

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED MAY 31, 2020

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Independent Auditor's Report

Board of Directors
Assistance League of Phoenix, Arizona

We have audited the accompanying financial statements of Assistance League of Phoenix, Arizona (a nonprofit organization), which comprise the statement of financial position as of May 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Assistance League of Phoenix, Arizona
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assistance League of Phoenix, Arizona as of May 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
October 22, 2020

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
STATEMENT OF FINANCIAL POSITION
MAY 31, 2020

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 963,618
Investments	979,920
Accounts receivable	1,000
Prepaid expenses	22,193
Inventory	<u>410,327</u>
 Total Current Assets	 2,377,058
Non-current assets:	
Property and equipment, net of accumulated depreciation	<u>1,661,511</u>
 Total Assets	 <u><u>\$ 4,038,569</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable	\$ 7,727
Accrued payroll and related expenses	18,122
Credit card payable	2,815
Deferred revenue	9,910
Notes payable-current portion	<u>26,274</u>
 Total Current Liabilities	 64,848
Non-current liabilities:	
Notes payable-less current portion	<u>42,138</u>
 Total Liabilities	 <u>106,986</u>
Net Assets:	
Without donor restrictions	<u>3,931,583</u>
 Total Net Assets	 <u>3,931,583</u>
 Total Liabilities and Net Assets	 <u><u>\$ 4,038,569</u></u>

See accompanying notes to financial statements

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2020

	Without Donor Restriction	With Donor Restriction	Total
<u>Revenues, gains, and other support:</u>			
Sales of merchandise	\$ 349,065	\$ -	\$ 349,065
Contributions of donated merchandise	424,333		424,333
Less value of merchandise sold	(349,065)		(349,065)
Net sales revenue from thrift shop	424,333		424,333
Less thrift shop expenses	(138,241)		(138,241)
Net revenue from thrift shop	286,092	-	286,092
Special event revenue	275,261		275,261
Less cost of direct donor benefits	(77,970)		(77,970)
Net revenue from special events	197,291	-	197,291
Lease income	16,456		16,456
Membership	18,189	-	18,189
Grants	977,825		977,825
Contributions	96,072		96,072
Investment income, net	27,407		27,407
Unrealized gain/loss on investments	(1,938)		(1,938)
Other income	29,490		29,490
Fundraising	2,217		2,217
Total Revenues, gains, and other support	1,649,101	-	1,649,101
<u>Expenses:</u>			
Program Services			
Operation School Bell ®	\$ 908,394	\$ -	\$ 908,394
Hugs	17,540		17,540
Literacy	7,357		7,357
Wee Help	8,760		8,760
Supporting Expenses			
Special event	28,142		28,142
Membership development	14,931		14,931
Management and general	56,888		56,888
Total Expenses	1,042,012	-	1,042,012
Increase in net assets	607,089	-	607,089
Net assets, beginning of year	3,324,494	-	3,324,494
Net assets, end of year	\$ 3,931,583	\$ -	\$ 3,931,583

See accompanying notes to financial statements

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2020

	Program Services					Supporting Services						
	Operation School Bell	HUGS	Literacy	Wee Help	Total Program Services	Fundraising			Management and General	Total Supporting Services	Total Expenses	
						Special Event	Thrift Shop	Membership Development				Total Fundraising
	0.928	0.038	0.022	0.012	1							
Materials & supplies	401,106	12,218	4,276	7,080	424,680	82,845	6,525	-	89,370	2,876	92,246	516,926
Bank charges	584				584	3,806	7,082	34	10,922	1,498	12,420	13,004
Dues and subscriptions	1,523				1,523	-	152	-	152	112	264	1,787
Information technology	17,585	502	290	158	18,535	-	7,171	-	7,171	2,964	10,135	28,670
Facilities expense	38,197				38,197	-	31,630	-	31,630	-	31,630	69,827
Insurance	7,964				7,964	-	6,115	579	6,694	1,004	7,698	15,662
Other expense	4,167				4,167	7,311	-	-	7,311	5,905	13,216	17,383
Office expense	28,004				28,004	742	372	-	1,114	-	1,114	29,118
Professional services	461				461	9,908	-	-	9,908	14,750	24,658	25,119
Marketing and public relations	12,812				12,812	1,500	283	-	1,783	54	1,837	14,649
Grant expense	33,600				33,600	-	-	-	-	-	-	33,600
Salaries and benefits	309,250	3,164	1,832	999	315,245	-	58,215	-	58,215	27,725	85,940	401,185
Contract labor	5,800				5,800		2,253		2,253		2,253	8,053
Bus expense	6,895				6,895							6,895
National dues					-			4,880	4,880		4,880	4,880
Members expense					-			9,438	9,438		9,438	9,438
Subtotal	867,948	15,884	6,398	8,237	898,467	106,112	119,798	14,931	240,841	56,888	297,729	1,196,196
Depreciation	40,446	1,656	959	523	43,584		18,443		18,443		18,443	62,027
Total expenses	908,394	17,540	7,357	8,760	942,051	106,112	138,241	14,931	259,284	56,888	316,172	1,258,223
Less expenses included with revenues on statement of activities						(77,970)	(138,241)		(216,211)		(216,211)	(216,211)
Total expenses included in expense section on statement of activities	908,394	17,540	7,357	8,760	942,051	28,142	(0)	14,931	43,073	56,888	99,961	1,042,012

See accompanying notes to the financial statements.

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
STATEMENT OF CASH FLOWS
YEAR ENDED MAY 31, 2020

Cash flows from operating activities:	
Increase in net assets	\$ 607,089
Adjustments to reconcile changes in net assets to net	
Cash provided/(used) by operating activities:	
Depreciation and amortization	62,027
Unrealized/realized gains on investments	(16,587)
(Increase) in inventory	(149,016)
(Increase) in accounts receivable	(1,000)
Decrease in prepaid expenses	6,477
Increase in accounts payable	2,187
Increase in accrued payroll and related expenses	4,119
(Decrease) in deferred revenue	<u>(450)</u>
Net cash provided by operating activities	<u>514,846</u>
Cash flows from investing activities:	
Purchase of property and equipment	<u>(303,280)</u>
Net cash (used) by investing activities	<u>(303,280)</u>
Cash flows from financing activities:	
Net repayments on credit card payable	(3,901)
Proceeds from notes payable	<u>68,412</u>
Net cash provided by financing activities	<u>64,511</u>
Net increase in cash and cash equivalents	276,077
Cash and cash equivalents, beginning of year	<u>687,541</u>
Cash and cash equivalents, end of year	<u><u>\$ 963,618</u></u>

See accompanying notes to financial statements

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Assistance League® of Phoenix, Arizona (the Chapter) is an Arizona nonprofit corporation formed in March of 1961. The Chapter is a chartered chapter of National Assistance League®. The Chapter is primarily a volunteer organization whose mission is to improve the lives of children through philanthropic programs that fulfill basic needs, foster self-esteem and enhance quality of life. The Chapter's support and revenue come primarily from contributions and other fundraising efforts including special events and operation of a thrift shop.

The Chapter provides the following programs:

- OPERATION SCHOOL BELL® – fosters self-esteem and self-confidence in children resulting in a more successful educational experience. This program provides basic clothing needs for children by outfitting them with a complete school wardrobe. For many children these are the first new school clothes they have ever owned.
- HUGS – works with local hospitals, Phoenix Police and Fire departments, and other agencies to put smiles on the faces of traumatized children when they are comforted by an Assistance League® of Phoenix Teddy Bear stitched with love from Chapter members.
- LITERACY (BOOK GIFTS/BIRTHDAY BOOKS) – promotes student and family literacy by augmenting the educational resources of Title I elementary schools. Nine Title I schools in greater Phoenix have birthday book centers where every child can pick out a new book on his or her birthday. Thousands of books reach the hands of children through these gifts. For some, this is the first book they have owned.
- WEE HELP – distributes layette gift bags for infants of new parents in need, with the basics for their baby, including blankets, clothing, and other essential supplies.

Financial Statement Presentation – The Chapter presents these financial statements in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. This codification establishes standards for general purpose external financial statements provided by a not-for-profit organization. Those financial statements include a statement of financial position, a statement of activities, and a statement of cash flows.

These financial statements have been prepared on the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when the obligation is incurred. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Chapter and changes therein are classified and reported as without donor restrictions or with donor restrictions. Net assets without donor restrictions are net assets that are not subject to or are no longer subject to donor-imposed restrictions. Net assets with donor restrictions are those net assets expected to be maintained in perpetuity and those expected to be spent over time or for a particular purpose.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value – Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Chapter's significant financial instruments are cash and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

**NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)**

Concentrations of Credit Risk – Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Chapter has not experienced losses in any of these accounts.

Cash and Cash Equivalents – Cash includes cash held in checking, savings, certificates of deposit and money market accounts at May 31, 2020. For purposes of the statement of cash flows, the Chapter considers all highly-liquid investments with initial maturities of three months or less to be cash equivalents. Cash may include amounts which are subject to donor-imposed restrictions. There were no other restrictions on cash at May 31, 2020.

Investments – Investments in marketable securities with readily determined fair values are presented in the financial statements at fair value. Income from investments consists of interest and dividends. Gains on investments include both realized and unrealized gains and losses in investments.

Deferred Revenue – Membership dues collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues relate.

Inventory – Inventory is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

The Chapter maintains an inventory of new clothing and shoes for use in its Operation School Bell® program, books for use in its Literacy program, teddy bears for use in its Hugs program, and layettes for infants' use in its Wee Help program. All of these inventories are stated at the lower of cost, determined by the weighted-average cost method, or net realizable value. The Chapter also maintains an inventory of used clothing and household items, donated by Chapter members and others for resale by a thrift shop operated by the Chapter which is stated at its estimated fair value.

Property and Equipment – Property and equipment are stated at cost, or if donated, at the fair market value at the date of the gift, and net of accumulated depreciation. The Chapter's policy is to capitalize non-liquid assets with a useful life of more than one year. The Chapter depreciates its property and equipment over the estimated useful lives of the assets using the straight-line method, which are ten to 40 years for buildings and improvements, five to ten years for furniture and equipment. There are no restrictions on how these non-liquid assets can be used by the Chapter.

Maintenance and repairs are charged to expense, and renovations and improvements are capitalized. When depreciable property is retired or disposed of, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in the changes in net assets.

The Chapter reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended May 31, 2020.

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

**NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)**

Revenue Recognition for Program Services – The Chapter recognizes revenue that originates from the Thrift Shop as an exchange transaction, as it does not meet the definition of a contribution. The Thrift Shop revenue is recognized when the sale takes place.

Contributions – All contributions, including grants, are considered to be available for use without donor restriction unless specifically restricted by the donor/grantee. Amounts received that are designated for future periods or restricted by the donor for a particular purpose are reported as support that increases net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions and reported in the Statement of Activities as net assets released from restrictions. However, if a donor restriction is fulfilled in the same time period in which the contribution is received, the Chapter reports that support as without donor restriction. None of the grants received met the definition of “with donor restriction”, and none were conditional on a future performance obligation of the Chapter.

Donated Materials and Services – Significant materials and services are donated to the Chapter by various individuals, corporations, and other organizations. Donated materials of \$424,333 during the year ended May 31, 2020 are reflected in the accompanying financial statements at their fair values at the date of the donation. These materials consisted primarily of used clothing and household items donated by Chapter members and others for resale by the thrift shop operated by the Chapter.

In addition, a significant portion of the Chapter's functions and programs are conducted by unpaid volunteers. The value for this contributed time is not reflected in the accompanying financial statements since the services do not require special skills. During the year ended May 31, 2020, these volunteers donated approximately 24,658 hours with an estimated value of \$658,615. This value was computed using an estimated hourly rate of \$26.71, based upon the average hourly earnings of nonagricultural workers for the fiscal year ended April 30, 2020, as determined by the U.S. Department of Labor's Bureau for Labor Statistics, plus 12% for estimated fringe benefits.

Income Taxes – The Chapter is organized as an Arizona nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A), and has been determined not to be a private foundation under Section 509(a)(2). The entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The entity has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The entity believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The entity would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Uncertain Tax Positions – The Chapter accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards the Chapter recognizes tax positions only to the extent that Management believes it is “more likely than not” that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions for the year ended May 31, 2020.

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Functional Expense Allocation – The financial statements report certain expenses that are attributable to one or more program or supporting functions of the Chapter. These expenses are allocated based on square footage or estimates of personnel time and effort, as applicable.

Reclassifications – Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

National Dues – The Chapter pays dues to National Assistance League® based on the number of members in the Chapter. For the year ended May 31, 2020, the Chapter paid fees totaling \$4,640.

Subsequent Events – The Chapter has evaluated subsequent events through October 22, 2020, the date which the financial statements were available to be issued.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash in Bank – The Chapter maintains all of its cash with three financial institutions. At May 31, 2020, the carrying amount of deposits was \$963,618 and the bank balance was \$957,109. As of May 31, 2020, \$555,762 bank balance was covered by federal depository insurance, and \$401,347 was uninsured and uncollateralized. The Chapter also had \$675 of petty cash on hand to operate the Thrift Boutique and other activities.

NOTE 3 – INVESTMENTS

Fair Value of Financial Instruments – The Chapter applies generally accepted accounting principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP defines fair values as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Chapter has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

NOTE 3 – INVESTMENTS (CONT'D)

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used, as of May 31, 2020, in valuing the Chapter's assets carried at fair value:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
<u>May 31, 2020</u>				
Equities				
Balanced equity	\$ 20,792	\$ -	\$ -	\$ 20,792
Mutual Funds				
Real estate	45,213	-	-	45,213
Large blend	137,782	-	-	137,782
Large growth	84,120	-	-	84,120
Small cap value	157,051	-	-	157,051
Small cap growth	38,994	-	-	38,994
Foreign large blend	45,035	-	-	45,035
Fixed Income				
Ultrashort bonds	208,647			208,647
Short-term bonds	242,286			242,286
	<u>\$ 979,920</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 979,920</u>

The activity in investments is summarized below:

	Beginning Balance	Purchases	Sales	Realized/Unrealized gain/loss, net	Ending Balance
Investment Activity	\$ 963,333	\$ -	\$ -	\$ 16,587	\$ 979,920

The Chapter purchased investments with cash from its bank account and with proceeds from sales of investments.

NOTE 4 – INVENTORY

Inventory consisted of the following at May 31, 2020:

	2020
New clothing and shoes for use in the Operation School Bell program	\$ 203,710
Stuffed bears for use in HUGS program	11,011
Infant care items for use in Wee Help program	734
Books for use in the Literacy program	5,326
Used clothing and household items held for sale at the thrift shop	189,546
Total inventory	<u>\$ 410,327</u>

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

NOTE 5 – PROPERTY AND EQUIPMENT

Property and Equipment at May 31, 2020 consisted of the following:

	2020
Land	
7044 Building	391,258
Philanthropic Center	175,000
Land Improvements - 7044 Building	32,363
Building and Improvements	
7044 Building	726,453
Philanthropic Center	1,065,369
Furniture and Equipment	
7044 Building	83,441
Philanthropic Center	128,096
Operation School Bell	364,271
	2,966,251
Total Property and Equipment	
Accumulated Depreciation	(1,304,740)
Property and Equipment, net	1,661,511

Amortization and depreciation expense was \$62,027 for the year ended May 31, 2020.

NOTE 6 – NOTE PAYABLE

Paycheck Protection Program

In April of 2020, the Chapter received a Paycheck Protection Program (PPP) loan of \$68,412 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This loan bears interest at 1%, is due 24 months after receipt, with the first monthly payment deferred for six (6) months. The “covered period” utilized by the Chapter ended June 30, 2020. The loan is unsecured. The loan may be forgiven based on maintaining or quickly rehiring employees and maintaining salary levels if used for eligible costs, incurred within the covered period, including payroll and related costs, rent, interest expense on mortgage loans, and utilities. The Chapter believes they have met the requirement for loan forgiveness and expects to be applying for forgiveness in the fall of 2020.

Maturities of the notes payable are as follows:

<u>Fiscal year ending May 31:</u>		
2021	\$	26,274
2022		42,138
Total	\$	68,412

ASSISTANCE LEAGUE OF PHOENIX, ARIZONA
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2020

NOTE 7 – NET ASSETS

Net assets were designated by the Chapter as follows at May 31, 2020:

	2020
Board-designated for one year's operating expenditure needs	\$ 1,100,000
Undesignated	2,831,583
Total unrestricted net assets	\$ 3,931,583

NOTE 8 – SPECIAL EVENT

The Chapter has a major fundraising event to help fund current operations. The revenue and related expenses from this event for the year ended May 31, 2020:

Event	Revenue	Cost of Direct Donor Benefits	Other Event Costs	Net Revenues
Celebration of Caring Gala	\$ 275,261	\$ 77,970	\$ 28,142	\$ 169,149

NOTE 9 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Chapter's financial assets as of May 31, 2020, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or are assets held for other uses.

Financial assets:

Cash and cash equivalents	\$ 963,618
Investments	979,920

Financial assets at year end: 1,943,538

Less those unavailable for general expenditures within one year due to:

None applicable	\$ -
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Financial assets available to meet cash needs for general expenditures within one year: 1,943,538

The Chapter structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Chapter has a goal to maintain financial assets on hand to meet one year of normal operating expenses (See Note 7).