(5) Leasing Agreements

Capital Leases

Copier/Printer: In November 2016, Federated received a donation of a copier/printer that included assuming the obligation for future lease payments of \$261 per month through May 2019. The donor also made a cash gift equal to the sum of the future lease payments under the lease. Federated recorded the asset as office equipment at the present value of the future lease commitments with an offsetting entry to record the capital lease obligation. The equipment was depreciated over the remaining useful life and the capital lease obligation was accounted for as principal and interest payments.

Access Control System: In November 2016, Federated entered into a 36 month lease agreement for the acquisition of an automated access control system to allow its tenants to have secure access to the facility during non-business hours. The lease requires 36 monthly payments of \$176 through December 2019. The lease was accounted for as a capital lease using a 4% discount rate to determine the present value of future lease payments, resulting in capitalizing the access control system at a cost of \$5,962, with an offsetting capital lease obligation. The asset was depreciated using Federated's usual policies. The lease obligation was accounted for as principal and interest payments.

Total payments and principal and interest allocations under the capital lease agreements were as follows for the year ended December 31, 2019: \$3,417 total payments; \$3,365 principal; \$52 interest. The leases were fully paid as of December 31, 2019.

Operating Leases

Federated occasionally assumes operating leases for office equipment when a tenant vacates the premises. Rent expense under such leases for the years ended December 31, 2020 and 2019 was \$7,697 and \$2,679, respectively. Future minimum lease payments under these arrangements are as follows for the years ended December 31:

2021	\$ 3,642
2022	-
2023	-
2024	-
2025	-

(6) Line of Credit

On February 5, 2019, Federated obtained a \$100,000 line of credit with a local bank. The interest rate is 4.75% and the line is secured by the assets of the organization. Interest-only payments are due monthly on any outstanding balance. The line expires February 5, 2022. There were no borrowings on the line during 2020 or 2019 and no outstanding balance as of December 31, 2020 and 2019.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(7) Paycheck Protection Program Grant

Federated was granted a \$15,100 loan under the Paycheck Protection Program “PPP” administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. Federated initially recorded the loan as a refundable advance and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. Federated has recognized \$15,100 as grant revenue for the year ended December 31, 2020. In March, 2021, Federated was granted full forgiveness of the loan by the SBA.

(8) Revenue Concentrations

For the years ended December 31, 2020 and 2019, Federated received approximately 46% and 49% of rental income from two tenants, respectively. The current level of operations and programs may be impacted by the loss of these tenants. One of these tenants did not renew in 2021. Management believes the COVID-19 pandemic was a contributing factor.

(9) SIMPLE IRA Plan

Federated has a SIMPLE IRA plan that covers all full-time employees and part-time employees working more than 25 hours per week that have met certain service requirements. Employees may contribute any percentage of their salary provided they do not contribute more than the maximum permitted by law. Federated makes a safe harbor 3% company contribution for eligible employees. For the years ended December 31, 2020 and 2019, Federated contributed \$1,674 and \$1,651, respectively, in employer contributions to employee accounts.

(10) Uncertainties

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. Federated is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on Federated’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on Federated’s tenants, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact Federated’s financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(11) Net Assets With Donor Restrictions

The following illustrates items received and released from donor restrictions during the years ending December 31, 2020 and 2019 and the amount of net assets with donor restrictions remaining at December 31, 2020 and 2019:

2020

Grantor	Beginning Balance	Grants Received	Restrictions Met	Ending Balance
Unity Campaign (2020)	\$ 4,944	\$ -	\$ 4,944	\$ -
Ausherman Foundation	6,400	-	5,298	1,102
Serini Foundation	6,400	-	4,860	1,540
Fiscal sponsorship	-	50,853	34,555	16,298
MD Department of Commerce				
COVID nonprofit relief	-	21,303	21,303	-
Paycheck Protection Program Grant	-	15,100	15,100	-
Mission Exterior	-	10,000	10,000	-
Delaplaine Foundation	-	5,500	5,500	-
City of Frederick	-	1,400	1,400	-
Totals	\$ 17,744	\$ 104,156	\$ 102,960	\$ 18,940

2019

Grantor	Beginning Balance	Grants Received	Restrictions Met	Ending Balance
Women's Giving Circle	\$ 1,892	\$ -	\$ 1,892	\$ -
Community Foundation	846	-	846	-
Delaplaine Foundation	3,000	-	3,000	-
Unity Campaign (2018)	4,454	-	4,454	-
Ausherman Family Foundation	-	4,700	4,700	-
Ausherman Trustee Designation	-	2,000	2,000	-
Unity Campaign (2020)	-	4,944	-	4,944
Ausherman Foundation	-	6,400	-	6,400
Serini Foundation	-	6,400	-	6,400
Totals	\$ 10,192	\$ 24,444	\$ 16,892	\$ 17,744

The Federated Charities Corporation of Frederick
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

(12) Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, perpetual endowments and accumulated earnings net of appropriations within one year, or because the governing board has set aside the funds for a specific contingency reserve or a long term investment as board designated endowments.

	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 68,029	\$ 83,916
Restricted cash	22,356	6,788
Contributions receivable	426	1,034
Financial assets, at year end	90,811	91,738
Less those unavailable for general expenditure within on year, due to:		
Restricted cash	(22,356)	(6,788)
Restricted by donors	(2,642)	(17,744)
Financial assets available to meet cash needs for general expenses within one year	\$ 65,813	\$ 67,206

Federated has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Federated applies for grants to cover specific programs and other expenses and considers undesignated contributions and fundraising campaigns to cover general mission and operating expenses. Federated also has an unsecured \$100,000 line of credit available to meet short-term needs.

(13) Subsequent Events

Management has evaluated subsequent events through April 20, 2021, the date that the financial statements were available to be issued. There were no other subsequent events that required disclosure in these financial statements.

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