

Assistance League of Huntington Beach

Financial Statements

May 31, 2016 and 2015

(With Independent Auditors' Report Thereon)

**Assistance League of Huntington Beach
Financial Statements
May 31, 2016 and 2015**

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McGinty, Knudtson & Associates, LLP

Certified Public Accountants

Independent Auditor's Report

Board of Directors
Assistance League of Huntington Beach

We have audited the accompanying financial statements of Assistance League of Huntington Beach (a nonprofit organization), which comprise the statement of financial position as of May 31, 2016, and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assistance League of Huntington Beach as of May 31, 2016, 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.

Report on Summarized Comparative Information

We have previously audited the Assistance League of Huntington Beach 2014 financial statements, and our report dated August 28, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

McGinty Knudtson + Associates, LLP

McGinty, Knudtson & Associates, LLP
Huntington Beach, CA

September 29, 2016

Assistance League of Huntington Beach
Statement of Financial Position
May 31, 2016 (with comparative totals for 2015)

Assets	5/31/2016	5/31/2015
Cash and cash equivalents (Note 2)	\$ 1,112,865	\$ 1,276,825
Promises to give (Note 3)	-	1,000
Accounts receivable	770	-
Prepaid expenses	2,860	2,634
Inventory (Note 4)	163,279	109,680
Investments (Note 5)	149,606	151,487
Property and equipment (Note 6)	1,197,447	1,080,560
Total Assets	2,626,828	2,622,186
Liabilities		
Accounts payable	22,737	26,040.52
Deferred dues revenue	27,730	23,565
Other payables	7,403	9,678
Total Liabilities	57,870	59,283
Net Assets (Note 7)		
Unrestricted	2,560,359	2,553,304
Temporarily restricted	8,599	9,599
Permanently restricted	-	-
Total Net Assets	2,568,958	2,562,903
Total Liabilities and Net Assets	\$ 2,626,828	\$ 2,622,186

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

Assistance League of Huntington Beach
Statement of Activities
For Year Ended May 31, 2016 (with comparative totals for 2015)

	Year Ended May 31, 2016			Total	Year Ended May 31, 2015 Totals
	Unrestricted	Temporarily Restricted	Permanently Restricted		
Support and Revenues					
Fundraising:					
Thrift shop revenue:					
Contributions of merchandise	\$ 634,716	\$ -	\$ -	\$ 634,716	\$ 648,192
Sales of donated merchandise	620,876	-	-	620,876	599,866
Less: Value of merchandise sold	(619,388)	-	-	(619,388)	(598,131)
Net revenue from thrift shop	<u>636,204</u>	<u>-</u>	<u>-</u>	<u>636,204</u>	<u>649,927</u>
Special events revenue	295,010	-	-	295,010	293,877
Less: Cost of direct benefits to attendees	(78,986)	-	-	(78,986)	(79,471)
Net revenue from special events	<u>216,024</u>	<u>-</u>	<u>-</u>	<u>216,024</u>	<u>214,406</u>
Contributions and grants	48,852	-	-	48,852	41,915
Oil royalty	1,624	-	-	1,624	3,578
Investment return	946	-	-	946	10,385
Membership	34,484	-	-	34,484	30,867
Rental income (net of expenses)	(27,074)	-	-	(27,074)	(11,142)
Net assets released from restrictions					
Satisfaction of program restrictions	1,000	(1,000)	-	-	-
Expiration of time restrictions	-	-	-	-	-
Net assets restricted for future expenses	-	-	-	-	-
Total support and revenues	<u>912,059</u>	<u>(1,000)</u>	<u>-</u>	<u>911,059</u>	<u>939,936</u>
Expenses					
Program Services					
Operation School Bell	277,111	-	-	277,111	231,708
Scholarships	129,822	-	-	129,822	120,521
Links to Learning HB	114,953	-	-	114,953	71,053
Operation New Beginnings	79,285	-	-	79,285	84,534
Other Programs	117,430	-	-	117,430	95,333
Total program service expenses	<u>718,601</u>	<u>-</u>	<u>-</u>	<u>718,601</u>	<u>603,149</u>
Supporting services					
Thrift shop	127,757	-	-	127,757	102,337
Special events	17,761	-	-	17,761	14,315
Management and general	16,485	-	-	16,485	13,945
Membership development	24,401	-	-	24,401	22,300
Total supporting service expenses	<u>186,403</u>	<u>-</u>	<u>-</u>	<u>186,403</u>	<u>152,897</u>
Total expenses	<u>905,004</u>	<u>-</u>	<u>-</u>	<u>905,004</u>	<u>756,046</u>
Change in net assets	7,055	(1,000)	-	6,055	183,890
Beginning net assets	2,553,304	9,599	-	2,562,903	2,379,013
Ending net assets	<u>\$ 2,560,359</u>	<u>\$ 8,599</u>	<u>\$ -</u>	<u>\$ 2,568,958</u>	<u>\$ 2,562,903</u>

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

**Assistance League of Huntington Beach
Statement of Cash Flows
For Year Ended May 31, 2016 and 2015**

	<u>5/31/2016</u>	<u>5/31/2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 6,055	\$ 183,890
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	37,596	36,973
Loss/(gain) on fixed asset disposal	15,794	4,932
Net realized and unrealized (gains)/losses on investments	4,889	(3,569)
(Increase) decrease in promises to give	1,000	-
(Increase) decrease in accounts receivable	(770)	1,838
(Increase) decrease in prepaid expenses	(226)	(1,510)
(Increase) decrease in inventory	(53,599)	(19,153)
Increase (decrease) in accounts payable	(3,303)	26,041
Increase (decrease) in deferred dues	4,165	650
Increase (decrease) in other payables	(2,275)	429
Net cash provided (used) by operating activities	<u>9,325</u>	<u>230,520</u>
Cash flows from investing activities:		
Purchases of investments	(88,164)	(76,225)
Proceeds from sale of investments	85,156	81,405
Proceeds from CDs	-	-
Purchase of property and equipment	(170,277)	(12,171)
Net cash provided (used) by investing activities	<u>(173,285)</u>	<u>(6,991)</u>
Cash flow from financing activities:		
Net cash provided (used) by financing activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	(163,960)	223,529
Cash and cash equivalents at beginning of year	<u>1,276,825</u>	<u>1,053,296</u>
Cash and cash equivalents at end of year	<u>\$ 1,112,865</u>	<u>\$ 1,276,825</u>

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

**Assistance League of Huntington Beach
Statement of Functional Expenses
For Year Ended May 31, 2016 (with comparative totals for 2015)**

	Program Services						Supporting Services					Year Ended May 31, 2015 Total Expenses	
	Operation School Bell	Scholarships	Links to Learning HB	Operation New Beginnings	Other Programs	Total Program Services	Thrift Shop	Special Events	Management & General	Membership Development	Total Supporting Services		Year Ended May 31, 2016 Total Expenses
Accounting services	\$ 1,382	\$ 461	\$ 461	\$ 921	\$ 1,382	\$ 4,606	\$ 4,606	\$ -	\$ -	\$ -	\$ 4,606	\$ 9,213	\$ 7,369
Bank charges	29	10	10	19	29	96	11,980	6,561	-	-	18,541	18,636	19,900
Convention/conference	422	141	141	281	4,255	5,240	1,407	-	-	-	1,407	6,647	5,151
Depreciation	1,128	752	752	1,504	1,880	6,015	14,663	1,128	15,791	-	31,581	37,596	36,973
Education	1,936	645	645	1,291	1,936	6,454	6,454	-	-	-	6,454	12,908	9,405
Food & entertainment	-	-	-	-	-	-	62,099	62,099	-	-	62,099	62,099	61,334
Loss on asset disposal	474	316	316	632	790	2,527	6,159	474	6,633	-	13,267	15,794	4,932
Membership efforts	-	-	-	-	-	-	324	-	-	3,274	3,598	3,598	1,893
Miscellaneous	-	-	-	-	-	-	557	141	-	907	1,604	1,604	3,245
National dues	-	-	-	-	-	-	-	-	-	14,570	14,570	14,570	13,590
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	1,480	847	847	1,694	2,187	7,055	19,586	1,061	4,244	-	24,891	31,946	27,186
Insurance	546	366	366	732	912	2,922	7,122	546	2,795	-	10,464	13,386	13,144
Property taxes	246	164	164	328	410	1,311	3,197	246	984	-	4,426	5,738	6,766
Printing	-	-	-	-	-	-	-	4,885	-	2,254	7,140	7,140	7,320
Program supplies/services	263,757	124,500	109,818	68,828	98,460	665,362	-	-	-	-	665,362	665,362	560,524
Professional services	1,496	187	-	187	916	2,786	-	4,591	-	-	4,591	7,377	5,704
Public relations and advertising	2,895	965	965	1,930	2,895	9,650	18,613	-	-	-	18,613	28,263	21,001
Repairs & maintenance	524	175	175	350	524	1,748	6,939	-	-	-	6,939	8,686	5,527
Supplies	795	295	295	589	854	2,829	25,731	14,936	2,055	3,395	46,118	48,946	34,887
Taxes & licenses	-	-	-	-	-	-	419	-	-	-	419	419	421
Fundraising expenses	-	-	-	-	-	-	-	80	-	-	80	80	539
Total expenses	277,111	129,822	114,953	79,285	117,430	718,601	127,757	96,747	32,502	24,401	281,407	1,000,007	846,813
Less: expenses included with revenue on Statement of Activities	-	-	-	-	-	-	-	78,986	16,017	-	95,003	95,003	90,767
Total expenses per Statement of Activities	\$277,111	\$ 129,822	\$114,953	\$ 79,285	\$117,430	\$ 718,601	\$127,757	\$ 17,761	\$ 16,485	\$ 24,401	\$ 186,403	\$ 905,004	\$ 756,046

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

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 1 – Summary of Significant Accounting Policies

Nature of Activities - The Assistance League of Huntington Beach, a California nonprofit corporation, was organized as a chartered chapter of the National Assistance League to carry on a program of philanthropic work in the community and to control and administer at least one major philanthropic project.

The accompanying financial statements include the activities of the League and its auxiliaries, Dreamcatchers and Assisteens (collectively, the Chapter). The Chapter provides the following programs:

1. Operation School Bell provides children referred by local schools with new age-appropriate clothes and shoes.
2. Nursing scholarships provide funds to students enrolled in the nursing program at Golden West College.
3. Links to Learning HB provides grants to teachers for education materials the state does not supply.
4. Operation New Beginnings provides assistance to abused women and children in the community, assistance to returning veterans enrolled at Golden West College, and scholarships through Project Self Sufficiency.
5. El Viento provides education expenses for college students as well as sponsoring the participation of one class of 4th graders through their senior year of high school in rigorous programs of study, leadership and enrichment.
6. Other Programs include sponsorships to the Junior Lifeguards Program, Operation Bear Hug, Operation Share, Glass Slipper, Alzheimer Family Service Center, Operation Self Esteem, Support Our Seniors, Teachers Assistance Program, Therapeutic Riding Center, South Coast Alliance to the Mentally Impaired, Beach Clean-up, Make a Difference Day, and Birthday in a Bag.

The Chapter's support and revenues come primarily from contributions and other fundraising efforts, as well as operation of a thrift shop.

Basis of Accounting – The financial statements of the Chapter have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation - The financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 *Not-for-Profit Organizations*. Under this guidance, the Chapter is required to report information regarding its financial position and activities in three classes of net assets as follows:

- Unrestricted net assets are net assets not subject to donor-imposed restrictions or laws.
- Temporarily restricted net assets are net assets subject to donor-imposed restrictions that can be fulfilled by the actions of the Chapter pursuant to those restrictions or that expire by the passage of time. Temporarily restricted resources whose restrictions are met in the same reporting periods are recorded as unrestricted.
- Permanently restricted net assets are net assets subject to donor-imposed restrictions that the gift cannot be wholly expended on a current basis. Investment returns generated from these funds are available for general support of the Chapter's programs and operations unless otherwise stipulated by the donor.

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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Chapter's financial statements for the year ended May 31, 2015, from which the summarized information was derived.

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 1 – Summary of Significant Accounting Policies (continued)

Fair Value Measurement – The Chapter measures fair value in accordance with FASB ASC 820, Fair Value Measurements and Disclosures, which applies to all financial instruments that are being measured and reported at fair value. ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy consists of three broad levels: Level 1 measurements consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 measurements consist of observable inputs other than quoted prices for identical assets, and Level 3 measurements are unobservable and significant to the fair value measurement. Level 1 measurements are given the highest priority and Level 3 inputs are the lowest priority.

The Chapter's financial instruments consist primarily of cash, temporary cash investments, inventory, investments, property and equipment, deferred revenue, and payables. The carrying amount of cash, temporary cash investments, inventory, investments, deferred revenue, and payables approximate their fair value at May 31, 2016 and 2015 due to the short-term nature of such instruments.

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Chapter considers all highly liquid investments purchased with initial maturity of three months or less to be cash equivalents.

Promises to Give – Unconditional promises to give are recognized as contributions in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefit received. Promises to give are recorded at net realizable value if they are expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Inventories – The Chapter maintains an inventory of gift cards for use in its Operation School Bell and Operation New Beginnings programs, which is stated at market value. The Chapter also maintains an inventory of used clothing and household items donated for resale by a thrift shop operated by the Chapter which is stated at its estimated fair value.

Investments – The Chapter carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Restricted gains and investment income whose restrictions are met in the same period the gains or income are recognized are reported as unrestricted revenue.

Concentration of Credit Risk – The Chapter may be subject to credit risk to its cash and cash equivalent investments, which are placed with high credit-quality financial institutions. From time to time, the Chapter may have amounts on deposit in excess of the FDIC limits. At May 31, 2016 and 2015, the Chapter's uninsured balances at these institutions total \$0 and \$167,735, respectively. The Chapter has not experienced any losses on its cash or cash equivalents.

Property and Equipment – Property and equipment is recorded at cost, or if donated, at approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset as follows:

Buildings and improvements	7 to 39 years
Furniture and equipment	5 to 10 years
Land improvements	15 years

Deferred Revenue – Membership dues and program service 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.

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 1 – Summary of Significant Accounting Policies (continued)

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.

Donated Services – No amounts have been reflected in the financial statements for donated services because the criteria for recognition under Accounting Standards Codification (ASC) 958 have not been satisfied. The Chapter pays for most services requiring specific expertise. Donated materials consisted primarily of used clothing and household items donated for resale by the Bargain Box operated by the chapter.

In addition, many individuals volunteer their time and conduct a significant portion of the Chapter's functions and programs. 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, 2016, these volunteers donated approximately 71,997 hours with an estimated value of \$1,691,930. This value was computed using an estimated hourly rate of \$23.50, based on statistical information for the U.S. Department of Labor. During the year ended May 31, 2015, these volunteers donated approximately 70,437 hours with an estimated value of \$1,638,365. This value was computed using an estimated hourly rate of \$23.26, based on statistical information for the U.S. Department of Labor.

Tax Status – The Chapter is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and Revenue and Taxation Code Section 23701d, respectively. Furthermore, the Chapter has been determined not to be a private foundation under Code Section 509(a)(2), and is deemed qualified for the charitable contribution deduction under Section 170(b)(1)(a). The Chapter is subject to tax on unrelated business income, which is generated from its rental activity and investment income not related to their stated exempt purposes. The Chapter had no significant deferred income tax assets or liabilities as of May 31, 2016 and 2015.

The Chapter has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2015, 2014 and 2013 tax years, and 2015, 2014, 2013, and 2012 for the California's Franchise Tax Board. However, the Chapter is not currently under audit nor have they been contacted by any jurisdiction. Based on the evaluation of the Chapter's tax positions, the Chapter believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal years ended May 31, 2016 and 2015.

Use of 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.

Expense allocation – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services accordingly.

Reclassifications – Some reclassifications have been made to the May 31, 2015 financial statements in order to conform to the May 31, 2016 presentation.

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 2 – Cash and Cash Equivalents

Cash and cash equivalents consist of the following as of May 31:

	2016	2015
Petty cash	\$ 1,160	\$ 1,050
Checking accounts:		
Comerica Bank	186,050	101,912
Farmers & Merchants Bank	30,273	50,185
Total checking accounts	216,324	152,097
Savings accounts:		
Comerica Bank - money market	99,765	129,635
Chase - savings	245,679	245,580
Farmers & Merchants Bank - money market	67,147	82,088
Pacific Premier Bank - money market	249,451	248,639
Wells Fargo Bank - high yield savings	70,140	215,695
Wells Fargo Bank - money market	163,200	202,040
Total savings accounts	895,382	1,123,678
Total cash and cash equivalents	\$ 1,112,865	\$ 1,276,825

Note 3 – Promises to Give

Promises to give consist of the following as of May 31:

	2016	2015
Operation School Bell	\$ -	\$ 1,000

All promises to give are due within one year.

Note 4 – Inventories

Inventories consist of the following as of May 31:

	2016	2015
Used clothing and household items held for sale at Thrift Shop	\$ 93,866	\$ 105,437
Gift cards for use in New Beginnings Program	2,375	3,270
Gift cards for use in Operation School Bell Program	65,243	-
Bears for Project Bear Hug	1,796	974
Total inventory	\$ 163,279	\$ 109,680

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 5 – Investments

The Chapter measures fair value in accordance with FASB ASC 820, Fair Value Measurements and Disclosures, which applies to all financial instruments that are being measured and reported at fair value. ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Investments are stated at fair value and consist of the following as of May 31:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
TD Ameritrade:					
Money market	\$ 31,733	\$ -	\$ -	\$ 31,733	\$ 8,125
Stocks	71,555	-	-	71,555	105,980
Mutual funds	46,318	-	-	46,318	37,382
	<u>\$ 149,606</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,606</u>	<u>\$ 151,487</u>

Investment return is summarized as follows for the year ended May 31:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
Interest income	\$ -	\$ -	\$ -	\$ -	\$ 1,517
Dividends	4,472	-	-	4,472	5,299
Net realized gains(losses)	693	-	-	693	7,101
Net unrealized gains(losses)	(5,581)	-	-	(5,581)	(3,532)
	<u>\$ (417)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (417)</u>	<u>\$ 10,385</u>

Note 6 – Property and Equipment

Property and equipment consist of the following as of May 31:

	<u>2016</u>	<u>2015</u>
Land	\$ 312,000	\$ 312,000
Land improvements	65,075	65,075
Buildings	653,595	653,595
Building improvements	524,976	376,880
Furniture and equipment	61,636	61,636
	<u>1,617,282</u>	<u>1,469,186</u>
Less: accumulated depreciation	<u>(419,835)</u>	<u>(388,626)</u>
Total property and equipment, net	<u>\$ 1,197,447</u>	<u>\$ 1,080,560</u>

Total depreciation expense for May 31, 2016 and 2015 is \$37,596 and \$36,973, respectively.

Assistance League of Huntington Beach
Notes to Financial Statements
May 31, 2016 (with comparative totals for 2015)

Note 7 – Net Assets

Net assets were restricted by donors or designated by the Chapter as follows for May 31:

	2016	2015
Unrestricted		
Designated for future operating needs	\$ 1,105,920	\$ 1,082,350
Designated for capital improvements	100,000	100,000
Designated for philanthropic program expansions	50,000	50,000
Undesignated	1,304,439	1,320,954
Total unrestricted net assets	2,560,359	2,553,304
Temporarily restricted net assets		
Donor restricted	8,599	9,599
Permanently restricted net assets	-	-
Total net assets	\$ 2,568,958	\$ 2,562,903

Note 8 – Special Events

The Chapter has one major fundraising event to help fund current operations. The revenue and related expenses from this event for the year ending May 31 are as follows:

	Revenue	Costs of Direct Benefits to Attendees	Other Event Costs	2016 Net Revenue	2015 Net Revenue
Spring Luncheon	\$ 295,010	\$ 78,986	\$ 17,761	\$ 198,263	\$ 198,590
Total Special Events	\$ 295,010	\$ 78,986	\$ 17,761	\$ 198,263	\$ 198,590

Note 9 – Noncash Contributions

During the year ended May 31, 2016, the Chapter received contributions of merchandise to the Thrift Shop. The Chapter received a few noncash contributions during the year totaling approximately \$240.

During the year ended May 31, 2015, the Chapter received contributions of merchandise to the Thrift Shop. The Chapter received a few noncash contributions during the year totaling approximately \$509.

Note 10 – Subsequent Events

The Chapter has evaluated subsequent events September 29, 2016 the date which the financial statements were available for issue. Based on the evaluation no adjustments were required in the accompanying financial statements.