



**JUNIOR LEAGUE OF  
SALT LAKE CITY**

**Financial Statements**

**And**

**Independent Auditor's Report**

**As of May 31, 2023  
and for the year then ended  
with summarized comparative  
information for 2022**

# Junior League of Salt Lake City, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Junior League of Salt Lake City, Inc.  
Salt Lake City, Utah

### *Opinion*

We have audited the accompanying financial statements of Junior League of Salt Lake City, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior League of Salt Lake City, Inc. as of May 31, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Junior League of Salt Lake City, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Junior League of Salt Lake City, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Junior League of Salt Lake City, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Junior League of Salt Lake City, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Report on Summarized Comparative Information***

We have previously audited Junior League of Salt Lake City, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Bountiful Peak Advisors*

Bountiful, Utah  
December 12, 2023

# Junior League of Salt Lake City, Inc.

## Statement of Financial Position

May 31, 2023

With Comparative Totals for May 31, 2022

### ASSETS

	<u>05/31/2023</u>	<u>05/31/2022</u>
Current assets		
Cash and cash equivalents	\$ 167,474	\$ 268,145
Accounts receivable, including promises to give	12,002	9,554
Prepaid expense	5,299	3,199
Investments	<u>352,703</u>	<u>347,529</u>
Total current assets	<u>537,478</u>	<u>628,427</u>
Cash and cash equivalents, restricted	34,109	37,491
Investments, restricted	885,478	942,411
Property and equipment	1,228,005	1,148,369
Accumulated depreciation	<u>(594,432)</u>	<u>(569,170)</u>
Total assets	<u>\$ 2,090,638</u>	<u>\$ 2,187,528</u>

### LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ -	\$ 10,860
Accrued liabilities	18,218	7,015
Accrued payroll	2,381	2,181
Deferred revenue	<u>8,702</u>	<u>8,922</u>
Total current liabilities	<u>29,301</u>	<u>28,978</u>
Net assets		
Without donor restrictions		
Undesignated	681,427	701,761
Board designated	693,323	700,188
With donor restrictions	<u>686,587</u>	<u>756,601</u>
Total net assets	<u>2,061,337</u>	<u>2,158,550</u>
Total liabilities and net assets	<u>\$ 2,090,638</u>	<u>\$ 2,187,528</u>

See accompanying notes to financial statements.

**Junior League of Salt Lake City, Inc.**  
**Statement of Activities**  
**Year Ended May 31, 2023**  
**With Comparative Totals For the Year Ended May 31, 2022**

	<b>May 31, 2023</b>			
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>05/31/2023 Total</u>	<u>05/31/2022 Total</u>
<b>REVENUES AND SUPPORT</b>				
Revenues				
Special event sales	\$ 17,346	\$ -	\$ 17,346	\$ 19,701
Membership dues	11,951	-	11,951	14,064
Other income	3,640	-	3,640	3,300
Merchandise sales	288	-	288	821
Meeting and program fees	20	-	20	240
Net investment income	390	(2,868)	(2,478)	(87,870)
	<u>33,635</u>	<u>(2,868)</u>	<u>30,767</u>	<u>(49,744)</u>
Support				
Foundation and corporate contributions	955	238,995	239,950	235,982
Individual contributions	24,449	-	24,449	33,978
Contributed nonfinancial assets	14,275	355,443	369,718	29,286
Net assets released from restrictions	661,584	(661,584)	-	-
	<u>701,263</u>	<u>(67,146)</u>	<u>634,117</u>	<u>299,246</u>
Total revenues and support	<u>734,898</u>	<u>(70,014)</u>	<u>664,884</u>	<u>249,502</u>
<b>EXPENSES</b>				
Program services	640,014	-	640,014	168,083
Management and general	36,925	-	36,925	43,108
Fundraising	85,158	-	85,158	80,377
	<u>762,097</u>	<u>-</u>	<u>762,097</u>	<u>291,568</u>
Change in net assets	(27,199)	(70,014)	(97,213)	(42,066)
Net assets, beginning of year	<u>1,401,949</u>	<u>756,601</u>	<u>2,158,550</u>	<u>2,200,616</u>
Net assets, end of year	<u>\$ 1,374,750</u>	<u>\$ 686,587</u>	<u>\$ 2,061,337</u>	<u>\$ 2,158,550</u>

See accompanying notes to financial statements.

**Junior League of Salt Lake City, Inc.**  
**Statement of Functional Expenses**  
**Year Ended May 31, 2023**  
**With Comparative totals for the Year Ended May 31, 2022**

	May 31, 2023									
	Program Services				Support Activities			05/31/2023 Total	05/31/2022 Total	
	CARE Fair	Women Helping Women	Other	Total	Management and General	Fundraising	Total			
Professional fees	\$ 362,744	\$ -	\$ -	\$ 362,744	\$ 13,045	\$ 37,499	\$ 50,544	\$ 413,288	\$ 67,565	
Supplies	52,848	63,180	906	116,934	462	-	462	117,396	52,081	
Salaries and wages	4,335	9,726	8,782	22,843	9,670	10,838	20,508	43,351	44,724	
Food and beverage	17,137	213	4,644	21,994	-	5,945	5,945	27,939	9,013	
Depreciation	5,052	10,105	-	15,157	2,526	7,579	10,105	25,262	21,756	
Equipment rental	19,718	-	-	19,718	-	-	-	19,718	2,938	
Occupancy	6,508	5,284	10	11,802	1,062	4,825	5,887	17,689	11,879	
Repair and maintenance	3,469	6,937	-	10,406	1,734	5,203	6,937	17,343	17,042	
Office	7,680	254	5,769	13,703	1,935	574	2,509	16,212	3,470	
Marketing	13,924	-	-	13,924	-	1,500	1,500	15,424	16,483	
Contract labor	8,952	-	-	8,952	-	3,215	3,215	12,167	3,091	
Insurance	897	1,773	1,255	3,925	1,592	1,568	3,160	7,085	6,009	
Miscellaneous	3,164	-	2,632	5,796	-	-	-	5,796	5,539	
Cost of goods sold	-	-	-	-	-	5,072	5,072	5,072	8,760	
Travel	-	-	4,095	4,095	-	-	-	4,095	1,841	
Payroll taxes	353	795	706	1,854	795	883	1,678	3,532	3,637	
Communications	496	2,391	-	2,887	348	247	595	3,482	4,964	
Bank and merchant fees	-	-	-	-	3,249	-	3,249	3,249	3,583	
Information technology	1,521	838	-	2,359	210	210	420	2,779	5,198	
License and fees	707	-	214	921	259	-	259	1,180	273	
Bad debt	-	-	-	-	38	-	38	38	-	
Conferences and training	-	-	-	-	-	-	-	-	1,722	
<b>Total expenses</b>	<b>\$ 509,505</b>	<b>\$ 101,496</b>	<b>\$ 29,013</b>	<b>\$ 640,014</b>	<b>\$ 36,925</b>	<b>\$ 85,158</b>	<b>\$ 122,083</b>	<b>\$ 762,097</b>	<b>\$ 291,568</b>	

See accompanying notes to financial statements.

**Junior League of Salt Lake City, Inc.**  
**Statement of Cash Flows**  
**Year Ended May 31, 2023**  
**With Comparative Totals For the Year Ended May 31, 2022**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>05/31/2023</u>	<u>05/31/2022</u>
Change in net assets	\$ (97,213)	\$ (42,066)
Items not requiring cash		
Depreciation	25,262	21,756
Noncash net investment income	50,034	283,170
Changes in		
Accounts receivable, including promises to give	(2,448)	4,552
Prepaid expenses	(2,100)	5,588
Accounts payable	(10,860)	10,860
Accrued liabilities	11,203	(17,184)
Accrued payroll	200	(632)
Deferred revenue	<u>(220)</u>	<u>(2,374)</u>
Net cash provided by (used in) operating activities	<u>(26,142)</u>	<u>263,670</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(79,636)	-
Proceeds from sale of investments	1,227,136	271,218
Purchase of investments	<u>(1,225,411)</u>	<u>(441,554)</u>
Net cash used in investing activities	<u>(77,911)</u>	<u>(170,336)</u>
Net change in cash and cash equivalents	(104,053)	93,334
Cash and cash equivalents, beginning of year	<u>305,636</u>	<u>170,185</u>
Cash and cash equivalents, end of year	<u>\$ 201,583</u>	<u>\$ 305,636</u>
Cash and cash equivalents	\$ 167,474	\$ 268,145
Cash and cash equivalents, restricted	<u>34,109</u>	<u>37,491</u>
Total cash and cash equivalents	<u>\$ 201,583</u>	<u>\$ 305,636</u>
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

# Junior League of Salt Lake City, Inc.

## Notes to Financial Statements

May 31, 2023

### 1. ORGANIZATION HISTORY

Junior League of Salt Lake City, Inc. (“The Organization”) was organized under the laws of the State of Utah in 1934 as a nonprofit corporation. The Organization’s mission is to promote volunteerism, develop the potential of women, and improve communities through the effective action of leadership and trained volunteers. The Organization accomplishes its mission through its major programs, which include:

#### CARE Fair

An annual event providing individuals and families with free routine medical, dental, and vision services along with community assistance information.

#### Women Helping Women

A program through which the Organization’s volunteers collect, prepare, and distribute donated professional women’s clothing to women entering the workforce who are in transition toward self-sufficiency.

#### Other

Educational programming and community-building activities.

The Organization’s significant sources of revenue include nonfinancial contributions, foundation and corporate contributions, and membership dues.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements of the Organization have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither board-designated nor donor-restricted for long-term purposes, to be cash and cash equivalents.

#### Cash and Cash Equivalents, Restricted

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, but which are either donor-restricted or board-designated for long-term purposes, to be restricted cash and cash equivalents. At May 31, 2023 restricted cash and cash equivalents consisted of the following:

	<u>Donor-Restricted</u>	<u>Board-Designated</u>	<u>Total</u>
Building fund	\$ 4,695	\$ 17,300	\$ 21,995
Endowment	<u>3,162</u>	<u>8,952</u>	<u>12,114</u>
Total cash and cash equivalents, restricted	<u>\$ 7,857</u>	<u>\$ 26,252</u>	<u>\$ 34,109</u>

### Concentrations of Credit Risks

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Organization maintains its cash, cash equivalents, and investments in various financial institution accounts that, at times, may exceed federally insured limits. At May 31, 2023, cash in bank deposit accounts did not exceed federally insured limits. These assets have been placed with high credit quality financial institutions and the Organization has not experienced, nor does it anticipate, any losses with respect to such accounts. At May 31, 2023, investments in brokerage accounts exceeded federally insured limits by \$738,181.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectable amounts. The Organization's accounts receivable are generally short-term in nature; thus accounts receivable do not bear interest.

Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. An allowance for doubtful accounts related to accounts receivable has not been established at May 31, 2023 because management believes that all accounts receivable will be fully collectable.

### Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for doubtful accounts related to promises to give has not been established at May 31, 2023 because management believes that all promises to give will be fully collectable.

### Property and Equipment

Property and equipment are recorded at cost at the date purchased or, if donated, at fair value at the date donated. The Organization capitalizes additions that exceed \$500. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the respective assets or lease terms, which range from five to thirty-nine years. Depreciation expense for the year ended May 31, 2023 was \$25,262. Management reviews the carrying value of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

### Investments

Investments are initially recorded at cost, if purchased, or a fair value if donated. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, and investment management and custodial fees.

### Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions, with highest priority given to quoted prices in active markets and lowest priority to an entity's assumptions. The Organization groups assets at fair value in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Other observable inputs including quoted prices for similar assets in active or non-active markets, or other observable inputs for the asset.
Level 3	Unobservable inputs that cannot be corroborated by observable market data, such as pricing models, discounted cash flow models, and similar techniques.

### Endowment Policies

***Interpretation of Relevant Law*** – The Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. At May 31, 2023, there were no such donor stipulations. As a result of this interpretation, the organization retains in perpetuity:

- The original value of gifts donated to the endowment, and
- Any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other sources of the Organization
- The investment policies of the Organization

***Return Objectives and Risk Parameters*** – The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in a manner that is intended to produce returns that are higher than the rate of inflation, while assuming a moderate level of investment risk.

***Spending Policy*** – The Organization has a policy which allows all portions of the endowment fund that are not restricted by donors to be appropriated for expenditure at the discretion of the board of directors.

***Strategies Employed for Achieving Objectives*** – The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Organization targets a diversified asset allocation that emphasizes equities and fixed income securities held in mutual funds to achieve its long-term objectives within prudent risk constraints.

#### Net Assets

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

***Net Assets Without Donor Restrictions*** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

***Net Assets With Donor Restrictions*** – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are considered net assets with donor restrictions until the asset is placed in service.

#### Revenue Recognition

***Contributions*** – Contributions are recognized as support when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give (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 substantially met. Contributions are considered to be without donor restrictions unless restricted by the donor.

***Contributed Nonfinancial Assets*** – Contributed goods, use of facilities, and services that either create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at fair value at the date of donation.

***Program Service Revenue*** – Revenue is measured on the consideration specified in a contract with a customer and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes, if any, assessed by a governmental authority that are both imposed on and concurrent with a specified-revenue-producing transaction, that are collected by the Organization from a customer, are excluded from revenue. The following is a description of the Organization's principal activities which generate program service revenue.

##### *Memberships*

Memberships entitle customers to access specific services and programs. The typical length of a membership contract is twelve months. Memberships are amortized to revenue using a straight-line method over the membership period. Unamortized memberships are included in deferred revenue.

##### *Meeting and program fees*

Meeting and program fees include seminars, training, and other programmatic events. These are recognized as revenue when services are provided. Customer deposits related to meeting and program fees that are to be provided in a future year are included in deferred revenue.

*Merchandise sales*

Merchandise sales includes the sale of branded products to generate awareness, cookbooks, and other items. These are sold substantially all by volunteers. Merchandise sales are recognized as revenue when the goods are provided.

Deferred Revenue

Deferred revenue consists of unexpired memberships and customer deposits for meeting and program fees.

Advertising

Advertising costs are expensed when the advertising first takes place. Advertising expense for the year ended May 31, 2023 was \$15,424, and is included in marketing expense on the statement of functional expenses.

Income Taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2019.

Functional Allocation of Expenses

The cost of providing programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes, occupancy, repair and maintenance, communications, and depreciation, which are allocated on the basis of estimated time and effort.

Estimates in the Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications

Certain items from May 31, 2022 have been reclassified to conform to the May 31, 2023 presentation.

**3. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of May 31, 2023 consisted of the following:

Cash and cash equivalents		\$	167,474
Accounts receivable, including promises to give			12,002
Investments			<u>352,703</u>
 Current financial assets		 \$	 <u>532,179</u>
 Less those unavailable for general expenditure within one year due to			
Donor-imposed purpose restrictions			<u>(460,324)</u>
 Total financial assets available to meet cash needs for general expenditure within one year		 \$	 <u><u>71,855</u></u>

The Organization structures its financial assets to be available as obligations come due. The Organization invests cash in excess of daily requirements in savings and investment accounts. Additionally, the Organization has investments and restricted cash totaling \$693,323 which have been designated by the board for long-term purposes. Although the Organization does not intend to spend from its board-designated investments, these amounts could be made available through board appropriation if necessary.

**4. ACCOUNTS RECEIVABLE, INCLUDING PROMISES TO GIVE**

Accounts receivable, including promises to give, consisted of the following at May 31, 2023:

Promises to give		\$	9,000
Sales tax receivable			2,242
Accounts receivable			<u>760</u>
 Total accounts receivable, including promises to give		 \$	 <u>12,002</u>

Accounts receivable, including promises to give are expected to be collected within one year.

**5. FAIR VALUE MEASUREMENTS**

The following is a summary of investments at May 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Equity	\$ 60,785	\$ -	\$ -	\$ 60,785
Fixed Income	346,375	-	-	346,375
Alternative Investments	89,063	-	-	89,063
Money Markets	<u>39,909</u>	<u>-</u>	<u>-</u>	<u>39,909</u>
	536,132	-	-	536,132
 Stocks	 <u>702,049</u>	 <u>-</u>	 <u>-</u>	 <u>702,049</u>
 Total investments and investments, restricted	 <u>\$ 1,238,181</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,238,181</u>

**6. ENDOWMENT**

The Organization’s endowment was established to provide ongoing funding for the mission of the Organization. The endowment consists of donor-restricted and board-designated (quasi-endowment) funds. Net assets associated with endowment funds are classified and reported based on the existence of absence of donor-imposed restrictions. Endowment net asset composition by type of fund at May 31, 2023 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds			
Investments, restricted	\$ -	\$ 161,262	\$ 161,262
Cash and cash equivalents, restricted	-	3,162	3,162
	-	164,424	164,424
Board-designated quasi-endowment funds			
Investments, restricted	456,529	-	456,530
Cash and cash equivalents, restricted	8,952	-	8,952
	465,481	-	465,482
Total endowment	\$ 465,481	\$ 164,424	\$ 629,905

Changes in endowment net assets for the year ending May 31, 2023 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets at May 31, 2022	\$ 469,189	\$ 165,734	\$ 634,923
Net investment return	(3,708)	(1,310)	(5,018)
Endowment assets at May 31, 2023	\$ 465,481	\$ 164,424	\$ 629,905

**7. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at May 31, 2023:

Building	\$ 528,289
Land	250,000
Building improvements	279,140
Furniture, fixtures, and equipment	170,576
Total property and equipment	1,228,005
Accumulated depreciation	(594,432)
Net property and equipment	\$ 633,573

Depreciation expense for the year ended May 31, 2023 was \$25,262.

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following May 31, 2023:

Subject to expenditure for specified purpose		
CARE Fair	\$	303,414
Women Helping Women		156,909
Building repair and improvements		61,840
Promises to give, the proceeds from which have been restricted by the donors for CARE Fair		<u>9,000</u>
		<u>522,163</u>
Not subject to spending policy or appropriation		
Endowment fund		<u>164,424</u>
Total net assets with donor restrictions	\$	<u><u>686,587</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as follows for the year ended May 31, 2023:

Subject to expenditure for specified purpose		
CARE Fair	\$	509,505
Women Helping Women		101,496
Building repair and improvements		<u>50,583</u>
Total net assets released from donor restrictions	\$	<u><u>661,584</u></u>

**9. BOARD-DESIGNATED NET ASSETS**

The board of directors has designated certain net assets without donor restriction for specific purposes. Net assets without donor restrictions that are board-designated consisted of the following May 31, 2023:

Subject to expenditure for specified purpose		
Quasi-endowment fund	\$	465,481
Building repairs and improvements		<u>227,842</u>
Total net assets with donor restrictions	\$	<u><u>693,323</u></u>

The Organization's quasi-endowment was established to provide ongoing funding for the mission of the Organization. The building repairs and improvements fund must be used for maintenance and repairs of the Organization's building or future property expansion. The building repairs and improvements fund cannot be depleted below 50% of its current balance within a twenty-four-month period.

## 10. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization's revenue from contracts with customers include memberships, meeting and program fees, and merchandise sales.

**Disaggregation of Revenue** – The Organization's revenue from contracts with customers, disaggregated by major goods and services for the year ended May 31, 2023 was as follows:

Memberships	\$ 11,951
Meeting and program fees	20
Special event sales	17,346
Merchandise sales	<u>288</u>
Total revenue from contracts with customers	<u>\$ 29,605</u>

**Contract Balances** – The following table provides information about receivables and contract liabilities from contracts with customers at May 31, 2023.

Accounts receivable	
Meeting and program fees	<u>\$ 760</u>
Total contract assets	<u>\$ 760</u>
Deferred revenue	
Unexpired memberships	<u>\$ 8,702</u>
Total contract liabilities	<u>\$ 8,702</u>

Significant changes in contract liabilities during the year ended May 31, 2023 were as follows:

Contract liabilities at May 31, 2022	\$ 8,922
Revenue recognized that was included in the contract liability at May 31, 2022	(8,922)
Increase due to cash received, excluding amounts recognized as revenue during the period	<u>8,702</u>
Contract liabilities at May 31, 2023	<u>\$ 8,702</u>

**Transaction Price Allocated to Remaining Performance Obligations** – The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at May 31, 2023.

Revenues to be recognized in future year ended	<u>May 31, 2024</u>
Memberships	<u>\$ 8,702</u>
Total revenue to be recognized related to unsatisfied performance obligations	<u>\$ 8,702</u>

**11. CONTRIBUTED NONFINANCIAL ASSETS**

Contributed nonfinancial assets received during the year ended May 31, 2023 consisted of the following:

Goods		
Women Helping Women Clothing	\$	20,923
CARE Fair Food		3,000
Specialized services		
CARE Fair		
Medical exams and screenings		322,295
Interpreters		5,152
Other		4,073
Fundraising		
Professional grant writing		10,800
Entertainment		2,500
Photography		<u>975</u>
Total contributed nonfinancial assets	\$	<u>369,718</u>

The fair market value of contributed goods is estimated based on available rates for similar products on the market. The fair market value of contributed CARE Fair services was estimated based on the average cost for a similar medical or other service multiplied by the number of services that were provided to beneficiaries. The fair market value of contributed fundraising services was estimated based on cash rates available for similar services.

**12. CONCENTRATIONS**

At May 31, 2023, promises to give due from two donors represented approximately 75% of total accounts receivable, including promises to give.

**13. COMMITMENTS AND CONTINGENCIES**

The Organization may be involved in certain claims arising from the ordinary course of operations and has purchased insurance policies to cover these risks.

**14. ADOPTION OF NEW ACCOUNTING STANDARD**

During the year ended May 31, 2023, the Organization adopted Financial Accounting Standards Board Accounting Standards Update 2020-07 Not-for-Profit Entities: *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires separate presentation of contributions of nonfinancial assets in the statement of activities as well as disclosures related to the nature, disposition, restrictions, and valuation of the assets.

**15. SUBSEQUENT EVENTS**

Subsequent events were evaluated through December 12, 2023, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.

**16. COMPARATIVE FINANCIAL INFORMATION**

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2022 from which the summarized information was derived.