

NourishPhx

FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT

Year Ended September 30, 2021
(With comparative totals for 2020)

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Independent Auditors' Report

To the Board of Directors of
NourishPhx
Phoenix, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of NourishPhx (the Organization), which comprise the statement of financial position as of September 30, 2021, 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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2021, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2022 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 financial statements, and our report dated February 12, 2021, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Fester & Chapman, PLLC

March 15, 2022

NourishPhx

STATEMENT OF FINANCIAL POSITION

September 30, 2021

(with comparative financial information as of September 30, 2020)

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 1,035,754	\$ 537,565
Investments	520,690	379,518
Contributions receivable		33,000
Inventories	35,299	41,642
Property and equipment:		
Land	43,663	43,663
Construction in progress	18,130	
Buildings and improvements	714,208	697,735
Vehicles, furniture and equipment	<u>270,053</u>	<u>189,183</u>
	1,046,054	930,581
Less accumulated depreciation	<u>(570,834)</u>	<u>(509,094)</u>
Property and equipment, net	475,220	421,487
Endowment investments	<u>124,830</u>	<u>96,674</u>
Total assets	<u>\$ 2,191,793</u>	<u>\$ 1,509,886</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	<u>\$ 15,032</u>	<u>\$ 38,787</u>
Total liabilities	15,032	38,787
Net assets:		
Without donor restrictions:		
Undesignated	1,806,899	1,279,072
Board designated	<u>15,000</u>	<u>17,992</u>
Total net assets without donor restrictions	1,821,899	1,297,064
With donor restrictions	<u>354,862</u>	<u>174,035</u>
Total net assets	<u>2,176,761</u>	<u>1,471,099</u>
Total liabilities and net assets	<u>\$ 2,191,793</u>	<u>\$ 1,509,886</u>

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

NourishPhx

STATEMENT OF ACTIVITIES

Year Ended September 30, 2021

(with comparative financial information for the year ended September 30, 2020)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2021	2020
Revenue, support, and gains:				
Contributions:				
In-kind	\$ 6,232,268		\$ 6,232,268	\$ 6,404,908
Individual	432,019		432,019	585,491
Civic/corporate	627,863	\$ 200,000	827,863	540,077
Congregational	36,404		36,404	49,021
Government grants	160,250		160,250	35,599
Paycheck Protection Program				68,800
Net investment income	63,179	31,148	94,327	37,941
Other income	981		981	1,506
Net assets released from restrictions	<u>50,321</u>	<u>(50,321)</u>		
Total revenue, support, and gains	7,603,285	180,827	7,784,112	7,723,343
Expenses:				
Program services:				
Food bank	5,460,413		5,460,413	6,160,858
Clothing bank	<u>1,218,474</u>		<u>1,218,474</u>	<u>589,078</u>
Total program expenses	6,678,887		6,678,887	6,749,936
Supporting services:				
Management and general	226,062		226,062	182,937
Fundraising	<u>173,501</u>		<u>173,501</u>	<u>162,378</u>
Total supporting expenses	<u>399,563</u>		<u>399,563</u>	<u>345,315</u>
Total expenses	<u>7,078,450</u>		<u>7,078,450</u>	<u>7,095,251</u>
Change in net assets	524,835	180,827	705,662	628,092
Net assets, beginning of year	<u>1,297,064</u>	<u>174,035</u>	<u>1,471,099</u>	<u>843,007</u>
Net assets, end of year	<u>\$ 1,821,899</u>	<u>\$ 354,862</u>	<u>\$ 2,176,761</u>	<u>\$ 1,471,099</u>

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

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STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2021
(with comparative financial information for the year ended September 30, 2020)

	PROGRAM SERVICES			SUPPORTING SERVICES			2021	2020
	Food Bank	Clothing Bank	Total	Management & General	Fundraising	Total	Total Expenses	Total Expenses
Personnel	\$ 223,491	\$ 49,864	\$ 273,355	\$ 123,886	\$ 93,232	\$ 217,118	\$ 490,473	\$ 422,821
Contracted services				49,677	17,700	67,377	67,377	47,386
Direct assistance	42,593	306	42,899				42,899	16,686
Repairs and maintenance	10,246	2,286	12,532	5,681		5,681	18,213	11,856
Computer services	8,154	1,820	9,974	4,520		4,520	14,494	15,863
Transportation	6,707	1,497	8,204				8,204	4,875
Insurance	15,187	3,389	18,576	8,420		8,420	26,996	23,918
Marketing					47,550	47,550	47,550	50,652
Utilities	15,816	3,529	19,345	8,768	6,598	15,366	34,711	30,585
Office supplies	4,870	1,087	5,957	2,700	2,032	4,732	10,689	9,830
Other	5,683	1,268	6,951	3,152	6,389	9,541	16,492	16,769
Subtotal	332,747	65,046	397,793	206,804	173,501	380,305	778,098	651,241
In-kind donations	5,092,934	1,145,678	6,238,612				6,238,612	6,399,492
Depreciation	34,732	7,750	42,482	19,258		19,258	61,740	44,518
Total expenses	<u>\$ 5,460,413</u>	<u>\$ 1,218,474</u>	<u>\$ 6,678,887</u>	<u>\$ 226,062</u>	<u>\$ 173,501</u>	<u>\$ 399,563</u>	<u>\$ 7,078,450</u>	<u>\$ 7,095,251</u>

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

NourishPhx

STATEMENT OF CASH FLOWS

Year Ended September 30, 2021

(with comparative financial information for the year ended September 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 705,662	\$ 628,092
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	61,740	44,518
Donated stock	(80,147)	(200,000)
Net gains on investments without donor restrictions	(89,181)	(37,941)
Changes in:		
Contributions receivable	33,000	14,500
Inventories	6,343	(5,416)
Prepaid expenses		7,544
Accounts payable and accrued expenses	<u>(23,755)</u>	<u>1,325</u>
Net cash provided by operating activities	613,662	452,622
Cash flows from investing activities:		
Purchases of property and equipment	<u>(115,473)</u>	<u>(54,045)</u>
Net cash used by investing activities	<u>(115,473)</u>	<u>(54,045)</u>
Change in cash	498,189	398,577
Cash, beginning of year	<u>537,565</u>	<u>138,988</u>
Cash, end of year	<u><u>\$ 1,035,754</u></u>	<u><u>\$ 537,565</u></u>

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

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: NourishPhx (the Organization) is an Arizona nonprofit corporation formed in February 1983, formerly known as ICM Food & Clothing Bank and Interfaith Cooperative Ministries. The mission of the Organization is to provide an immediate response to basic human needs. The Organization operates a food bank in central Phoenix and provides food, clothing, financial assistance, and case management to qualified people who present themselves for service. The Organization's support and revenue comes primarily from contributions.

The significant accounting policies of the Organization follow:

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic of *Not-for-Profit Entities*, requiring the Organization to report information regarding its financial position and activities according to two classes of net assets:

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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), management is required to make estimates and assumptions that affect reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk: The Organization maintains its cash and investment accounts at financial institutions that may at times exceed the limits insured by the Federal Deposit Insurance Corporation (FDIC) or covered by the Securities Investment Protection Corporation (SIPC).

Investments: Investments are recorded at fair value (See Note 8). Unrealized and realized gains are accounted for as investment income.

Contributions Receivable: Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at net realizable value. Management considers its contributions receivable to be fully collectible within one year, and accordingly, no allowance for doubtful accounts has been recorded.

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Inventories: The Organization maintains inventories of food and clothing items for distribution. Donated food is valued at \$1.50 per pound and donated clothing is valued at \$3.20 per pound, which management has determined to approximate their fair values.

Property and Equipment: Property and equipment are stated at cost, or estimated fair value at the date of donation. Property and equipment costing \$750 or more is capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	10 - 40 years
Furniture and equipment	5 - 15 years
Vehicles	5 years

Contributions: The Organization follows the FASB ASC subtopic of *Revenue Recognition for Not-for-Profit Entities*. Contributions received are recorded as net assets without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, 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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

In-kind contributions/expenses: In-kind support includes skilled labor of numerous volunteers, and food and clothing which is then distributed to its clients. In-kind contributions are recognized in accordance with the FASB ASC topic of *Not-for-Profit Entities*, which requires recognition of certain services received at estimated fair value if those services create or enhance long-lived assets, require specialized skills, and would typically need to be purchased if not provided by donation.

In addition, a substantial portion of the Organization's functions and programs are provided by unpaid volunteers. The estimated fair value for this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills meeting the criteria in the FASB ASC topic of *Not-for-Profit Entities*. During the years ended September 30, 2021 and 2020, volunteers donated approximately 19,706 and 13,951 hours, respectively, to the Organization.

Income Taxes: The Organization is exempt from federal and state income taxes as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code and similar state provisions.

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Expense Allocation: The costs of providing program and other activities are stated on a functional basis in the accompanying financial statements. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include: depreciation, insurance, repairs and maintenance, and utilities, which are allocated on a square footage basis; payroll and related expenses, office supplies, and technology are allocated on the basis of estimates of time and effort.

Prior Year Summarized Information: The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2020, from which the summarized information was derived.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of each fiscal year end to fund expenses without limitations:

	<u>2021</u>	<u>2020</u>
Financial assets included in total assets:		
Cash	\$ 1,035,754	\$ 537,565
Investments	520,690	379,518
Contributions receivable		33,000
Endowment investments	<u>124,830</u>	<u>96,674</u>
Total financial assets included in total assets	1,681,274	1,046,757
Less amounts unavailable for general expenditure within one year:		
Board-designated endowment	(15,000)	(17,992)
Donor restricted endowment	<u>(109,830)</u>	<u>(78,682)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,556,444</u>	<u>\$ 950,083</u>

In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates covering its general expenditures by collecting revenue from contributions, grants, and other revenues; and by utilizing donor-restricted resources from current and prior year gifts.

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 3 - CONCENTRATION OF REVENUES

During the years ended September 30, 2021 and 2020, the Organization received 66% and 72%, respectively, of its revenues from St. Mary's Food Bank Alliance in the form of donated food (See Note 4).

NOTE 4 - IN-KIND CONTRIBUTIONS

The Organization recorded in-kind revenue totaling \$6,232,268 and \$6,404,908 for the years ended September 30, 2021 and 2020, respectively, which consisted of donated food and clothing. In-kind expense is recognized when the donated items are distributed. Most of the donated food was provided by St. Mary's Food Bank Alliance.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions activity for the year ended September 30, 2021, consisted of the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Releases</u>	<u>Ending Balance</u>
Personnel costs and other restricted purposes	\$ 95,353		\$ (42,899)	\$ 52,454
Building improvements		\$ 200,000	(7,422)	192,578
Donor restricted endowment	<u>78,682</u>	<u>31,148</u>		<u>109,830</u>
	<u>\$ 174,035</u>	<u>\$ 231,148</u>	<u>\$ (50,321)</u>	<u>\$ 354,862</u>

Net assets with donor restrictions activity for the year ended September 30, 2020, consisted of the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Releases</u>	<u>Ending Balance</u>
Personnel costs and other restricted purposes	\$ 71,992	\$ 42,000	\$ (18,639)	\$ 95,353
Fundraising/Branding	23,044		(23,044)	
Donor restricted endowment	<u>63,917</u>	<u>14,765</u>		<u>78,682</u>
	<u>\$ 158,953</u>	<u>\$ 56,765</u>	<u>\$ (41,683)</u>	<u>\$ 174,035</u>

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 6 - PAYCHECK PROTECTION PROGRAM

On April 18, 2020, the Organization was approved for a \$68,800 loan under the Paycheck Protection Program (PPP) created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (SBA). The loan was to accrue interest at 1% and mature in two years, but payments were not required to begin for the earlier of 10 months after the end of the the Organization's loan forgiveness covered period (either 8 or 24 weeks after the loan was funded) or when the Organization applied for loan forgiveness. The loan was uncollateralized and was fully guaranteed by the Federal government.

The Organization accounted for the PPP loan as a conditional contribution in accordance with FASB ASC Subtopic 958-605. As of September 30, 2020, the Organization had expended \$68,800 of the loan proceeds for qualified payroll costs, and therefore recognized the loan proceeds as revenue in the Statement of Activities during the year then ended. In December 2020, the full amount of the loan and accrued interest was forgiven by the SBA.

NOTE 7 - RETIREMENT PLAN

The Organization sponsors a Savings Incentive Match Plan for Employees (SIMPLE) IRA plan for its employees. Under the plan, the Organization contributes 2% of gross salaries for eligible, participating employees. In addition, employees can elect to voluntarily contribute a percentage of their gross salaries, up to \$10,000. The cost of the plan was \$10,011 and \$7,526 for the years ended September 30, 2021 and 2020, respectively, and is included in personnel expenses on the Statement of Functional Expenses.

NOTE 8 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

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 and 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 are quoted prices in active markets for identical assets or liabilities.

Level 2 inputs generally are available indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active. At September 30, 2021 and 2020, the Organization did not have any financial instruments it valued based on Level 2 inputs.

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 8 - INVESTMENTS AND FAIR VALUE MEASUREMENTS - Continued

Level 3 inputs are the most subjective, and are generally based on the entity's own assumptions on how knowledgeable parties would price assets or liabilities, and are developed using the best information available in the circumstances. At September 30, 2021 and 2020 the Organization did not have any financial instruments it valued based on Level 3 inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2021 and 2020.

Equities/bonds: Valued at the net asset value (NAV) of shares on the last trading day of the fiscal year, which is the basis for transactions at that date.

Level 1 investments are stated at fair value and consisted of the following at September 30:

<u>Investments:</u>	<u>2021</u>	<u>2020</u>
Equities:		
U.S. large cap	\$ 236,667	\$ 146,925
U.S. small cap	32,156	22,019
Non-U.S. equities	<u>61,271</u>	<u>45,087</u>
Total equities	330,094	214,031
Bonds:		
Intermediate	141,349	107,601
Short	49,247	57,886
Total bonds	<u>190,596</u>	<u>165,487</u>
Total investments, excluding endowment	<u>\$ 520,690</u>	<u>\$ 379,518</u>
 <u>Endowment investments:</u>	 <u>2021</u>	 <u>2020</u>
Equities:		
U.S. large cap	\$ 102,191	\$ 79,214
U.S. mid cap	<u>22,639</u>	<u>17,460</u>
Total equities	<u>124,830</u>	<u>96,674</u>
Total endowment investments	<u>\$ 124,830</u>	<u>\$ 96,674</u>

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 9 - ENDOWMENT

In December 2017, the Organization received an endowment totaling \$50,000 and an additional \$13,600 gift in December 2018, that is included in net assets with donor restrictions at September 30, 2021 and 2020, which must be maintained in perpetuity.

The investment income from the endowment must accumulate for three years from the date of the original gift before the Organization can make expenditures from the fund.

Interpretation of Relevant Law: The Organization's endowment funds are subject to compliance with the State of Arizona's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) which provides standards for managing investments of institutional funds and spending from endowments. The Organization's Board of Directors has interpreted UPMIFA as requiring the classification of the original value of gifts donated to permanent donor-restricted endowments, and the original value of subsequent gifts to those permanent endowments as net assets with donor restrictions.

Return Objectives and Risk Parameters: Endowment funds are invested in accordance with the Organization's investment policy in order to achieve return objectives and to maintain appropriate risk parameters approved by the Organization's Board of Directors (see Note 8).

Strategies Employed for Achieving Objectives: The Organization Board of Directors has appointed a finance committee to oversee the management of the endowment. The finance committee meets with management periodically to review asset allocations, manager and investment entity performance, anticipated additions to or transfers of funds, and future investment strategies.

Spending Policy: Income earned from the restricted net assets is considered restricted until appropriated for expenditure by the Board of Directors, after the donor's time restriction is met as described above. From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature would be reported as net assets with donor restrictions.

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NOTES TO FINANCIAL STATEMENTS

September 30, 2021

(with comparative financial information as of and for the year ended September 30, 2020)

NOTE 9 - ENDOWMENT - Continued

Activity of the endowment fund for the year ended September 30, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 17,992	\$ 78,682	\$ 96,674
Investment income		31,148	31,148
Expenditures of investment income	(2,992)		(2,992)
Endowment net assets, end of year	<u>\$ 15,000</u>	<u>\$ 109,830</u>	<u>\$ 124,830</u>

Activity of the endowment fund for the year ended September 30, 2020 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 14,300	\$ 63,917	\$ 78,217
Investment income	3,692	14,765	18,457
Endowment net assets, end of year	<u>\$ 17,992</u>	<u>\$ 78,682</u>	<u>\$ 96,674</u>

NOTE 10 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 15, 2022, the date which the financial statements were available to be issued, and has concluded that no events have occurred since the year ended September 30, 2021 that would require adjustment to the financial statements.