

ASSISTANCE LEAGUE® OF DOWNEY

**Independent Accountants' Review Report,
Financial Statements
and Supplemental Schedule**

Year Ended May 31, 2021
(With Comparative Totals for 2020)

ASSISTANCE LEAGUE OF DOWNEY

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PADDOCK SCHECK MORSE, INC.

CERTIFIED PUBLIC ACCOUNTANTS

BUSINESS CONSULTANTS

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees
Assistance League of Downey
Downey, California

We have reviewed the accompanying financial statements of Assistance League of Downey (a nonprofit organization), which comprise the statement of financial position as of May 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Supplementary Information

The supplementary information included in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Paddock Scheck Morse, Inc.

Paddock Scheck Morse, Inc.
Newport Beach, California
December 30, 2021

ASSISTANCE LEAGUE OF DOWNEY
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 365,582	\$ 432,249
Inventory	61,119	48,254
Prepaid expenses	5,442	6,961
TOTAL CURRENT ASSETS	<u>432,143</u>	<u>487,464</u>
PROPERTY AND EQUIPMENT	<u>998,243</u>	<u>1,032,838</u>
TOTAL ASSETS	<u><u>\$ 1,430,386</u></u>	<u><u>\$ 1,520,302</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 8,035	\$ 5,308
Payroll and sales tax payable	1,337	1,665
Accrued liabilities	35,694	56,526
TOTAL CURRENT LIABILITIES	<u>45,066</u>	<u>63,499</u>
NET ASSETS		
Without donor restrictions (Note5)	<u>1,385,320</u>	<u>1,456,803</u>
TOTAL NET ASSETS	<u><u>1,385,320</u></u>	<u><u>1,456,803</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,430,386</u></u>	<u><u>\$ 1,520,302</u></u>

See accompanying notes and independent accountants' report.

ASSISTANCE LEAGUE OF DOWNEY
STATEMENTS OF ACTIVITIES
YEARS ENDED MAY 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUE:		
Without Donor Restrictions:		
Fundraising		
Thrift shop revenue		
Contributions of merchandise	\$ 118,596	\$ 137,652
Sales of donated merchandise	105,727	147,898
Less value of merchandise sold	(105,727)	(147,898)
Net revenue from thrift shop	<u>118,596</u>	<u>137,652</u>
Fundraising events and activities		
Contributions and revenue	7,711	43,150
Less direct costs	2,901	(13,451)
Net revenue from fundraising	<u>10,612</u>	<u>29,699</u>
Program service revenue	-	13,061
Contributions	4,675	6,440
Membership	15,764	1,740
Interest	863	2,373
Other	23,360	16,013
TOTAL OPERATING REVENUES AND GAINS	<u>173,870</u>	<u>206,978</u>
Expenses		
Program Services		
Dental	14,000	14,000
H.O.M.E.	58,010	86,542
Operation School Bell	8,847	39,615
Christmas distribution	4,866	4,970
Others	23,666	28,512
Total program services expenses	<u>109,389</u>	<u>173,639</u>
Supporting services		
Fundraising		
Thrift shop	65,548	82,420
Fundraising events and activities indirect costs	-	-
Management and general	61,421	83,082
Membership development	8,995	5,577
Total supporting services expenses	<u>135,964</u>	<u>171,079</u>
TOTAL EXPENSES	<u>245,353</u>	<u>344,718</u>
CHANGE IN NET ASSETS	(71,483)	(137,740)
NET ASSETS AT BEGINNING OF YEAR	<u>1,456,803</u>	<u>1,594,543</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,385,320</u>	<u>\$ 1,456,803</u>

See accompanying notes and independent accountants' review report.

ASSISTANCE LEAGUE OF DOWNEY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2021, WITH COMPARATIVE TOTALS FOR 2020

	Program Services						Supporting Services					Totals	
	Dental	H.O.M.E.	Operation School Bell	Christmas Distribution	Others	Total Program Expenses	Thrift Shop	Special Events	Management and General	Membership Development	Total Supporting Services	2021	2020
Salaries and benefits	\$ -	\$ 6,879	\$ -	\$ -	\$ -	\$ 6,879	\$ 27,322	\$ -	\$ 1,248	\$ -	\$ 28,570	\$ 35,449	\$ 46,689
Program supplies	-	852	1,722	-	29	2,603	-	-	-	-	-	2,603	5,054
Occupancy													
Insurance	-	6,264	-	587	-	6,851	6,170	-	7,047	-	13,217	20,068	21,715
Property taxes	-	244	-	307	-	551	2,781	-	2,095	-	4,876	5,427	4,742
Repairs and maintenance	-	12,534	-	751	-	13,285	11,842	-	32,591	-	44,433	57,718	86,319
Security	-	2,225	-	-	-	2,225	-	-	3,631	-	3,631	5,856	3,846
Utilities	-	4,564	-	238	-	4,802	3,056	-	12,361	-	15,417	20,219	18,267
Depreciation	-	21,382	-	-	7,637	29,019	5,576	-	-	-	5,576	34,595	34,830
Donations	14,000	-	7,125	2,830	-	23,955	-	-	-	175	175	24,130	53,141
Food and entertainment	-	-	-	-	-	-	-	(3,200)	-	-	(3,200)	(3,200)	10,529
Miscellaneous	-	1,077	-	13	-	1,090	4,498	77	355	3,473	8,403	9,493	19,216
National dues	-	-	-	-	-	-	-	-	-	4,180	4,180	4,180	450
National conference and meetings	-	-	-	-	-	-	-	-	279	460	739	739	2,803
Postage, printing, and supplies	-	-	-	-	-	-	2,228	222	579	707	3,736	3,736	7,929
Professional services	-	-	-	-	-	-	-	-	-	-	-	-	11,000
Public relations/advertising	-	-	-	-	-	-	140	-	270	-	410	410	492
Scholarships	-	-	-	-	16,000	16,000	-	-	-	-	-	16,000	20,000
Telephone/Internet	-	1,989	-	140	-	2,129	1,935	-	965	-	2,900	5,029	11,147
Cost/Value of merchandise sold	-	-	-	-	-	-	105,727	-	-	-	105,727	105,727	147,898
TOTAL EXPENSES	14,000	58,010	8,847	4,866	23,666	109,389	171,275	(2,901)	61,421	8,995	238,790	348,179	506,067
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	(105,727)	2,901	-	-	(102,826)	(102,826)	(161,349)
TOTAL EXPENSES PER STATEMENT OF ACTIVITIES	\$ 14,000	\$ 58,010	\$ 8,847	\$ 4,866	\$ 23,666	\$ 109,389	\$ 65,548	\$ -	\$ 61,421	\$ 8,995	\$ 135,964	\$ 245,353	\$ 344,718

See accompanying notes and independent accountants' review report.

ASSISTANCE LEAGUE OF DOWNEY
STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase(decrease) in net assets	\$ (71,483)	\$ (137,740)
Adjustments to reconcile increase(decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	34,595	34,830
Increase in:		
Accounts receivable	-	-
Prepaid expenses	1,519	(1,519)
Inventory	(12,865)	10,246
Increase (decrease) in:		
Accounts payable	2,727	2,500
Payroll and sales tax payable	(328)	97
Accrued liabilities	(20,832)	18,413
Deferred dues and other deferred revenue	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(66,667)</u>	<u>(73,173)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>-</u>	<u>(26,820)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>(26,820)</u>
NET INCREASE (DECREASE) IN CASH	(66,667)	(99,993)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>432,249</u>	<u>532,242</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 365,582</u></u>	<u><u>\$ 432,249</u></u>
Cash paid during the year for:		
Interest	<u>\$ -</u>	<u>\$ -</u>
Income taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes and independent accountants' review report.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Assistance League of Downey is a nonprofit corporation and is a chartered chapter of National Assistance League. The accompanying financial statements include the activities of Assistance League of Downey and its auxiliaries: Assisteens® and Gypsy Johnson Auxiliary (collectively, the Chapter). The Chapter provides the following programs:

H.O.M.E. – Housing of Medical Emergencies project is a service provided to the families of patients undergoing rehabilitation at Rancho Los Amigos Medical Center. A ten-unit facility adjacent to the Medical Center is owned, operated and maintained by Assistance League of Downey and houses family members or out-patients coming from outside the area enabling them to participate in the rehabilitation program.

Operation School Bell – Provides school clothing, a voucher for shoes, a grooming kit and a backpack to needy students from the Downey Unified School District who have been referred by their principals or the school nurse.

Dental Program – Provides low-cost dental care to children in grades K-12 in the Downey Unified School District following an annual elementary school screening by the Downey Dental Academy and/or referral by the school nurse. These are children who do not qualify for MediCal nor are they covered by private insurance.

Christmas Distribution – Distribution of new gifts to agencies providing help to the needy.

Tiny Togs – Provides a diaper bag, blanket, t-shirts, a sleeper, two receiving blankets and a bottle. These kits are sent to the Living Help program and services women in the surrounding area of Downey.

Hug-A-Bear – A program for providing teddy bears to local police and firefighters for distribution following traumatic situations involving children.

Vision Care – When referred by Downey Unified School District, following a yearly screening by an optometrist and/or a school nurse, assistance is provided to students whose families are financially unable to provide corrective glasses.

Scholarship – The Student Volunteer Scholarship Program is a philanthropic project that shall provide selected graduating seniors at Downey Unified School District high schools with \$1,000 scholarships.

True Lasting Connection – Provides support to the TLC Family Resource Center for medical services, parental education, counseling, food and clothing.

The Chapter's support and revenues come primarily from contributions, program service revenue and other fundraising efforts including fundraising events and operation of a thrift shop.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of Accounting

The financial statements of the Chapter have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The Chapter reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and a board-designated endowment. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Chapter, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Chapter's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

The Chapter's donor-restricted endowment funds, including the unspent appreciation of the endowment fund and the portion of the Chapter's donor-restricted endowment funds that the Chapter is committed to maintaining in perpetuity are classified in net assets with donor restrictions, as is the Chapter's beneficial interest in a perpetual charitable trust held by a bank as trustee.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Comparative Financial 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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Chapter's financial statements for the year ended May 31, 2020, from which the summarized information was derived.

Fair Value Measurements

The Chapter follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. This guidance establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair values into Levels 1, 2 and 3.

Level 1 inputs consist of unadjusted quoted prices in active markets for identical instruments and have the highest priority. Level 2 inputs include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or inputs other than quoted prices that are directly or indirectly observable. Level 3 inputs are unobservable and are given the lowest priority.

For purposes of financial reporting, the Chapter has determined that the fair values of its financial instruments, which include cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate the carrying value at May 31, 2021, based on their short maturities and/or the terms available to the Chapter in financial markets. All donated used clothing and household items inventory is classified at Level 2.

Cash and Cash Equivalents

Cash and cash equivalents include cash held in checking and money market accounts, time deposits, certificates of deposit and all highly liquid investments with original maturities of three months or less.

Inventories

The Chapter maintains an inventory of used clothing and household items donated by Chapter members and others for resale by a thrift shop operated by the Chapter, which is stated at its estimated fair value.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Concentration of Credit and Market Risk

Financial instruments that potentially expose the Chapter to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Cash and cash equivalents maintained at Downey Federal Credit Union are insured by the National Credit Union Administration up to \$250,000 and with an additional \$250,000 of insurance provided by American Share Insurance for a total of \$500,000. At May 31, 2021, the Chapter had no uninsured balances at these institutions. The Chapter has not experienced any losses on its cash or cash equivalents.

Property and Equipment

Property and equipment are stated at cost or at the fair value at the date of donation in the case of donated assets. Property and equipment purchase over \$1,000 are capitalized by the Chapter. The Chapter provides for depreciation and amortization of property and equipment by use of the straight-line method over the estimated useful lives as follows:

Buildings and improvements	10 to 35 years
Furniture and equipment	3 to 10 years

Deferred Revenue

Membership dues and program services fees collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues and fees relate.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets 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 unrestricted support.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Donated Materials and Services

Significant materials and services are donated to the Chapter by various individuals, corporations and other Chapters, and are reflected in the accompanying financial statements at their fair values at the date of donation.

In addition, a significant portion of the Chapter's functions and programs are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2021, these volunteers donated approximately 11,222 hours with an estimated value of \$302,994. This value was computed using an estimated hourly rate of \$27.00, based upon the average hourly earnings of nonagricultural workers for the time period of \$24.11, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 12% for estimated fringe benefits.

Tax Status

The Chapter is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Chapter qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an Chapter that is not a private foundation under Section 509(a)(2). The Chapter is also exempt from state income taxes under Section 23701(d) of the Revenue and Taxation Code of the State of California.

The Chapter has applied the provisions of the FASB's ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Under ASC 740-10, nonpublic enterprises, including nonprofit Chapters, are required to record a tax liability when substantial uncertainties exist as to whether certain income is exempt from federal, state and local income tax. As of May 31, 2021, the Chapter had no substantial uncertain income tax positions.

Tax Status - continued

The Chapter's federal returns are subject to examination by Federal taxing authorities, generally for three years after they are filed and the Chapter's state returns are subject to examination by the state taxing authorities, generally for four years after they are filed.

Use of Estimates

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

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES – continued

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. The financial statements report certain categories of expenses that are attributable to more than one activity or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated included depreciation and amortization which are allocated on a square-foot basis, as well as salaries and benefits, which are allocated base on estimates of time of effort. Operating expenses are allocated based on the salaries and benefits allocations.

Liquidity

The following reflects the Chapter's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor or other restrictions limiting their use within one year of May 31, 2021 for general purposes.

Financial assets at year-end	\$ 432,143
Board designations:	
Chapter House maintenance	(50,000)
H.O.M.E. maintenance	(35,000)
Scholarships within one year	<u>(20,000)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 327,143</u>

The Chapter invests cash in excess of daily requirements in short-term investments, typically interest-bearing accounts.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2021 consist of the following:

Cash on hand	\$ 100
Checking accounts:	
Bank of the West – Assisteens	21,982
Downey Federal Credit Union	0
U S Bank	<u>40,071</u>
	<u>62,053</u>
Savings accounts:	
One West Bank	101,759
Farmers and Merchants Bank	8,175
Downey Federal Credit Union	<u>193,495</u>
	<u>303,429</u>
Total cash and cash equivalents	<u>\$ 365,582</u>

NOTE 3 – INVENTORIES

Inventories at May 31, 2021 consist of the following:

Used clothing and household items held for sale at thrift shop	\$ 61,119
Total inventories	<u>\$ 61,119</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at May 31, 2021:

Land	\$ 603,348
Building and improvements	1,619,496
Furniture and equipment	<u>69,961</u>
	2,292,805
Less: Accumulated depreciation	<u>1,294,562</u>
	<u>\$ 998,243</u>

Depreciation - **\$34,595**

NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 5 – NET ASSETS

At May 31, 2021, net assets were restricted by donors or designated by the Chapter as follows:

Unrestricted net assets:

Designated for Chapter House maintenance	\$ 117,940
Designated for H.O.M.E. maintenance	201,670
Designated reserve for one year's operating expenses	203,940
Designated for one year's scholarship	20,000
Undesignated	<u>841,770</u>
Total unrestricted net assets and total net assets	<u>\$1,385,320</u>

NOTE 6 – FUNDRAISING EVENTS AND ACTIVITIES

The Chapter conducts various fundraising events and activities to help fund current operations. The contributions, revenue and related expenses from such events and activities for the year ending May 31, 2021 are as follows:

Event/Activity	Contri- butions	Revenue	Total Contributions And Revenue	Cost of Direct Benefits to Attendees	Other Costs	Net Revenue
Christmas Brunch	\$ 4,021	\$ 3,350	\$ 7,371	\$ -	\$ 77	\$ 7,294
Iridescent Ball	340	-	340	(2,978)	-	3,318
Spring Tea	-	-	-	-	-	-
	<u>\$ 4,361</u>	<u>\$ 3,350</u>	<u>\$ 7,711</u>	<u>\$ (2,978)</u>	<u>\$ 77</u>	<u>\$ 10,612</u>

NOTE 7 – CONCENTRATION OF SUPPORT AND REVENUE INCOME

The Chapter received \$105,727 from the operation of the thrift shop located in Downey, California.

The Chapter received \$340 from the Iridescent Ball special event.

NOTE 8 – LEASES

The Chapter has a 66-year ground lease with the County of Los Angeles. The annual rent is \$1. The lease is for the period January 29, 1991 to January 29, 2057. The Chapter is responsible for the operational cost of the facility located on the land including managerial duties, maintenance, repairs, furniture and fixtures, etc., throughout the duration of the lease.

ASSISTANCE LEAGUE OF DOWNEY
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2021

NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

Assistance League of Downey has evaluated events subsequent to May 31, 2021, to assess the need for potential recognition or disclosures in the financial statements. Such events were evaluated through December 16, 2021, the date these financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

NOTE 10 – FUNDRAISING EVENTS AND ACTIVITIES

Assistance League of Downey sold greeting cards, but there was no cost of sales reported for this fundraiser.

NOTE 11 – NONCASH CONTRIBUTIONS

Assistance League of Downey received \$105,727 in noncash contributions. The total of the noncash contributions are accounted for as Thrift Shop donations.

NOTE 12 – PAYROLL PROTECTION PROGRAM LOAN

The organization received a \$10,702 loan under the Paycheck Protection Program (PPP) under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act. Loan proceeds were used for qualifying purposes. The loan was forgiven and the loan proceeds have been included in “Other” operating revenues and gains in the May 31, 2021 Statement of Activities.

SUPPLEMENTARY INFORMATION

ASSISTANCE LEAGUE OF DOWNEY
SCHEDULE I - SUPPLEMENTAL CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2021

		Unrestricted	
	Chapter	Assistees	Total
SUPPORT AND REVENUES			
Fundraising:			
Thrift shop revenue:			
Contributions of merchandise	\$ 118,596	\$ -	\$ 118,596
Sales of donated merchandise	105,727	-	105,727
Less value of merchandise sold	(105,727)	-	(105,727)
Net revenue from thrift shop	118,596	-	118,596
Fundraising events and activities:			
Contributions and revenue	7,711	-	7,711
Less direct costs	2,901	-	2,901
Net contributions and revenue from fundraising events and activities	10,612	-	10,612
Program service revenue	-	-	-
Contributions	4,675	-	4,675
Membership	15,764	-	15,764
Interest	863	-	863
Other	23,360	-	23,360
TOTAL SUPPORT AND REVENUES	173,870	-	173,870
EXPENSES			
Program services:			
Dental	14,000	-	14,000
H.O.M.E.	58,010	-	58,010
Operation School Bell	8,669	178	8,847
Christmas Distribution	2,035	2,831	4,866
Others	23,637	29	23,666
Total program service expenses	106,351	3,038	109,389
Supporting services:			
Fundraising:			
Thrift shop	65,548	-	65,548
Fundraising events and activities indirect costs	-	-	-
Management and general	61,421	-	61,421
Membership development	5,386	3,609	8,995
Total supporting services expenses	132,355	3,609	135,964
TOTAL EXPENSES	238,706	6,647	245,353
CHANGE IN NET ASSETS	(64,836)	(6,647)	(71,483)
TRANSFER	-	-	-
NET ASSETS AT BEGINNING OF YEAR	1,436,487	20,316	1,456,803
NET ASSETS AT END OF YEAR	\$ 1,371,651	\$ 13,669	\$ 1,385,320

See independent accountants' review report.