

ASSISTANCE LEAGUE OF PHOENIX
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED MAY 31, 2024

**ASSISTANCE LEAGUE OF PHOENIX
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Independent Auditor's Report

To the Board of Directors of
Assistance League of Phoenix

Opinion

We have audited the accompanying financial statements of Assistance League of Phoenix (a nonprofit organization), which comprise the statement of financial position as of May 31, 2024, 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 Assistance League of Phoenix as of May 31, 2024, 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.

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 Assistance League of Phoenix, Arizona 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 Assistance League of Phoenix, Arizona'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 Assistance League of Phoenix'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 Phoenix, Arizona'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.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
October 15, 2024

**ASSISTANCE LEAGUE OF PHOENIX
STATEMENT OF FINANCIAL POSITION
MAY 31, 2024**

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 2,297,148
Investments	1,627,584
Grants receivable	225,905
Accounts receivable	2,500
Inventory	<u>946,834</u>
 Total Current Assets	 5,099,971
Non-current assets:	
Property and equipment, net of accumulated depreciation	<u>1,425,845</u>
 Total Assets	 <u><u>\$ 6,525,816</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable	\$ 23,159
Accrued payroll and related expenses	84,535
Credit card payable	25,944
Deferred revenue	<u>8,600</u>
 Total Liabilities	 <u>142,238</u>
Net Assets:	
Without donor restrictions	5,838,578
With donor restrictions	<u>545,000</u>
 Total Net Assets	 <u>6,383,578</u>
 Total Liabilities and Net Assets	 <u><u>\$ 6,525,816</u></u>

See accompanying notes to financial statements

ASSISTANCE LEAGUE OF PHOENIX
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2024

	Without Donor Restriction	With Donor Restriction	Total
Revenues, gains, and other support:			
Sales of merchandise	\$ 597,640	\$ -	\$ 597,640
Contributions of donated merchandise	606,414		606,414
Less value of merchandise sold	(597,640)		(597,640)
Net sales revenue from thrift shop	606,414		606,414
Less thrift shop expenses	(243,596)		(243,596)
Net revenue from thrift shop	362,818	-	362,818
Special event revenue	559,414		559,414
Less cost of direct donor benefits	(109,946)		(109,946)
Net revenue from special events	449,468	-	449,468
Lease income	14,400		14,400
Membership	17,076	-	17,076
Grants	916,028	285,000	1,201,028
Contributions	202,180	25,000	227,180
Investment income, net	50,980		50,980
Unrealized gain/loss on investments	125,399		125,399
Other income	27,899		27,899
Net assets released from restriction	105,000	(105,000)	-
Total Revenues, gains, and other support	2,271,248	205,000	2,476,248
Expenses:			
Program Services			
Operation School Bell ®	\$ 1,383,642	\$ -	\$ 1,383,642
Hugs	30,425		30,425
Literacy	10,657		10,657
Wee Help	11,988		11,988
Supporting Expenses			
Fundraising expenses			
Special event	63,291		63,291
Membership development	15,645		15,645
Management and general	77,957		77,957
Total Expenses	1,593,605	-	1,593,605
Increase in net assets	677,643	205,000	882,643
Net assets, beginning of year	5,160,935	340,000	5,500,935
Net assets, end of year	<u>\$ 5,838,578</u>	<u>\$ 545,000</u>	<u>\$ 6,383,578</u>

See accompanying notes to financial statements

**ASSISTANCE LEAGUE OF PHOENIX
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2024**

	Program Services					Supporting Services						
	Operation School Bell	HUGS	Literacy	Wee Help	Total Program Services	Special Event	Thrift Shop	Total Fundraising	Membership Development	Management and General	Total Supporting Services	Total Expenses
Materials & supplies	656,799	22,649	6,374	9,652	695,474	75,016	7,396	82,412	-	1,476	83,888	779,362
Bank charges	760	-	-	-	760	5,366	21,847	27,213	42	621	27,876	28,636
Dues and subscriptions	-	-	-	-	-	-	-	-	-	77	77	77
Information technology	12,935	907	307	167	14,316	-	5,500	5,500	-	2,514	8,014	22,330
Facilities expense	40,113	1,470	851	464	42,898	-	51,005	51,005	-	-	51,005	93,903
Insurance	8,198	-	-	-	8,198	-	8,378	8,378	300	9,567	18,245	26,443
Other expense	4,952	57	33	18	5,060	3,179	2,118	5,297	1,305	1,382	7,984	13,044
Office expense	4,314	156	90	49	4,609	12,645	93	12,738	-	3,182	15,920	20,529
Professional services	1,914	78	45	25	2,062	77,031	198	77,229	350	19,988	97,567	99,629
Marketing and public relations	14,188	513	297	162	15,160	-	688	688	-	-	688	15,848
Grant expense	27,894	-	-	-	27,894	-	-	-	-	-	-	27,894
Salaries and benefits	521,051	4,595	2,660	1,451	529,757	-	124,419	124,419	-	39,150	163,569	693,326
Contract labor	-	-	-	-	-	-	663	663	-	-	663	663
Bus expense	38,320	-	-	-	38,320	-	-	-	-	-	-	38,320
National dues	-	-	-	-	-	-	-	-	4,240	-	4,240	4,240
Members expense	-	-	-	-	-	-	-	-	9,408	-	9,408	9,408
Subtotal	1,331,438	30,425	10,657	11,988	1,384,508	173,237	222,305	395,542	15,645	77,957	489,144	1,873,652
Depreciation	52,204	-	-	-	52,204	-	21,291	21,291	-	-	21,291	73,495
Total expenses	1,383,642	30,425	10,657	11,988	1,436,712	173,237	243,596	416,833	15,645	77,957	510,435	1,947,147
Less expenses included with revenues on statement of activities						(109,946)	(243,596)	(353,542)			(353,542)	(353,542)
Total expenses included in expense section on statement of activities	1,383,642	30,425	10,657	11,988	1,436,712	63,291	-	63,291	15,645	77,957	156,893	1,593,605

See accompanying notes to the financial statements.

**ASSISTANCE LEAGUE OF PHOENIX
STATEMENT OF CASH FLOWS
YEAR ENDED MAY 31, 2024**

Cash flows from operating activities:	
Increase in net assets	\$ 882,643
Adjustments to reconcile changes in net assets to net	
Cash provided/(used) by operating activities:	
Depreciation and amortization	73,495
(Increase) in inventory	(302,849)
Decrease in accounts receivable	66,222
Unrealized/realized gain on investments	(170,902)
(Increase) in grant receivable	(225,905)
Decrease in prepaid expenses	46,080
Increase in accounts payable	7,090
Increase in accrued payroll and related expenses	14,224
(Decrease) in deferred revenue	<u>(570)</u>
Net cash provided by operating activities	<u>389,528</u>
Cash flows from investing activities:	
Purchase of investments	(400,000)
Proceeds from sale of investments	<u>4,600</u>
Net cash (used) by investing activities	<u>(395,400)</u>
Cash flows from financing activities:	
Net borrowings on credit card payable	<u>20,833</u>
Net cash provided by financing activities	<u>20,833</u>
Net increase in cash and cash equivalents	14,961
Cash, cash equivalents and restricted cash, beginning of year	<u>2,282,187</u>
Cash, cash equivalents and restricted cash, end of year	<u><u>\$ 2,297,148</u></u>

See accompanying notes to financial statements

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

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

The Chapter provides the following programs:

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

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

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

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

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

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

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

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

Cash and Cash Equivalents – Cash includes cash held in checking, savings, and money market accounts at May 31, 2024. For purposes of the statement of cash flows, the Chapter considers all highly-liquid investments with initial maturities of three months or less to be cash equivalents. Cash may include amounts which are subject to donor-imposed restrictions. There were no other restrictions on cash at May 31, 2024.

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

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

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

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

Property and Equipment – Property and equipment are stated at cost, or if donated, at the fair market value at the date of the gift, and net of accumulated depreciation. The Chapter's policy is to capitalize non-liquid assets with a useful life of more than one year, with costs exceeding \$1,000 for buildings and improvements, and \$500 for furniture and equipment. The Chapter depreciates its property and equipment over the estimated useful lives of the assets using the straight-line method, which are ten to 40 years for buildings and improvements, five to ten years for furniture and equipment. There are no restrictions on how these non-liquid assets can be used by the Chapter.

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

The Chapter reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended May 31, 2024.

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

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

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

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

Donated Materials and Services – Significant materials and services are donated to the Chapter by various individuals, corporations, and other organizations. Donated materials of \$606,414 during the year ended May 31, 2024, are reflected in the accompanying financial statements at their fair values at the date of the donation. These materials consisted primarily of used clothing and household items donated by the public for resale by the thrift shop operated by the Chapter.

In addition, a significant portion of the Chapter's functions and programs are conducted by unpaid volunteers. The value for this contributed time is not reflected in the accompanying financial statements since the services do not require special skills. During the year ended May 31, 2024, these volunteers donated approximately 24,256 hours with an estimated value of \$812,333. This value was computed using an estimated hourly rate of \$33.49, based upon the average hourly earnings of nonagricultural workers for the calendar year ended December 31, 2023, as determined by the U.S. Department of Labor's Bureau for Labor Statistics, plus 15% for estimated fringe benefits.

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

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

Uncertain Tax Positions – The Chapter accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards the Chapter recognizes tax positions only to the extent that Management believes it is “more likely than not” that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions for the year ended May 31, 2024.

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

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

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

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

National Dues – The Chapter pays dues to National Assistance League® based on the number of members in the Chapter. For the year ended May 31, 2024, the Chapter paid dues totaling \$4,240.

Subsequent Events – The Chapter has evaluated subsequent events through October 15, 2024, the date which the financial statements were available to be issued.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash in Bank – The Chapter maintains all of its cash with two financial institutions. At May 31, 2024, the carrying amount of deposits was \$2,297,148 and the bank balance was \$2,293,579. As of May 31, 2024, \$301,027 bank balance was covered by federal depository insurance, and \$1,992,552 was uninsured and uncollateralized.

NOTE 3 – INVESTMENTS

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

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

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

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

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

NOTE 3 – INVESTMENTS (CONT'D)

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

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used, as of May 31, 2024, in valuing the Chapter's assets carried at fair value:

May 31, 2024	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual Funds				
Large-cap blend	217,112	-	-	217,112
Large-cap growth	122,724	-	-	122,724
Large-cap value	123,104	-	-	123,104
Mid-cap blend	98,711	-	-	98,711
Small-cap blend	24,123	-	-	24,123
Small-cap value	48,998	-	-	48,998
Foreign large blend	51,558	-	-	51,558
Foreign large growth	102,892	-	-	102,892
Foreign value	53,464	-	-	53,464
Fixed Income				
Core bond	128,243	-	-	128,243
High-yield bond	38,286	-	-	38,286
Intermediate-term bond	113,221	-	-	113,221
Multisector bond	27,458	-	-	27,458
Certificates of deposit	415,026	-	-	415,026
Money Market Funds				
Cash available to trade	62,664	-	-	62,664
	<u>\$ 1,627,584</u>	<u>-</u>	<u>-</u>	<u>\$ 1,627,584</u>

The activity in investments is summarized below:

	Beginning Balance	Purchases	Sales	Realized/Unrealized gain/(loss), net	Ending Balance
Investment Activity	<u>\$ 1,061,282</u>	<u>400,000</u>	<u>(4,600)</u>	<u>170,902</u>	<u>\$ 1,627,584</u>

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

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

NOTE 4 – INVENTORY

Inventory consisted of the following at May 31, 2024:

	May 31, 2024
New clothing and shoes for use in Operation School Bell program	\$ 673,481
Stuffed bears for use in HUGS program	3,648
Infant care items for use in Wee Help program	2,009
Books for use in the Literacy Program	704
Used clothing and household items held for sale at the thrift shop	266,992
Total inventory	\$ 946,834

NOTE 5 – PROPERTY AND EQUIPMENT

Property and Equipment at May 31, 2024 consisted of the following:

	May 31, 2024
Land	
7044 Building	391,258
Philanthropic Center	175,000
Land Improvements	
7044 Building	34,470
Philanthropic Center	6,000
Building and Improvements	
7044 Building	782,868
Philanthropic Center	1,075,169
Furniture and Equipment	
7044 Building	85,708
Philanthropic Center	128,096
Operation School Bell	387,538
Total Property and Equipment	3,066,107
Accumulated Depreciation	(1,640,262)
Property and Equipment, net	1,425,845

Amortization and depreciation expense was \$73,495 for the year ended May 31, 2024.

**ASSISTANCE LEAGUE OF PHOENIX
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2024**

NOTE 6 – NET ASSETS

Net assets with donor restrictions were comprised of the following at May 31, 2024:

	2024
Capital campaign for acquisition/improvement of facilities	\$ 545,000
Total net assets with donor restriction	\$ 545,000

NOTE 7 – SPECIAL EVENT

The Chapter has a major fundraising event to help fund current operations. The revenue and related expenses from this event for the year ended May 31, 2024:

Event	Revenue	Cost of Direct Donor Benefits	Other Event Costs	Net Revenues
Celebration of Caring Gala	\$ 559,414	\$ 109,946	\$ 63,291	\$ 386,177

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Chapter’s financial assets as of May 31, 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or are assets held for other uses.

Financial assets:

Cash and cash equivalents	\$ 2,297,148
Investments	1,627,584
Grants receivable	225,905
Accounts receivable	2,500
Financial assets at year end:	4,153,137

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

Assets restricted by donors for the capital campaign (Note 6)	\$ 545,000
Financial assets available to meet cash needs for general expenditures within one year:	\$ 3,608,137

The Chapter structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Chapter has a goal to maintain financial assets on hand to meet one year of normal operating expenses (See Note 6).