

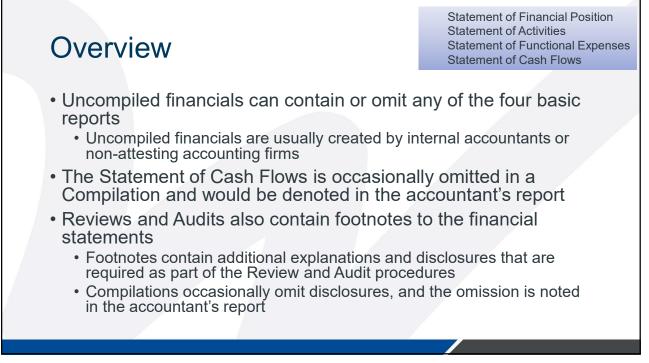


A Few Things...

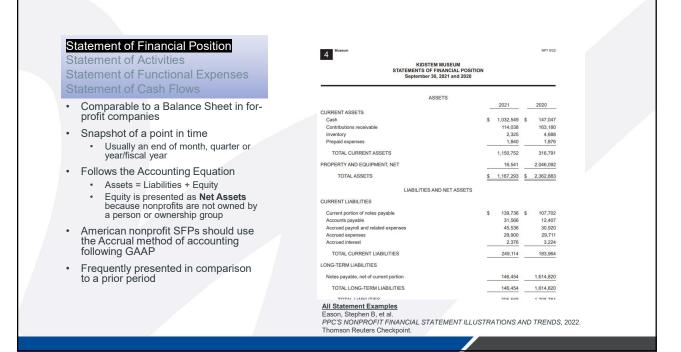
- Today's presentation is designed to be an introduction
 - Consult with an accounting professional or your auditor if you have specific company-related issues
- · Every organization's financial statements are different
 - Simple or complex; the basic structure remains the same
- There will be a short Q&A if time allows
 - Please submit your questions in the Q&A window

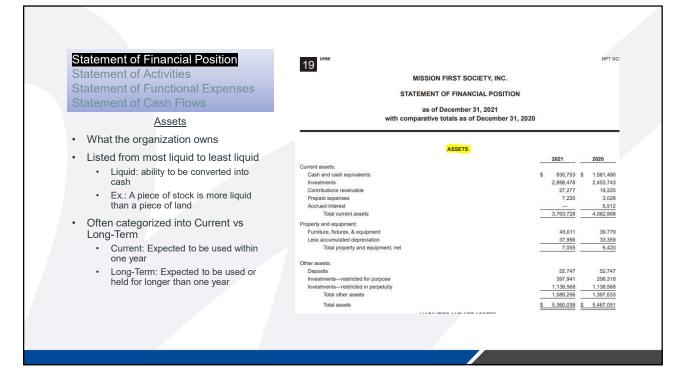
Overview

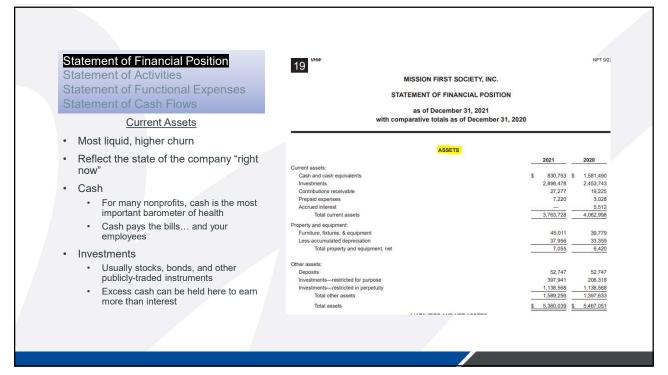
- Four basic financial statements for a nonprofit
 - Statement of Financial Position
 - Statement of Activities
 - Statement of Functional Expenses
 - Statement of Cash Flows
- Inclusion of each statement depends on level of service
 - Uncompiled Financials
 - Compiled Financials (Compilation)
 - Reviewed Financials (Review)
 - Audited Financials (Audit)



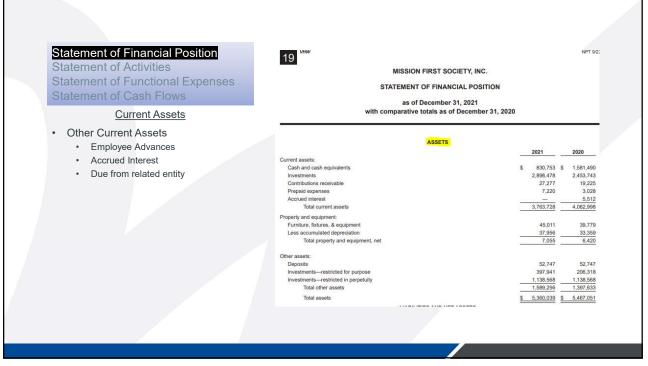


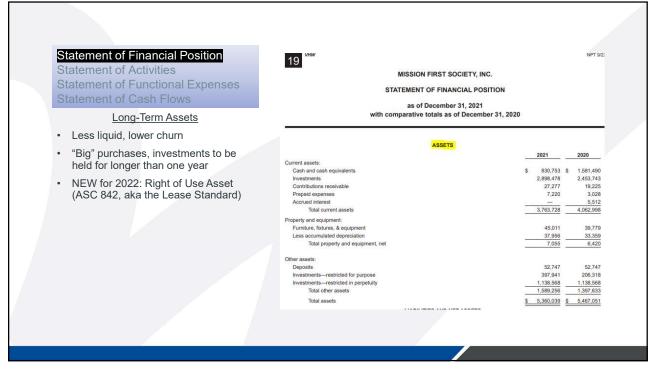


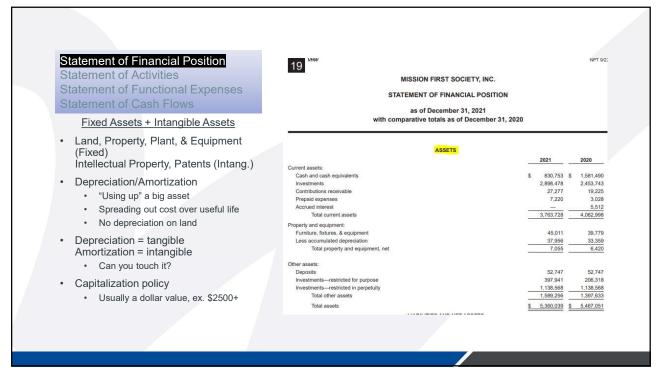




Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows Current Assets	19 VIIV MISSION FIRST SOCIETY, INC. STATEMENT OF FINANCIAL POSITION as of December 31, 2021 with comparative totals as of December 31, 2020		NPT 9/2:
 Accounts Receivable What other entities owe you Doesn't exist on Cash Basis Can be broken up into subdivisions, like Contributions Receivable or Grants Receivable May also be shown with Allowance for Doubtful Accounts Prepaid Expenses Paying for an item to be used later Exs.: Annual insurance policies, down payment on event venue Follows Current vs. Long-Term rules 	ASSETS Current assets: Cash and cash equivalents Nevestments Verspaid expenses Prepaid expenses Total current assets Total current assets Total currenty and equipment Less accumulated depreciation Total property and equipment, net Chrom easts: Papeats Nevestments—extricted for purpose Nevestments—extricted for	2021 \$ 830,753 2,988,478 27,277 7,220 	2020 \$ 1,581,490 2,453,743 19,225 3,028 5,512 4,062,998 33,359 6,420 52,747 2,06,318 1,138,588 1,397,633 \$ 5,467,051







Statement of Activities Statement of Functional Expenses Statement of Cash Flows	LIABILITIES AND NET ASSETS		2021	2020
Liabilities	Current Liabilities	<u></u>	2027	 2020
What the organization owesListed from most liquid to least liquid,	Accounts payable Accrued compensation Deferred revenue	\$	161,591 111,422 204,025	\$ 132,70 115,52 301,93
just like assets	Current maturities of capital lease obligations Current maturities of note payable		24,746 24,958	 17,42 23,74
 Also often categorized into Current vs Long-Term Some accounts may have balances split into Current and Long-Term 	Total current liabilities <i>Long-term Liabilities</i> Capital lease obligations, less current maturities Note payable, less current maturities Total long-term liabilities		526,742 28,170 252,082 280,252	 591,32 19,35 276,70 296,06
	Total liabilities		806,994	887,38

Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows	LIABILITIES AND NET ASSETS		2021		2020
Current Liabilities	Current Liabilities	<u></u>	2021	<u></u>	2020
 Accounts Payable Bills to Pay Credit Cards (exists on Cash Basis) Accrued Expenses Payroll Taxes Due To Related Entity Deferred Revenue Payments received but not yet earned For exchange transactions, not contributions 	Accounts payable Accrued compensation Deferred revenue Current maturities of note payable Total current liabilities Long-term Liabilities Capital lease obligations, less current maturities Note payable, less current maturities Total long-term liabilities	\$	161,591 111,422 204,025 24,746 24,958 526,742 28,170 252,082 280,252 806,994	\$	132,704 115,527 301,930 17,424 23,743 591,328 19,356 276,705 296,061 887,389
 Current portions of long-term debt Mortgages, loans, notes Part of balance due within 12 months Leases (ASC 842 Lease Standard) 					

Statement of Financial Position Statement of Activities Statement of Functional Expense Statement of Cash Flows Long-Term Liabilities • Debt instruments • Mortgages, Loans, Lines of Credi • Leases	LIABILITIES AND NET ASSETS Current Liabilities Accounts payable Accrued compensation	2021 \$ 161,591 111,422 204,025 24,746 24,958 526,742 28,170 252,082	2020 \$ 132,704 115,527 301,930 17,424 23,743 591,328 19,356 276,705
	Total long-term liabilities	280,252	296,061
	Total liabilities	806,994	887,389

Statement of Financial Position Statement of Activities			
Statement of Functional Expenses Statement of Cash Flows	NET ASSETS Without donor restrictions:		
Net Assets	Undesignated	63,350,957	62,880,068
	Board designated for endowment	5,874,333	4,380,97
 Similar to Equity 	Total without donor restrictions	69,225,290	67,261,039
 What is "left over" after paying off all debt and payments due 	With donor restrictions:		
	Restricted by time or purpose	3,276,545	4,143,67
 Broken into two major categories 	Endowments Restricted in perpetuity, non-endowment funds	32,804,763 50,000	22,892,109 50,000
With Donor RestrictionWithout Donor Restriction	Total with donor restrictions	36,131,308	27,085,780
 Donors often say their donation is 	Total net assets	105,356,598	94,346,819
only to be used for specific programs, purposes, or events	Total liabilities and net assets	\$ 151,367,998	\$ 140,839,137
Capital Campaign			
Church's Flower Fund			
Endowments			

Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows	NET ASSETS Without donor restrictions:		
With Donor Restriction • Three subdivisions of restriction • Purpose • Time • Permanent • A donation can be a mix of all three, though is most likely one of the first two	Without donor restrictions: Undesignated Board designated for endowment Total without donor restrictions With donor restrictions: Restricted by time or purpose Endowments Restricted in perpetuity, non-endowment funds Total with donor restrictions Total net assets	63,350,957 5,874,333 69,225,290 3,276,545 32,804,763 50,000 36,131,308 105,356,598	62,880,068 4,380,971 67,261,039 4,143,671 22,892,109 50,000 27,085,780 94,346,819
 Permanent restrictions are just that: permanent A gift that is meant to make more money Skim off gains, dividends and interest These can be restricted, too 	Total liabilities and net assets	<u>\$ 151,367,998</u>	<u>\$ 140,839,137</u>

Statement of Functional Expenses Statement of Cash Flows			
Statement of Cash Flows			
	NETASSETS		
With Donor Restriction	Without donor restrictions: Undesignated	63,350,957	62,880.06
What Borior Resultation	Board designated for endowment	5,874,333	4.380.97
Donor restrictions are binding agreements	Total without donor restrictions	69,225,290	67,261,03
 If a nonprofit does not follow through 	With donor restrictions:		
on the restriction, the donor can get	Restricted by time or purpose	3,276,545	4,143,67
their donation back	Endowments	32,804,763	22,892,10
	Restricted in perpetuity, non-endowment funds	50,000	50,00
interpreter de la condition	Total with donor restrictions	36,131,308	27,085,78
 It may be more beneficial to refuse a restricted donation if it would be too 	Total net assets	105,356,598	94,346,81
difficult to fulfill the restriction	Total liabilities and net assets	<u>\$ 151,367,998</u> \$	140,839,13
 Permanently restricted donations may go "underwater" Market losses could make account balance less than original donation 			

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Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows	NETASSETS		
Without Donor Restriction	Without donor restrictions: Undesignated	63,350,957 6	2,880,068
Net Assets that have been earned	Board designated for endowment		4,380,971
without encumbrance or donor	Total without donor restrictions	69,225,290 6	7,261,039
restriction is met	With donor restrictions:		
	Restricted by time or purpose	3,276,545	4,143,671
 Can be used for any activity 	Endowments		2,892,109
Can be internally restricted	Restricted in perpetuity, non-endowment funds	50,000	50,000
our bo internally rootholda	Total with donor restrictions	36,131,308 2	7,085,780
Board restricted for purposeImportant not to hamstring operations	Total net assets	105,356,598 9	4,346,819
1 5 1	Total liabilities and net assets	<u>\$ 151,367,998</u> <u>\$ 14</u>	0,839,137
	All Statement Examples Eason, Stephen B, et al. PPC'S NONPROFIT FINANCIAL STATEMENT ILLUSTR Thomson Reuters Checkpoint.	ATIONS AND TRENDS, 2022.	

Statement of Financial Position Statement of Activities

Statement of Activities Statement of Functional Expenses Statement of Cash Flows

Metrics

- Amount of cash to cover current liabilities
- Amount of debt compared to net assets
- Accounts Receivable versus cash: are collections a problem?
- Low cash, high inventory?
- More analysis become available with Statement of Activities



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Statement of Financial Position Statement of Activities	KIDSTEM MUSEUM STATEMENT OF ACTIVITIES Year Ended September 30, 2021				
Statement of Functional Expenses Statement of Cash Flows		Without Donor Restrictions	With Donor Restrictions	Total	
 Comparable to a Profit and Loss in for-profit companies Shows a range of time, not a point in time Usually a month, quarter, or year Shows Revenue and Expenses Nonprofits should still make profit! Some activities can and will result in income taxes May be classified as With or Without Donor Restrictions (restricted vs unrestricted) American nonprofit SoAs should use the Accrual method of accounting following GAAP 	REVENUE AND SUPPORT Contributions Program revenue Memberships Merchandise sales Interest income Gain on extinguishment of debt EIDL grant Gain on asle of assets Miscellaneous Net assets released from purpose restriction TOTAL REVENUE AND SUPPORT EXPENSES STEM program Management and general Fundraising TOTAL EXPENSES	\$ 221,228 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 48,213 1,006,238 614,363 107,980 138,162 860,505	\$ 110,106 \$ 	331,334 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 	

Statement of Financial Position Statement of Activities	KIDSTEM MUSEUM STATEMENT OF ACTIVITIES Year Ended September 30, 2021					
Statement of Functional Expenses Statement of Cash Flows <u>Revenue</u>	REVENUE AND SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total		
What an organization earns from doing business Contributions Grants Services Sales Membership Dues Fundraising	Contributions Program revenue Memberships Merchandise sales Interest income Gain on extinguishment of debt EIDL grant Gain on sale of assets Miscellaneous Net assets released from purpose restriction	\$ 221,228 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 48,213	\$ 110,106 \$ 	331,334 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431		
 Can include earnings from non- mission-related business Church selling parking spots during the week Renting out art studio as a party room 	TOTAL REVENUE AND SUPPORT EXPENSES STEM program Management and general Fundraising TOTAL EXPENSES	1,006,238 614,363 107,980 138,162 860,505	61,893 	1,068,131 614,363 107,980 138,162 860,505		

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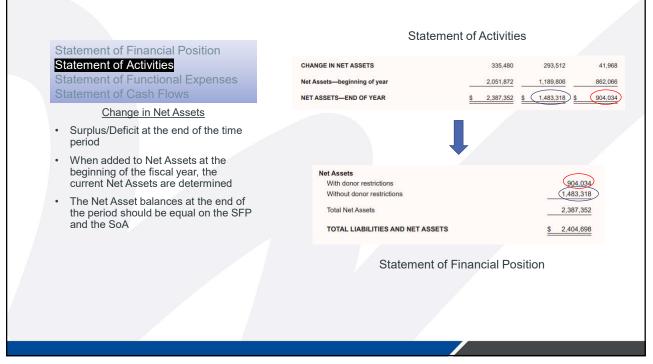
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Statement of Financial Position Statement of Activities	STATEM	ENT OF	ACTIVITIES mber 30, 202	1			
Statement of Functional Expenses Statement of Cash Flows			hout Donor estrictions		th Donor strictions	14.000	Total
Revenue	REVENUE AND SUPPORT						
 Net Assets Released from Restriction Appears on classified SoAs Nets to zero Moves current- and prior-year restricted donations to unrestricted Can have a negative Total Revenue in With Donor Restrictions column (more prior-year releases than current-year earnings) 	Contributions Program revenue Memberships Merchandise sales Interest income Gain on extinguishment of debt EIDL grant Gain on sale of assets Miscellaneous Net assets released from purpose restriction TOTAL REVENUE AND SUPPORT	\$	221,228 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 48,213 1,006,238	\$	110,106 — — — — — — (48,213) 61,893	\$	331,334 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 1,068,131
	EXPENSES STEM program Management and general Fundraising TOTAL EXPENSES		614,363 107,980 138,162 860,505	<u></u>		<u>-</u>	614,363 107,980 138,162 860,505

Statement of Financial Position Statement of Activities Statement of Functional Expenses	STATEM	STEM MUSEUM ENT OF ACTIVITIES d September 30, 202	1	
Statement of Cash Flows		Without Donor Restrictions	With Donor Restrictions	Total
Expenses	REVENUE AND SUPPORT			
 What your organization spent doing business Presentation could vary significantly between organizations Lower detail, large buckets Higher detail, smaller buckets Lower detail Expenses sections are supplemented by the Statement of Functional Expenses 	Contributions Program revenue Memberships Merchandise sales Interest income Gain on extinguishment of debt EIDL grant Gain on sale of assets Miscellaneous Net assets released from purpose restriction TOTAL REVENUE AND SUPPORT	\$ 221,228 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 48,213 1,006,238	\$ 110,106 	\$ 331,334 240,210 10,761 2,142 56 138,200 10,000 332,997 2,431 1,068,131
 Lowest detail Program expenses Management and General expenses Fundraising expenses 	EXPENSES STEM program Management and general Fundraising TOTAL EXPENSES	614,363 107,980 860,505		614,363 107,980 138,162 860,505

Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows					
Other Revenue/Expenses What your organization earned/spent from non-operating activities Gains/Losses on sales of stock, property Investment earnings Similar to Other Comprehensive Income in for-profit companies 	OTHER INCOME Investment earnings, net Other Total other income Excess of revenues over expenses Urrealized gain (loss) on interest rate swap	319,253 40,395 359,648 2,240,355 1,512,056	- - - (175.000)	319,253 40,395 359,648 2,065,355 1,512,056	33,316 74,451 107,767 4,572,332 (1,965,932)







Statement of Financial Position Statement of Activities		Statem	ent of Funct	visory Board, Inc. tional Expenses eptember 30, 2021		a.
Statement of Functional Expenses Statement of Cash Flows			Total	Advisory Program Services	General and Administrative	Fundraising
Unique nonprofit statement	Wages	S	565.066	\$ 346,402	\$ 50.856	\$ 167.808
Designed and a second s	Payroll taxes		43,428	34,308	3,909	5,211
Breaks down expenses from SoA into	Employee benefits		48,122	38,016	4,331	5,775
their function and natural category	Credit card processing		14,510	11,463	1,306	1,741
Gives insight into where the	Clinic expense		5,533	5,533		S , (
organization is spending the most	Communications		4,621	3,650	416	555
0	Continuing education		8,504	8,504		
money	Depreciation		2,260		2,260	
	Meetings and events		218,632	100,000	<u></u> 5	118,632
	Insurance		6,230	4,921	561	748
	Licenses and permits		6,255	6,255	- <u></u> 27	
	Marketing		11,355	8,970	1,022	1,363
	Office		25,025	19,770	2,252	3,003
	Professional fees		28,843		28,843	·
	Rent and utilities		129,784	102,529	11,681	15,574
	Repairs and maintenance		6,341	5,009	571	761
	Scholarship program		214,715	214,715	a . 38	S
	Travel		1,870	1,870		
	Total expenses	\$	1,341,094	\$ 911,915	\$ 108,008	\$ 321,171

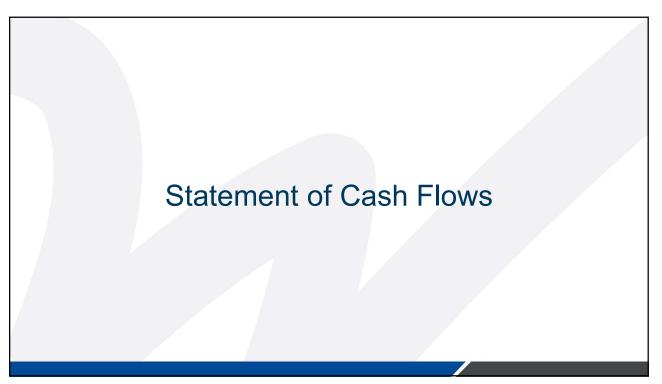
Statement of Financial Position Statement of Activities		Statem	ent of Funct	risory Board, Inc. tional Expenses eptember 30, 2021		
Statement of Functional Expenses Statement of Cash Flows		5 -	Total	Advisory Program Services	General and Administrative	Fundraising
Function	Wages Payroll taxes	\$	565,066 43,428	\$ 346,402 34,308	\$ 50,856 3,909	\$ 167,808 5,211
Program	Employee benefits		48,122	38,016	4,331	5,775
 Working toward fulfilling the mission 	Credit card processing		14,510	11,463	1,306	1,741
Management and General	Clinic expense		5,533	5,533	_	3. .
C	Communications		4,621	3,650	416	555
 Work to run the business, but isn't 	Continuing education		8,504	8,504	—	
programmatic	Depreciation		2,260		2,260	
Grant reports	Meetings and events Insurance		218,632 6,230	100,000	561	118,632 748
Billing	Licenses and permits		6,255	6.255	501	740
Cutting checks	Marketing		11.355	8.970	1.022	1,363
Fundraising	Office		25,025	19,770	2,252	3,003
0	Professional fees		28,843	—	28,843	—
 Can be general solicitation or event- based 	Rent and utilities		129,784	102,529	11,681	15,574
	Repairs and maintenance		6,341	5,009	571	761
 Prepping for a gala, mailers for a particular second second	Scholarship program		214,715	214,715	1 	8
capital campaign	Travel	-	1,870	1,870		
	Total expenses	S	1,341,094	\$ 911,915	\$ 108,008	\$ 321,171

Statement of Financial Position Statement of Activities		National Kidney Adv Statement of Funct For the year ended So	tional Expenses		
Statement of Functional Expenses Statement of Cash Flows		Total	Advisory Program Services	General and Administrative	Fundraising
 Function Grouping by purpose Program Management and General (Admin) Fundraising Usually presented as columns Specific programs/program groups and fundraising events can have their own column with a total column at the end 	Wages Payroll taxes Employee benefits Credit card processing Clinic expense Communications Continuing education Depreciation Meetings and events Insurance Licenses and permits Marketing Office Professional fees Rent and utilities Repairs and maintenance Scholarship program Travel Total expenses	\$ 565,066 43,428 48,122 14,510 5,533 4,621 8,504 2,260 218,632 6,230 6,255 11,355 25,025 28,843 129,784 6,341 214,715 1,870 \$ 1,341,094	\$ 346,402 34,308 38,016 11,463 5,533 3,650 8,504 	\$ 50,856 3,909 4,331 1,306 416 2,260 561 1,022 2,252 28,843 11,681 571 - - - - - - - - - - - - - - - - -	\$ 167,808 5,211 5,775 1,741 555 118,632 748 1,363 3,003 15,574 761 15,574 761 <u>-</u> 15,574 761 5,575 1,574 761 5,575 5,574 5,575 5,574 5,5755 5,5755 5,5755 5,5755 5,5755 5,5755 5,5755 5,57555 5,57555 5,5755555555

Statement of Financial Position Statement of Activities		Statem	I Kidney Adv ent of Funct ear ended So	tional E	xpenses			
Statement of Functional Expenses Statement of Cash Flows			Total		ory Program ervices		ieral and inistrative	Fundraising
Natural • Grouping by the economic benefit received • Described by what they are, not what they're for • Rule of thumb: what would it be called at another company? • Wages and salaries are ubiquitous • Rent is ubiquitous • "Supplies For Joe" is company-specific • Usually presented as rows • Some natural groupings appear in	Wages Payroll taxes Employee benefits Credit card processing Clinic expense Communications Continuing education Depreciation Meetings and events Insurance Licenses and permits Marketing Office Professional fees Rent and utilities Repairs and maintenance	\$	565,066 43,428 48,122 14,510 5,533 4,621 8,504 2,260 218,632 6,255 21,355 25,025 28,843 129,784 6,341	\$	346,402 34,308 38,016 11,463 5,533 3,650 8,504 	S	50,856 3,909 4,331 1,306 2,260 1,022 2,252 28,843 11,681 571	\$ 167,808 5,211 5,775 1,741
only one column, some appear in all columns	Scholarship program Travel	\$	0,341 214,715 1,870 1,341,094	s	214,715 1,870 911,915	\$		

Statement of Financial Position Statement of Activities		Statem	ent of Funct	risory Board, Inc. tional Expenses eptember 30, 2021		
Statement of Functional Expenses Statement of Cash Flows		12	Total	Advisory Program Services	General and Administrative	Fundraising
Why the Functional? When donating to a nonprofit, where do you like to see your money go? Programming! While there is such thing as too much Admin, there is also such thing as too little Admin	Wages Payroll taxes Employee benefits Credit card processing Clinic expense Communications Continuing education Depreciation	\$	565,066 43,428 48,122 14,510 5,533 4,621 8,504 2,260	\$ 346,402 34,308 38,016 11,463 5,533 3,650 8,504	\$ 50,856 3,909 4,331 1,306 416 2,260	\$ 167,808 5,211 5,775 1,741 555
 Admin = grant writing, applications, compliance Low Admin hinders the ability to scale and grow Many grants cap Admin or require additional funding (Match) 	Meetings and events Insurance Licenses and permits Marketing Office Professional fees Rent and utilities		218,632 6,230 6,255 11,355 25,025 28,843 129,784	100,000 4,921 6,255 8,970 19,770 102,529		118,632 748
 There is usually a "sweet spot" for Admin 	Repairs and maintenance Scholarship program Travel Total expenses	5	6,341 214,715 1,870	\$ 911,915	571 	761

Statement of Financial Position Statement of Activities		National Kidney Adv Statement of Funct For the year ended S	tional Expenses		
Statement of Functional Expenses Statement of Cash Flows		Total	Advisory Program Services	General and Administrative	Fundraising
 <u>Metrics</u> A 75%/20%/5% Program-Admin- fundraising is a good starting point Very organization-dependent Some well-known NFPs: Red Cross: 90%/3%/7% Reeding America: 99%/1%/1% ASPCA: 77%/4%/19% Data from most-recent Form 990 	Wages Payroll taxes Employee benefits Credit card processing Clinic expense Communications Continuing education Depreciation Meetings and events Insurance Licenses and permits Marketing Office Professional fees Rent and utilities Repairs and maintenance Scholarship program Travel	\$ 565,066 43,428 48,122 14,510 5,533 4,621 8,504 2,260 218,632 6,230 6,255 11,355 25,025 28,843 129,784 6,341 214,715 1,870 \$ 1,341,094	\$ 346,402 34,308 38,016 11,463 5,533 3,650 8,504 	\$ 50,856 3,909 4,331 1,306 2,260 561 2,252 2,8,433 11,681 571 \$ 108,008	\$ 167,800 5,211 5,775 1,744



	National Kidney Advisory Bo Statement of Cash Flo For the year ended Septembe	ws
Statement of Financial Position		
Statement of Activities	Cash Flows from Operating Activities	
Statement of Functional Expenses		a
Statement of Cash Flows	Change in Net Assets Adjustments to reconcile Changes in Net Assets to Cash Provided by Operating Activities	\$ 335,480
 Changes in cash from sources and 	Depreciation	2,260
uses	PPP loan forgiveness	(93,615)
uses	Net unrealized gains on investments	(39,483)
Helps reconcile between Accrual	Other changes in operating assets and liabilities:	
Basis and Cash Basis	(Increase) Decrease in Accounts receivable	(71,013)
	(Increase) Decrease in Prepaid expenses	(1,889)
 Two different versions, Direct and 	(Increase) Decrease in Security deposits Increase (Decrease) in Accrued expenses	(1.748) (17,191)
Indirect	increase (Decrease) in Accided expenses	(17,151)
 Direct: only cash transactions 	Net Cash Provided By Operating Activities	112,801
 Indirect: starts with net income and 	NET INCREASE IN CASH AND CASH EQUIVALENTS	112,801
adjusts for non-cash transactions and changes on SFP	Cash and cash equivalents-beginning of year	1,866,001
Indirect most widely used	CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 1,978,802
Focusing on indirect today	Supplemental Disclosures of Cash Flow Information	
	Cash paid during the year for:	
	Interest expense	\$
	Income taxes	\$

Operating activities		
	\$ 5,829,654	\$ 7,429,603
	627 020	601,265
		2,700
		(1,421,962)
		(7,503,800)
		(7,000,000)
	(1,100,022)	
	(93,805)	49,960
Museum shop inventory	1,426	22,745
Prepaid expenses and other assets	(67,875)	15,586
Prepaid utility benefits	51,815	52,788
Other prepaid expenses		1000
Accounts payable		157,917
		45,240
		(31,111)
Net cash used in operating activities	(275,419)	(579,069)
Investing activities		
Purchase of investments		
Proceeds from sale of investments	1,626,63	6,562,835
Purchase of property and equipment		
Net cash used in investing activities	(2,706,78	(6,067,856)
Financing activities		
		78.800
Proceeds from Paycheck Protection Program loan	566.57	592,250
Proceeds from Economic Injury Disaster Ioan	-	150.000
Proceeds from line of credit	500,00	- 0
Repayments of long-term debt	(191,50	3) (136,505)
Endowment fund contributions		
Net cash provided by financing activities	3,563,83	4 8,188,345
Net change in cash and cash equivalents	581,62	6 1,541,420
Cash and cash equivalents		
	2 164 20	622,781
	100 C	
End of year	\$ 2,745,82	2,164,201
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	\$ 34,35	5 \$ 44,430
		10 - 17 - 17 - 17 - 17 - 17 - 17 - 17 -
	Change in net assets Adjustments to reconcile change in net assets to net cash used in operating activities: Depreciation and amortization Deferred income tax Realized and urvealized gains Endowment fund contributions Paycheck Protection Program loan forgiveness Changes in assets and liabilities: Contributions and grants reeviable Museum shop inventory Prepaid expenses and other assets Prepaid depenses Accounts payable Accound expenses Deferred program revenue Net cash used in operating activities Proceeds from sale of investments Proceeds from long-term debt Proceeds from long-term debt Proceeds from long-term debt Proceeds from long-term debt Proceeds from Recomment Proceeds from leng-term debt Proceeds from Recomment Proceeds from leng-term debt Proceeds from leng-term debt Repayments of long-term debt Repayments de long-ter	Change in net assets \$ 5,829,654 Adjustments to reconile change in net assets to net assets to reconile change in net assets to appreciation and anorization 637,830 Defered income tax 2,100 Realized and urvealized gains (2,278,449) Endowment fund contributions (2,888,770) Paycheck Protection Program loan forgiveness (2,888,770) Paycheck Protection Program loan forgiveness (2,888,770) Contributions and grants receivable (93,805) Museum shop inventory 1,426 Prepaid expenses and other assets (27,87,97) Accounts payable (36,778) Accounts payable (38,778) Accounts payable (38,778) Accounts payable (38,778) Account appendia expenses (22,73,17) Deferred program revenue 28,122 Not cash used in operating activities (22,7419) Investing activities (2,76,781) Purchase of property and equipment (1,218,12) Net cash used in investing activities (2,276,781) Proceeds from long-term debt Proceeds from long-term debt - Proceeds from long-t

5,829,654

637,830

2,100 (2,278,449)

(2,688,770) (1,158,822)

(93,805)

1,426 (67,875) 51,815

(274,950)

(36,778) (227,917)

29,122

(275, 419)

\$

\$

2020

7,429,603

601,265

2,700 (1,421,962)

(7,503,800)

49,960

22,745

15,586 52,788

157,917

45,240

(31,111)

(579,069)

Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows

Operating Activities

- Change in Net Assets
- Reconciliation
 - Most commonly non-cash transactions
 - Depreciation and Amortization
 - Gain/Loss on sale of fixed assets
 - Deferred Income Tax
 - Need to remove to get to cash-affecting activities
- Change in Operating Assets/Liabilities
 - Receivables
 - Prepaid Expenses
 - Inventory
 - Payables
 - Accrued Expenses

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Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows	Operating activities		2021	_	2020
Operating Activities	Change in net assets	s	5,829,654	\$	7,429,603
	Adjustments to reconcile change in net assets to net cash used in operating activities:				
 Cash in or out can be confusing 	Depreciation and amortization		637,830		601,265
 If Assets go up: outflow 	Deferred income tax		2,100		2,700
 If Assets do down: inflow 	Realized and unrealized gains		(2,278,449)		(1,421,962)
If Liabilities go up: inflow	Endowment fund contributions		(2,688,770)		(7,503,800)
 If Liabilities go down: outflow 	Paycheck Protection Program loan forgiveness Changes in assets and liabilities:		(1,158,822)		_3
 More Assets = cash payments out 	Contributions and grants receivable		(93,805)		49,960
	Museum shop inventory		1,426		22,745
 You bought prepaid insurance 	Prepaid expenses and other assets		(67,875)		15,586
 You gave services but haven't been 	Prepaid utility benefits		51,815		52,788
paid yet	Other prepaid expenses		(274,950)		
Mana Liabilitian — didukt nav anala vat	Accounts payable		(36,778)		157,917
 More Liabilities = didn't pay cash yet 	Accrued expenses		(227,917)		45,240
 You bought supplies but didn't pay for them yet 	Deferred program revenue Net cash used in operating activities	-	29,122 (275,419)	-	(31,111) (579,069)

Operating activities Change in net assets

Adjustments to reconcile change in net assets to net cash used in operating activities:

Endowment fund contributions Paycheck Protection Program loan forgiveness Changes in assets and liabilities:

Contributions and grants receivable Museum shop inventory

Prepaid expenses and other assets Prepaid utility benefits

Deferred program revenue Net cash used in operating activities

Depreciation and amortization

Deferred income tax Realized and unrealized gains

Other prepaid expenses

Accounts payable Accrued expenses

Statement of Financial Position	Investing activities				
Statement of Activities	Purchase of investments		(3,115,304)		(12,352,036)
	Proceeds from sale of investments		1,626,637		6,562,835
Statement of Functional Expenses	Purchase of property and equipment		(1,218,122)		(278,655)
Statement of Cash Flows	Net cash used in investing activities	-	(2,706,789)		(6,067,856)
Investing Activities	Financing activities				
	Proceeds from long-term debt				78,800
 Purchases and Sales of Investments 	Proceeds from Paycheck Protection Program loan		566,572		592,250
(stocks, bonds, etc.)	Proceeds from Economic Injury Disaster Ioan		_		150,000
Purchases and Sales of Fixed Assets	Proceeds from line of credit		500,000		
(but not Gain/Loss)	Repayments of long-term debt Endowment fund contributions		(191,508) 2,688,770		(136,505) 7,503,800
· · · · · · · · · · · · · · · · · · ·	Net cash provided by financing activities		3,563,834	-	8,188,345
Business Acquisition					
Financing Activities	Net change in cash and cash equivalents		581,626		1,541,420
 Taking out/paying back loans 	Cash and cash equivalents				
0	Beginning of year		2,164,201		622,781
	End of year	S	2,745,827	\$	2,164,201
Again, think what would happen to cash	Supplemental disclosure of cash flow information				
Did you buy?	Cash paid during the year for interest	S	34,355	S	44,430
Did you sell?				-	
 Did you get loan funds in? 					
 Did you make a loan payment? 					

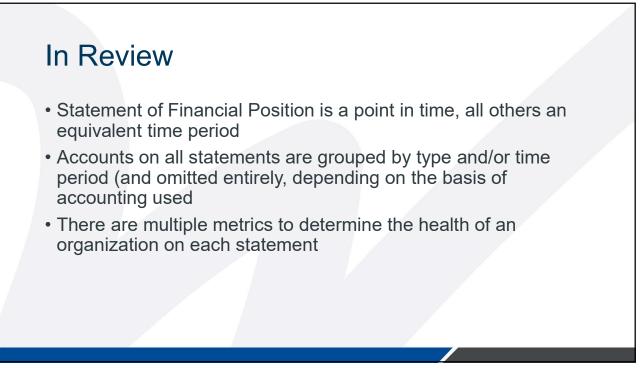
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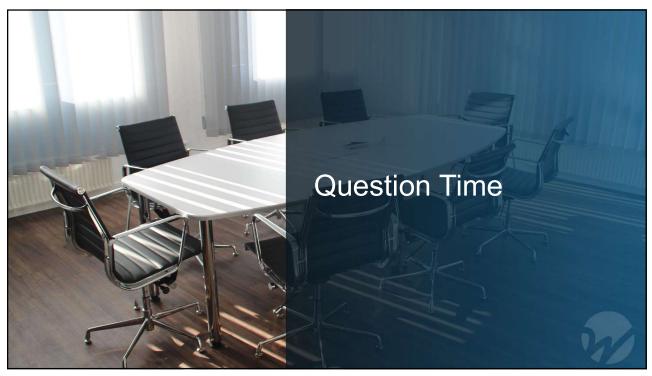
	Statement of Financial Position Statement of Activities Statement of Functional Expenses Statement of Cash Flows	Investing activities Purchase of investments Proceeds from sale of investments Purchase of property and equipment Net cash used in investing activities	(3,115,304) 1,626,637 (1,218,122) (2,706,789)	(12,352,036) 6,562,835 (278,655) (6,067,856)
	Ends with a reconciliation of beginning	Financing activities		
	of period and ending of period cash	Proceeds from long-term debt		78,800
	or period and ending or period cash	Proceeds from Paycheck Protection Program loan Proceeds from Economic Injury Disaster loan	566,572	592,250 150,000
	Occasional supplemental information at the bottom	Proceeds from line of credit	500.000	150,000
		Repayments of long-term debt	(191,508)	(136,505)
		Endowment fund contributions	2,688,770	7,503,800
		Net cash provided by financing activities	3,563,834	8,188,345
		Net change in cash and cash equivalents	581,626	1,541,420
		Cash and cash equivalents		
		Beginning of year	2,164,201	622,781
		End of year	\$ 2,745,827	2,164,201
		Supplemental disclosure of cash flow information		
		Cash paid during the year for interest	\$ 34,355	44,430

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James Conrad SUPERVISOR, ACCOUNTING SOLUTIONS GROUP

James joined Wegner CPAs in 2020 after several years of working with Madison-area and national nonprofit organizations. He has experience with a wide range of nonprofits, including human service providers, enthusiast clubs, and religious denominations. James currently serves as the Treasurer for the Verona Area Performing Arts Series and Vice-Chair of the Leadership Board at The Church at Christ Memorial in Fitchburg.



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