

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

FINANCIAL STATEMENTS

YEAR ENDED MAY 31, 2017

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

FINANCIAL STATEMENTS

YEAR ENDED MAY 31, 2017

CONTENTS

Accountant's Review Report.....	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities.....	3
Statement of Functional Expenses.....	4-5
Statement of Cash Flows	6
Notes to Financial Statements.....	7-13

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Assistance League® of Capistrano Valley
San Juan Capistrano, California

I have reviewed the accompanying financial statements of the Assistance League® of Capistrano Valley (a nonprofit corporation), which comprise the statement of financial position as of May 31, 2017, and the related statements of activities, functional expenses and cash flows for the year 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 the financial statements taken as a whole. Accordingly, I 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.

Accountant's Responsibility

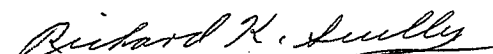
My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am 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. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am 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.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the Organization's May 31, 2016 financial statements, and in my review report dated December 23, 2016, I was not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Richard K. Scully, CPA

September 28, 2017

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY
STATEMENT OF FINANCIAL POSITION
MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	<u>TOTAL</u> <u>MAY 31, 2017</u>	<u>TOTAL</u> <u>MAY 31, 2016</u>
<u>ASSETS:</u>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 265,550	\$ 260,446
Receivables	329	10,621
Prepaid expenses	9,657	5,366
Inventory (Note 3)	<u>72,016</u>	<u>51,232</u>
Total Current assets	<u>347,552</u>	<u>327,665</u>
Net Land, Buildings, Property & Equipment (Note 4)	<u>181,202</u>	<u>182,877</u>
 TOTAL ASSETS	 <u>\$ 528,754</u>	 <u>\$ 510,542</u>
 <u>LIABILITIES AND NET ASSETS:</u>		
Current liabilities:		
Sales and payroll taxes payable	\$ 3,031	\$ 4,944
Accrued expenses	9,235	2,736
Deferred revenue	<u>46,001</u>	<u>48,950</u>
Total liabilities (all current)	<u>58,267</u>	<u>56,630</u>
Net Assets (Note 7):		
Unrestricted	470,487	453,912
Temporarily restricted	<u>-</u>	<u>-</u>
Total Net Assets	<u>470,487</u>	<u>453,912</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 528,754</u>	 <u>\$ 510,542</u>

See accompanying notes and independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL MAY 31, 2017</u>	<u>TOTAL MAY 31, 2016</u>
<u>SUPPORT AND REVENUES:</u>				
Fundraising:				
Thrift shop revenue				
Contributed merchandise	\$ 160,777	\$ -	\$ 160,777	\$ 212,378
Sale of donated merchandise	164,778	-	164,778	212,850
Less: Value of merchandise sold	<u>(164,778)</u>	<u>-</u>	<u>(164,778)</u>	<u>(212,850)</u>
Net revenue from thrift shop	160,777	-	160,777	212,378
Special Events - income	64,619	-	64,619	49,543
Special Events - direct benefit to attendees	<u>(23,767)</u>	<u>-</u>	<u>(23,767)</u>	<u>(19,864)</u>
Net Special Events	40,852	-	40,852	29,679
Contributions	30,891	6,234	37,125	20,887
Membership	23,480	-	23,480	15,959
Interest	<u>48</u>	<u>-</u>	<u>48</u>	<u>49</u>
Support And Revenues	<u>256,048</u>	<u>6,234</u>	<u>262,282</u>	<u>278,952</u>
NET ASSETS RELEASED FROM RESTRICTIONS (Note 6)	<u>6,234</u>	<u>(6,234)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>262,282</u>	<u>-</u>	<u>262,282</u>	<u>278,952</u>
<u>EXPENSES:</u>				
Program Services:				
Links to Learning	30,366	-	30,366	34,332
Hands on Literacy	2,456	-	2,456	3,007
Operation School Bell	84,820	-	84,820	80,011
Other Programs	1,924	-	1,924	742
Holiday Baskets, Etc	4,552	-	4,552	2,863
Hug-a-Bears	865	-	865	865
Marine Families	7,508	-	7,508	46,604
Donations/Grants	26,993	-	26,993	20,078
Trauma Togs	<u>1,006</u>	<u>-</u>	<u>1,006</u>	<u>1,463</u>
Total Programs Services Expenses	<u>160,490</u>	<u>-</u>	<u>160,490</u>	<u>189,965</u>
SUPPORTING SERVICES:				
Fundraising:				
Thrift Shop	44,476	-	44,476	71,870
Membership Development	21,516	-	21,516	58,998
Management & General	<u>19,225</u>	<u>-</u>	<u>19,225</u>	<u>20,789</u>
Total Supporting Services Expenses	<u>85,217</u>	<u>-</u>	<u>85,217</u>	<u>151,657</u>
Total Programs and Supporting Expenses	<u>245,707</u>	<u>-</u>	<u>245,707</u>	<u>341,622</u>
TOTAL CHANGE IN NET ASSETS	16,575	-	16,575	(62,670)
NET ASSETS AT BEGINNING OF YEAR	<u>453,912</u>	<u>-</u>	<u>453,912</u>	<u>516,852</u>
NET ASSETS AT END OF YEAR	<u>\$ 470,487</u>	<u>\$ -</u>	<u>\$ 470,487</u>	<u>\$ 454,182</u>

See accompanying notes and independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED MAY 31, 2017
 (WITH COMPARATIVE TOTALS FOR 2016)

Program Service

	<u>Links to Learning</u>	<u>Hands on Literacy</u>	<u>Operation School Bell</u>	<u>Other Programs</u>	<u>Holiday Baskets Misc</u>	<u>Hug a Bear</u>	<u>Marine Families</u>
Payroll & Related Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Supplies	-	-	79,752	1,924	4,552	865	7,508
Other Prgm Svces Costs	-	2,456	2,249	-	-	-	-
Occupancy:							
Supplies/Misc	-	-	472	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-
Insurance	-	-	631	-	-	-	-
Property Taxes	-	-	-	-	-	-	-
Rent	-	-	1,716	-	-	-	-
Utilities	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Box Rentals	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-
Hauling and Delivery	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Assisteens Recognition	-	-	-	-	-	-	-
Computer fees	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Worker's Compensation	-	-	-	-	-	-	-
NAL Dues	-	-	-	-	-	-	-
NAL Convention & Meetings	-	-	-	-	-	-	-
Postage and Printing	-	-	-	-	-	-	-
Rosters/Yearbook	-	-	-	-	-	-	-
Member relations	-	-	-	-	-	-	-
President's Fund	-	-	-	-	-	-	-
Social Activities	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Education Development Awards	30,366	-	-	-	-	-	-
Other donations	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
Website Development	-	-	-	-	-	-	-
Hospitality/Courtesy	-	-	-	-	-	-	-
Circle	-	-	-	-	-	-	-
Value of Merchandise Sold	-	-	-	-	-	-	-
Total Expenses	\$ 30,366	\$ 2,456	\$ 84,820	\$ 1,924	\$ 4,552	\$ 865	\$ 7,508
Less: expenses included with revenue	-	-	-	-	-	-	-
Total Expenses	\$ 30,366	\$ 2,456	\$ 84,820	\$ 1,924	\$ 4,552	\$ 865	\$ 7,508

See accompanying notes and independent accountant's review report.

Supporting Services

Donations/ Grants	Trauma Togs	Total Program Services	Thrift Shop	Membership Development	Management and General	Total Supporting Services	For The Year Ended May 31,	
							2017	2016
\$ -	\$ -	\$ -	\$ 17,005	\$ -	\$ -	\$ 17,005	\$ 17,005	\$ 41,892
-	-	87,260	-	-	-	-	87,260	121,704
-	1,006	13,052	-	-	-	-	13,052	11,877
-	-	472	3,071	-	519	3,590	4,062	5,869
-	-	-	3,268	-	-	3,268	3,268	4,150
-	-	631	5,101	-	1,336	6,437	7,068	-4,476
-	-	-	3,141	-	-	3,141	3,141	3,083
-	-	1,716	-	-	2,372	2,372	4,088	2,412
-	-	-	5,999	-	-	5,999	5,999	8,112
-	-	-	4,082	-	-	4,082	4,082	4,095
-	-	-	-	-	115	115	115	66
-	-	-	384	-	-	384	384	-
-	-	-	1,582	-	47	1,629	1,629	1,889
-	-	-	-	-	4,352	4,352	4,352	6,125
-	-	-	-	561	-	561	561	-
-	-	-	-	-	786	786	786	-
-	-	-	-	-	711	711	711	-
-	-	-	843	-	-	843	843	1,664
-	-	-	-	11,230	-	11,230	11,230	9,930
-	-	-	-	3,374	363	3,737	3,737	5,466
-	-	-	-	-	25	25	25	267
-	-	-	-	-	459	459	459	889
-	-	-	-	885	-	885	885	1,943
-	-	-	-	-	35	35	35	-
-	-	-	-	5,202	-	5,202	5,202	40,338
-	-	-	-	-	1,649	1,649	1,649	1,000
26,993	-	57,359	-	-	-	-	57,359	54,360
-	-	-	-	-	-	-	-	50
-	-	-	-	-	3,057	3,057	3,057	5,161
-	-	-	-	-	3,349	3,349	3,349	3,100
-	-	-	-	-	-	-	-	720
-	-	-	-	264	-	264	264	984
-	-	-	-	-	50	50	50	-
-	-	-	164,778	-	-	164,778	164,778	212,850
<u>\$ 26,993</u>	<u>\$ 1,006</u>	<u>\$ 160,490</u>	<u>\$ 209,254</u>	<u>\$ 21,516</u>	<u>\$ 19,225</u>	<u>\$ 249,995</u>	<u>\$ 410,485</u>	<u>\$ 554,472</u>
-	-	-	(164,778)	-	-	(164,778)	(164,778)	(212,850)
<u>\$ 26,993</u>	<u>\$ 1,006</u>	<u>\$ 160,490</u>	<u>\$ 44,476</u>	<u>\$ 21,516</u>	<u>\$ 19,225</u>	<u>\$ 85,217</u>	<u>\$ 245,707</u>	<u>\$ 341,622</u>

See accompanying notes and independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY
STATEMENT OF CASH FLOWS
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	YEAR ENDED MAY 31,	
	2017	2016
<u>OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 16,575	\$ (62,670)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,082	4,095
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Receivables	10,292	(9,355)
Prepaid expenses	(4,291)	12,157
Inventory	(20,784)	3,319
Increase (decrease) in accounts payable and other		
Sales and payroll taxes payable	(1,913)	467
Accounts payable and accrued expenses	6,499	(10,692)
Deferred revenue	(2,949)	34,480
Net cash provided by operating activities	7,511	(28,199)
<u>INVESTING ACTIVITIES:</u>		
Purchase of equip. & bldg. Improvements	(2,407)	(1,431)
Net cash used in investing activities	(2,407)	(1,431)
<u>FINANCING ACTIVITIES:</u>		
	-	-
Net increase (decrease) in cash and cash equivalents	5,104	(29,630)
Cash and cash equivalents at beginning of year	260,446	290,076
Cash and cash equivalents at end of year	\$ 265,550	\$ 260,446

See accompanying notes and independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Assistance League of Capistrano Valley, Inc. is a nonprofit corporation and is a chartered chapter of National Assistance League. The accompanying financial statements include the activities of the Assistance League of Capistrano Valley and its auxiliaries, Assisteens and Las Felices (collectively, the Chapter). The Chapter provides the following programs:

- * Operation School Bell provides new clothing and shoes to elementary school students in the Capistrano Unified School District.
- * Links to Learning funds various middle school programs.
- * Marine Families provides new clothing and shoes to U.S. Marine family children, both infant/toddlers and school age.
- * Miscellaneous other program services.

The Chapter's support and revenues come primarily from contributions and other fundraising efforts including special events and 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 recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (FASB ASC 958), Financial Statements of Not-for-profit Organizations. Under (FASB ASC 958-205), the Chapter is required to report information regarding its financial position and activities in three classes of net assets, unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Chapter does not have any permanently restricted net assets at May 31, 2017.

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Chapter's financial statements for the year ended May 31, 2016, from which the summarized information was derived.

See independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The Chapter follows FASB ASC 820-10, which 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 unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in the active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or 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.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Chapter did not have any investments during the year or at year end. Accordingly, within the fair value hierarchy, the Chapter's investments at fair value as of May 31, 2017 in each of the three levels was \$ -0-.

Cash and Cash Equivalents

Cash and cash equivalents include cash held in checking and money market accounts and certificates of deposit with original maturities of less than 90 days.

Inventory

Used clothing and household items are donated by Chapter members and others for resale by a thrift shop operated by the Chapter. The value of these donated items is reflected as revenue at the time of sale.

The value of the thrift shop inventory held for sale at year-end is determined by a physical count and is reflected as non-cash donations at its thrift shop fair market value.

See independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment exceeding \$1,000 and estimated useful life of 3 years are stated at cost or at the fair value of the date of donation in the case of donated assets. The Chapter provides for depreciation of property and equipment by use of the straight-line and double declining balance methods over the estimated useful lives as follows:

Buildings	15 years
Furniture and Equipment	5 to 7 years
Improvements	39 years

Contributions of long-lived assets, or of cash or other assets that must be used to acquire long-lived assets, are reported as increases in temporarily restricted net assets. Restrictions are considered met, and an appropriate amount reclassified to unrestricted net assets, over the useful life of the long-lived assets as determined by the Chapter's depreciation policy.

Financial Instruments

All of the Chapter's financial instruments, none of which are held for trading purposes, are cash and cash equivalents. The Chapter does not hold any investments. The Chapter estimates that the fair value of all financial instruments at May 31, 2017 does not differ materially from the aggregate carrying values of the financial instruments recorded in accompanying Statement of Financial Position.

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.

Promises to Give

Unconditional promises to give are recognized as contributions in the period the promise is made and are recorded at net realizable value if they are expected to be paid within one year and at net present value if they are expected to be paid in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

See independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted and Unrestricted Support and Revenue

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

A Significant portion of the Chapter's program service, fundraising and administrative functions 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, 2017, these volunteers donated approximately 21,937 hours with an estimated value of \$ 535,702. This value was computed using an estimated hourly rate of \$ 24.42, based upon the average hourly earnings of nonagricultural workers for the time period 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 organization 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.

Use of Estimates

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

See independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

Subsequent events have been evaluated by management through September 28, 2017, which is the date the financial statements were available to be issued.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2017 consist of the following:

		<u>2017</u>
Petty cash	\$	100
Checking accounts:		
Wells Fargo (chapter)		51,492
Bank of America (chapter)		4,166
Wells Fargo (Assisteens)		71,395
California Bank & Trust (Las Felices)		9,500
Money market accounts:		
Bank of America (chapter)		120,418
Wells Fargo (chapter)		<u>8,479</u>
Total Cash and Cash Equivalents		<u>\$ 265,550</u>

As of May 31, 2017, cash and cash equivalents are \$ -0- restricted and \$ 265,550 unrestricted. Cash and cash equivalents are maintained at high-quality financial institutions and accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2017, all of the balances were fully insured.

See independent accountant's review report.

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 3 – INVENTORY

Inventories at May 31, 2017 consisted of the following:

Used clothing and household items held for resale at thrift shop	\$ 34,078
New clothing and shoes for use in the Marine Families Program	<u>37,938</u>
Total inventories	<u>\$ 72,016</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at May 31, 2017:

	<u>2017</u>
Land	\$107,630
Building	184,263
Furniture and Equipment	<u>16,099</u>
	307,992
Less accumulated depreciation	<u>(126,790)</u>
TOTAL PROPERTY AND EQUIPMENT	<u>\$181,202</u>

Depreciation expense was \$4,082 for May 31, 2017.

NOTE 5 – FUNDRAISING ACTIVITIES

The Chapter holds several fundraising activities throughout the year. Income and expense for major fund-raisers in 2017 consisted of:

	<u>Revenues</u>	<u>Cost of Direct Benefits to Attendees</u>	<u>Other Event Costs</u>	<u>Net</u>
Special events:				
Fall Event	\$ 34,492	\$ 7,753	\$ -0-	\$ 26,739
Other Special Events	6,365	7	-0-	6,358
See's Candy - Assisteens	<u>23,762</u>	<u>16,007</u>	<u>-0-</u>	<u>7,755</u>
	<u>\$ 64,619</u>	<u>\$ 23,767</u>	<u>\$ -0-</u>	<u>\$ 40,852</u>

See independent accountant's review report

ASSISTANCE LEAGUE® OF CAPISTRANO VALLEY

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2017

NOTE 6 – TEMPORARILY RESTRICTED ASSETS

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors.

Purpose restrictions fulfilled:

Operation School Bell Marine Fund	\$ 5,764
Capital Campaign	<u>470</u>
Total released from restrictions	<u>\$ 6,234</u>

As of May 31, 2017, there were no net assets that were temporarily restricted due to purpose or time restrictions.

NOTE 7 – NET ASSETS

At May 31, 2017, net assets were restricted by donors or designated by the chapter as follows:

Unrestricted net assets:	
Designated for future operating needs	\$ 287,546
Undesignated	<u>182,941</u>
Total unrestricted net assets	<u>\$ 470,487</u>
Temporarily restricted net assets:	
Total temporarily restricted net assets	<u>\$ -0-</u>
Permanently restricted net assets:	
Total permanently restricted net assets	<u>\$ -0-</u>
Total net assets	<u>\$ 470,487</u>

See independent accountant's review report.