



Financial Statements
May 31, 2024 and 2023

Assistance League® of Salt Lake City

Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities	4
Statement of Functional Expenses.....	6
Statements of Cash Flows	8
Notes to Financial Statements	9



Independent Auditor's Report

To the Board of Directors
Assistance League of Salt Lake City
Salt Lake City, UT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Assistance League of Salt Lake City, which comprise the statements of financial position as of May 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Assistance League of Salt Lake City as of May 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of Assistance League of Salt Lake City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these 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 Assistance League of Salt Lake City's ability to continue as a going concern for 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 GAAS 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 GAAS, 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 Assistance League of Salt Lake City'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 Assistance League of Salt Lake City'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.



Lehi, Utah
September 18, 2024

Assistance League of Salt Lake City
Statements of Financial Position
May 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 1,178,606	\$ 1,334,461
Investments	567,875	488,635
Prepaid expenses and other assets	49,124	42,662
Inventories	128,802	137,841
Finance lease right of use asset	5,060	7,396
Property and equipment, net	<u>1,022,872</u>	<u>966,236</u>
Total assets	<u><u>\$ 2,952,339</u></u>	<u><u>\$ 2,977,231</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 9,337	\$ 8,425
Accrued liabilities	49,744	7,089
Finance lease liability	<u>5,321</u>	<u>7,653</u>
Total liabilities	<u>64,402</u>	<u>23,167</u>
Net Assets		
Without donor restrictions	<u>2,887,937</u>	<u>2,954,064</u>
Total net assets	<u>2,887,937</u>	<u>2,954,064</u>
Total liabilities and net assets	<u><u>\$ 2,952,339</u></u>	<u><u>\$ 2,977,231</u></u>

Assistance League of Salt Lake City
Statements of Activities
For the Years Ended May 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Unrestricted Revenue, Support and Gains		
Fundraising		
Thrift shop revenue		
Contributions of merchandise	\$ 906,879	\$ 890,728
Sales of donated merchandise	903,959	856,110
Less value of merchandise sold	<u>(903,959)</u>	<u>(856,110)</u>
Net revenue from thrift shop	<u>906,879</u>	<u>890,728</u>
Special events and other fundraising activities revenue		
Revenue	133,380	117,855
In-kind contributions	9,290	14,641
Less direct costs	<u>(18,465)</u>	<u>(23,092)</u>
Net revenue from special events	<u>124,205</u>	<u>109,404</u>
Contributions and grants	306,693	295,536
In-kind contributions	7,242	4,765
Membership dues	19,645	17,811
Net investment return (loss)	79,241	(7,185)
Interest income	15,128	5,736
Other	<u>3,398</u>	<u>4,134</u>
Total unrestricted revenue, support, and gains	<u>1,462,431</u>	<u>1,320,929</u>

Assistance League of Salt Lake City
Statements of Activities
For the Years Ended May 31, 2024 and 2023

	2024	2023
Expenses		
Program services		
Operation School Bell	538,905	527,949
Operation Healthy Teeth	217,554	167,843
Baby Bundles	60,293	62,782
Brighter Tomorrows	40,644	20,736
Book Bank	45,856	48,646
Act III	1,870	-
Assault Survivor Kits	24,642	25,852
Eye on Community	110,639	54,531
Assisteens® Community Service	22,491	17,191
Educational Scholarships	259,457	-
Total program services expenses	1,322,351	925,530
Supporting services		
Management and general	45,804	35,183
Membership development	8,005	9,692
Fundraising		
Thrift shop	148,781	122,829
Special events and other fundraising activities - indirect costs	3,617	384
Total supporting services expenses	206,207	168,088
Total expenses	1,528,558	1,093,618
Change in Net Assets	(66,127)	227,311
Net Assets - Beginning of Year	2,954,064	2,726,753
Net Assets - End of Year	\$ 2,887,937	\$ 2,954,064

Assistance League of Salt Lake City
Statement of Functional Expenses
Year Ended May 31, 2024

	Program Services											Supporting Services						
												Fundraising Services					Total Supporting Services	Total Expenses
	Operation School Bell®	Operation Healthy Teeth	Baby Bundles	Brighter Tomorrows	Book Bank	Act III	Assault Survivor Kits®	Eye On Community	Assisteens® Community Service	Educational Scholarships	Total Program Services	Management and General	Membership Development	Thrift Shop	Special Events			
Program supplies	\$ 436,964	\$ 199,203	\$ 51,402	\$ 38,250	\$ 41,935	\$ 650	\$ 21,149	\$ 93,615	\$ 19,881	\$ 235,000	\$ 1,138,049	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,138,049	
Occupancy																		
Utilities	5,517	1,970	657	609	394	131	263	1,314	263	2,627	13,745	306	-	12,236	-	12,542	26,287	
Maintenance, repairs & contracted labor	34,466	7,230	2,410	452	1,446	482	964	4,820	964	9,640	62,874	4,661	-	76,646	-	81,307	144,181	
Insurance	4,006	1,431	477	530	286	95	191	954	191	1,908	10,069	3,807	-	10,068	-	13,875	23,944	
Depreciation and amortization	15,191	5,425	1,808	339	1,085	362	723	3,617	723	7,234	36,507	2,753	-	5,953	-	8,706	45,213	
Postage and delivery	33,097	103	2,819	315	278	6	242	2,207	12	119	39,198	54	-	285	-	339	39,537	
Printing and reproduction	745	266	89	17	53	18	35	177	35	355	1,790	111	-	316	2,751	3,178	4,968	
Professional services	-	-	-	-	-	-	-	-	-	-	-	19,092	-	-	-	19,092	19,092	
Public relations and advertising	2,640	943	314	59	189	63	126	629	126	1,257	6,346	393	-	1,120	-	1,513	7,859	
Supplies	5,704	816	261	49	157	52	892	3,146	272	1,045	12,394	1,673	-	18,428	68	20,169	32,563	
National dues	-	-	-	-	-	-	-	-	-	-	-	-	8,005	-	-	8,005	8,005	
AL Circle Fund	-	-	-	-	-	-	-	-	-	-	-	1,000	-	-	-	1,000	1,000	
National conference and meetings	156	56	19	17	11	4	7	37	7	74	388	1,756	-	329	-	2,085	2,473	
Education	-	-	-	-	-	-	-	-	-	-	-	2,662	-	-	-	2,662	2,662	
Food and entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,179	19,179	19,179	
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	-	-	-	-	-	903,959	-	903,959	903,959	
Bank service charges	109	-	-	-	-	-	35	49	2	50	245	526	-	18,290	84	18,900	19,145	
Other	310	111	37	7	22	7	15	74	15	148	746	7,010	-	5,110	-	12,120	12,866	
Total expenses	538,905	217,554	60,293	40,644	45,856	1,870	24,642	110,639	22,491	259,457	1,322,351	45,804	8,005	1,052,740	22,082	1,128,631	2,450,982	
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	-	-	-	-	(903,959)	(18,465)	(922,424)	(922,424)	
Total expenses included in the expenses section of the statement of activities	\$ 538,905	\$ 217,554	\$ 60,293	\$ 40,644	\$ 45,856	\$ 1,870	\$ 24,642	\$ 110,639	\$ 22,491	\$ 259,457	\$ 1,322,351	\$ 45,804	\$ 8,005	\$ 148,781	\$ 3,617	\$ 206,207	\$ 1,528,558	

Assistance League of Salt Lake City
Statement of Functional Expenses
Year Ended May 31, 2023

	Program Services									Supporting Services					
										Fundraising Services					Total Expenses
	Operation School Bell®	Operation Healthy Teeth	Baby Bundles	Brighter Tomorrows	Book Bank	Assault Survivor Kits®	Eye On Community	Assistees® Community Service	Total Program Services	Management and General	Membership Development	Thrift Shop	Special Events	Total Supporting Services	
Program supplies	\$ 420,956	\$ 141,670	\$ 53,093	\$ 18,508	\$ 42,679	\$ 20,880	\$ 47,405	\$ 14,639	\$ 759,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 759,830
Occupancy															
Utilities	7,564	3,425	999	589	714	428	856	285	14,860	348	-	11,199	-	11,547	26,407
Maintenance and repairs	24,369	9,509	2,773	371	1,981	1,189	2,377	792	43,361	2,476	-	59,644	-	62,120	105,481
Insurance	4,783	2,166	632	501	451	271	541	180	9,525	3,600	-	9,525	-	13,125	22,650
Depreciation and amortization	17,370	7,866	2,294	307	1,639	983	1,966	655	33,080	2,048	-	5,839	-	7,887	40,967
Postage and delivery	39,693	293	2,141	346	373	865	171	191	44,073	94	-	452	-	546	44,619
Printing and reproduction	550	249	73	10	52	31	62	21	1,048	1,628	-	185	-	1,813	2,861
Professional services	4,004	1,813	529	71	378	227	453	151	7,626	16,400	-	-	-	16,400	24,026
Public relations and advertising	5,416	643	187	25	336	868	648	260	8,383	472	-	1,622	-	2,094	10,477
Supplies	-	-	-	-	-	-	-	-	-	557	82	12,921	-	13,560	13,560
National dues	-	-	-	-	-	-	-	-	-	-	9,610	-	-	9,610	9,610
AL Circle Fund	-	-	-	-	-	-	-	-	-	1,000	-	-	-	1,000	1,000
Education	-	-	-	-	-	-	-	-	-	1,676	-	-	-	1,676	1,676
Food and entertainment	-	-	-	-	-	-	-	-	-	-	-	-	23,476	23,476	23,476
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	-	-	-	856,110	-	856,110	856,110
Bank service charges	15	-	-	-	-	84	-	-	99	898	-	15,436	-	16,334	16,433
Other	3,229	209	61	8	43	26	52	17	3,645	3,986	-	6,006	-	9,992	13,637
Total expenses	527,949	167,843	62,782	20,736	48,646	25,852	54,531	17,191	925,530	35,183	9,692	978,939	23,476	1,047,290	1,972,820
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	-	-	(856,110)	(23,092)	(879,202)	(879,202)
Total expenses included in the expenses section of the statement of activities	\$ 527,949	\$ 167,843	\$ 62,782	\$ 20,736	\$ 48,646	\$ 25,852	\$ 54,531	\$ 17,191	\$ 925,530	\$ 35,183	\$ 9,692	\$ 122,829	\$ 384	\$ 168,088	\$ 1,093,618

Assistance League of Salt Lake City

Statements of Cash Flows

Years Ended May 31, 2024 and 2023

	2024	2023
Operating Activities		
Change in net assets	\$ (66,127)	\$ 227,311
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation and amortization	45,213	40,967
Loss on disposal of equipment	490	2,473
Net investment (return) loss	(79,241)	7,185
Changes in operating assets and liabilities		
Prepaid expenses and other assets	(6,462)	(7,362)
Inventories	9,039	10,368
Accounts payable	912	(4,013)
Accrued liabilities	42,655	(4,168)
Net Cash from (used for) Operating Activities	(53,521)	272,761
Investing Activities		
Purchase of property and equipment	(100,003)	(97,593)
Purchase of investments	(17,098)	(5,211)
Proceeds from the sale of investments	17,099	5,212
Net Cash used for Investing Activities	(100,002)	(97,592)
Financing Activities		
Principal payments on finance lease	(2,332)	(2,314)
Net Cash used for Financing Activities	(2,332)	(2,314)
Net Change in Cash and Cash Equivalents	(155,855)	172,855
Cash and Cash Equivalents, Beginning of Year	1,334,461	1,161,606
Cash and Cash Equivalents, End of Year	\$ 1,178,606	\$ 1,334,461

Note 1 - Principal Activities and Significant Accounting Policies

Nature of Activities

Assistance League of Salt Lake City was organized under the laws of the state of Utah as a nonprofit corporation established to provide philanthropic service to the community. It is a chartered chapter of National Assistance League. The accompanying financial statements include the activities of the Chapter and its auxiliaries, Consociates Auxiliary of Assistance League of Salt Lake City and Assisteens® (collectively the Chapter). The Chapter provides the following philanthropic programs in the community:

Operation School Bell®

Purchases and distributes new clothing and special school equipment to school children in need referred by school personnel.

Operation Healthy Teeth

Facilitates the provision of urgent dental treatment for qualified uninsured children.

Baby Bundles

Purchases and provides newborn layette items to selected agencies and hospitals for distribution to mothers in need.

Brighter Tomorrows

Provides appropriate clothing for referred individuals returning to the work force or school.

Book Bank

Plans and implements a literacy program for children and purchases appropriate books.

Act III

Prepares and presents entertainment programs to residents in care facilities.

Assault Survivor Kits®

Purchases and provides clothing and hygiene articles to selected agencies for victims of sexual assault.

Eye on the Community

Provides aid in response to community emergencies or specific unmet needs by other Assistance League programs.

Assisteens® Community Service

Provides programs and services to youth, seniors, and others in need.

Educational Scholarships

Provides educational scholarships to college students meeting certain criteria as determined by scholarship committees at a respective university and college.

The operation of the Chapter's thrift shop, private donations, foundation grants and other fundraising efforts provide a significant portion of the Chapter's support and revenues.

Cash and Cash Equivalents

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

Inventories

The Chapter maintains an inventory of new clothing for use in its various programs, including Operation School Bell®, which is stated at the lower of cost or net realizable value determined by first-in, first-out method. The Chapter also maintains an inventory of donated used clothing, furniture and household items for resale in the Chapter's thrift shop. Donated inventory is valued at its estimated fair market value.

Property and Equipment

Property and equipment additions over \$1,000 are recorded at cost or, if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from five to forty years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed 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. There were no indicators of asset impairment during the years ended May 31, 2024 and 2023.

Right of Use Leased Assets and Liabilities

Right of use leased assets and the related liabilities are recognized at the lease commencement date and represent the Chapter's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method.

Investments

The Chapter records investment purchases at cost or, if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-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) restrictions. Some donor imposed (or grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Chapter reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. At May 31, 2024 and 2023, the Chapter has no restricted net assets.

Revenue and Revenue Recognition

Revenues from the sale of donated used clothing and household items from the Chapter's thrift shop are recognized when the sale occurs, and all performance obligations have been fulfilled.

The Chapter recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Membership dues, which are nonrefundable, do not have a material exchange element and are therefore recorded as a contribution when received.

The Chapter records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

During the years ended May 31, 2024 and 2023, all revenue was recognized at a point in time.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to the Chapter's program services, administration, and fundraising and development activities. A significant portion of the Chapter's functions and programs are conducted by unpaid member volunteers. However, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. During the year ended May 31, 2024, these volunteers donated approximately 36,597 hours with an estimated value of \$1,225,634. This value was computed using an estimated hourly rate of \$33.49, based upon the average hourly earnings of nonagricultural workers for the year ended December 31, 2023, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, which includes 15% for estimated fringe benefits. During the year ended May 31, 2023, these volunteers donated approximately 38,625 hours with an estimated value of \$1,292,393. This value was computed using an estimated hourly rate of \$31.80, based upon the average hourly earnings of nonagricultural workers for the year ended December 31, 2022 as determined by the U.S. Department of Labor's Bureau of Labor Statistics, which includes 15% for estimated fringe benefits.

Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received.

Advertising Costs

Advertising costs are expensed as incurred and totaled \$7,859 and \$10,477 during the years ended May 31, 2024 and 2023, respectively.

Functional Expense Allocation

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. 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 occupancy, supplies, postage and delivery, printing and reproduction and other, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Chapter is organized as a Utah 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, and has been determined not to be a private foundation. Exempt status is also recognized by the State of Utah under the same IRC section. The Chapter is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Chapter is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Chapter 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 Chapter 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 Chapter 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.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 and those differences could be material.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Chapter to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At May 31, 2024 and 2023, the Chapter did not have any amounts in excess of FDIC-insured limits. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable and promises to give are limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from board members, governmental agencies, and foundations supportive of the Chapter's mission. Investments are made by diversified investment managers whose performance is monitored by the Chapter and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Chapter and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Chapter.

Subsequent Events

Management has evaluated subsequent events through September 18, 2024, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following at May 31, 2024 and 2023:

	2024	2023
Cash and cash equivalents	\$ 1,178,606	\$ 1,334,461
Investments	567,875	488,635
	<u>\$ 1,746,481</u>	<u>\$ 1,823,096</u>

To build upon past achievements and ensure future sustainability, the Chapter has a policy that requires the board to maintain net assets without donor restrictions sufficient for one year's operating expenses. In addition to the financial assets noted above, the Chapter has thrift shop inventory that will likely be converted to cash or available for general expenditure during the course of the next year's operations.

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consist of the following at May 31, 2024 and 2023:

	2024	2023
Checking Accounts		
Wells Fargo	\$ 42,166	\$ 10,117
Zions Bank	29,709	52,055
Chase	181,331	124,185
First Utah	21,000	21,000
Bank of America	64,939	99,939
Total checking accounts	<u>339,145</u>	<u>307,296</u>
Savings Accounts		
Wells Fargo	181,677	222,362
Chase	20,938	89,243
Zions Bank	202,291	206,900
Everbank	217,919	249,495
First Utah	156,532	109,093
Bank of America	60,104	150,072
Total savings accounts	<u>839,461</u>	<u>1,027,165</u>
Total cash and cash equivalents	<u>\$ 1,178,606</u>	<u>\$ 1,334,461</u>

Note 4 - Investments

Investments as of May 31, 2024 and 2023, are stated at fair value and consist of mutual funds. For the years ended May 31, 2024 and 2023, net realized and unrealized gains (losses) were \$57,749 and (\$29,425), respectively, and interest income and dividends were \$21,492, and \$22,240, respectively.

Note 5 - Fair Value Measurements

The Chapter reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting Chapter. Unobservable inputs are inputs that reflect the reporting Chapter's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset or liability.

Assistance League of Salt Lake City

Notes to Financial Statements

May 31, 2024 and 2023

The Chapter's investments are reported at fair value as determined using Level 1 inputs under the fair value hierarchy because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. The following table presents assets and liabilities measured at fair value on a recurring basis, at May 31, 2024 and 2023:

	2024	2023
Mutual funds (Level 1)		
Equity funds	\$ 362,020	\$ 300,906
Fixed income	205,855	187,729
Total	<u>\$ 567,875</u>	<u>\$ 488,635</u>

Note 6 - Inventories

Inventories at May 31, 2024 and 2023, consist of the following:

	2024	2023
Thrift shop (used clothing, furniture and household items)	\$ 90,975	\$ 98,053
Operation School Bell® (new clothing)	26,204	28,429
Other program inventories	11,623	11,359
Total inventories	<u>\$ 128,802</u>	<u>\$ 137,841</u>

Note 7 - Property and Equipment

Property and equipment consists of the following at May 31, 2024 and 2023:

	2024	2023
Buildings and improvements	\$ 1,490,924	\$ 1,400,611
Land	464,490	464,490
Parking lot improvements	53,202	53,202
Equipment	60,709	55,632
Work in Process	4,000	-
	<u>2,073,325</u>	<u>1,973,935</u>
Less accumulated depreciation	<u>(1,050,453)</u>	<u>(1,007,699)</u>
Total property and equipment, net	<u>\$ 1,022,872</u>	<u>\$ 966,236</u>

Note 8 - Finance Lease

The Chapter leases office equipment under a long-term, non-cancelable finance lease agreement. The lease expires in August 2026. The Chapter has elected the option to use the risk-free rate determined using a period comparable to the lease term as the discount rate as the implicit rate of the lease is not readily determinable.

Total lease costs for the years ended May 31, 2024 and 2023, are as follows:

	2024	2023
Variable lease cost	\$ 989	\$ 70
Finance lease cost		
Interest expense	55	75
Amortization of right-of-use-asset	2,335	2,335
	<u>\$ 3,379</u>	<u>\$ 2,480</u>

The following table summarizes the supplemental cash flow information for the years ended May 31, 2024 and 2023:

	2024	2023
Cash paid for amounts included in the measurement of lease liability		
Financing cash flows from finance lease	\$ 2,332	\$ 2,314

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

	2024	2023
Weighted-Average remaining lease term:		
Finance lease	2.25 years	3.25 years
Weighted-Average discount rate:		
Finance lease	0.84%	0.84%

The future minimum lease payments under the noncancelable finance lease are listed below as of May 31, 2024.

<u>Years Ending May 31,</u>	
2025	\$ 2,388
2026	2,388
2027	<u>597</u>
Total lease payments	5,373
Less amount representing interest	<u>(52)</u>
Present value of lease liability	<u>\$ 5,321</u>

Note 9 - Special Events

The Chapter has various fundraising events to help fund operations. The revenue and related expenses from such events for the years ended May 31, 2024 and 2023, are as follows:

	2024			
	Revenue	Direct Costs	Other Event Costs	Net Revenue
Annual Appeal 2023 - 2024	\$ 49,435	\$ (2,480)	\$ (423)	\$ 46,532
Women of Distinction Luncheon	47,542	(9,175)	(3,194)	35,173
Donor Sponsored Event	45,693	(6,810)	-	38,883
	<u>\$ 142,670</u>	<u>\$ (18,465)</u>	<u>\$ (3,617)</u>	<u>\$ 120,588</u>

	2023			
	Revenue	Direct Costs	Other Event Costs	Net Revenue
Annual Appeal 2022-2023	\$ 48,804	\$ (2,484)	\$ (2,922)	\$ 43,398
Women of Distinction Luncheon	41,220	(8,451)	(2,869)	29,900
Donor Sponsored Event	42,182	(12,157)	-	30,025
Giving Tuesday	290	-	-	290
	<u>\$ 132,496</u>	<u>\$ (23,092)</u>	<u>\$ (5,791)</u>	<u>\$ 103,613</u>

Note 10 - Contributed Nonfinancial Assets

During the years ended May 31, 2024 and 2023, the Chapter received contributions of merchandise totaling \$906,879 and \$890,728, respectively, for the Chapter's thrift shop. In addition, the Chapter received other contributions of nonfinancial assets that have been reflected in the accompanying statement of functional expenses as follows:

	2024	2023
Fundraising costs	\$ 9,290	\$ 14,641
Program supplies	7,242	4,765
Total	<u>\$ 16,532</u>	<u>\$ 19,406</u>