OUTREACH ALLIANCE OF VENTURA COUNTY

FINANCIAL STATEMENTS

APRIL 30, 2025

OUTREACH ALLIANCE OF VENTURA COUNTY

April 30, 2025

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 17

McGowan Guntermann
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

200 E. Carrillo Street, Suite 300, Santa Barbara, CA 93101, (805) 962-9175

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Outreach Alliance of Ventura County
Ventura, California

Opinion

We have audited the accompanying financial statements of Outreach Alliance of Ventura County (a non-profit organization), which comprise the statement of financial position as of April 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Outreach Alliance of Ventura County as of April 30, 2025, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Outreach Alliance of Ventura County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Outreach Alliance of Ventura County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Outreach Alliance of Ventura County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Outreach Alliance of Ventura County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Outreach Alliance of Ventura County's April 30, 2024, financial statements, and we expressed an unmodified audit opinion on those statements in our report dated September 5, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended April 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

McGowan Guntermann

Santa Barbara, California

November 6, 2025

OUTREACH ALLIANCE OF VENTURA COUNTY

STATEMENT OF FINANCIAL POSITION
April 30, 2025
(With Comparative Totals for April 30, 2024)

ASSETS

	Without Donor Restrictions	With Donor Restrictions	Total 2025	(Memo) Total 2024
Current Assets				
Cash and cash equivalents	$ 225,407	$ 1,115	$ 226,522	$ 333,312
Investments	5,191,100	766,071	5,957,171	5,310,467
Pledges and bequests receivable	-	50,000	50,000	350,000
Prepaid expenses	9,133	-	9,133	9,229
Inventory	80,205	-	80,205	124,734
Total Current Assets	5,505,845	817,186	6,323,031	6,127,742
Property and equipment	1,596,643	-	1,596,643	1,578,083
Less, accumulated depreciation	(563,101)	-	(563,101)	(518,735)
Net property and equipment	1,033,542	-	1,033,542	1,059,348
Finance lease right-of-use assets, net	2,064	-	2,064	4,128
Total Assets	**$ 6,541,451**	**$ 817,186**	**$ 7,358,637**	**$ 7,191,218**

LIABILITIES AND NET ASSETS

Current Liabilities				
Accounts payable and accrued expenses	$ 44,009	$ -	$ 44,009	$ 29,472
Accrued payroll and related liabilities	1,092	-	1,092	921
Deferred dues revenue	9,890	-	9,890	10,470
Finance lease liability, current	2,051	-	2,051	2,031
Total Current Liabilities	57,042	-	57,042	42,894
Long-term Liabilities				
Finance lease liability, noncurrent	410	-	410	2,150
Total Long-term Liabilities	410	-	410	2,150
Total Liabilities	57,452	-	57,452	45,044
Net Assets				
Without Donor Restrictions	6,483,999	-	6,483,999	6,025,301
With Donor Restrictions	-	817,186	817,186	1,120,873
Total Net Assets	6,483,999	817,186	7,301,185	7,146,174
Total Liabilities and Net Assets	**$ 6,541,451**	**$ 817,186**	**$ 7,358,637**	**$ 7,191,218**

OUTREACH ALLIANCE OF VENTURA COUNTY

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended April 30, 2025
(With Comparative Totals for the Year Ended April 30, 2024)

	Without Donor Restrictions	With Donor Restrictions	Total 2025	(Memo) Total 2024
Public Support and Revenue				
Public Support				
Thrift shop revenue				
Contributions of merchandise	$ 263,327	$ -	$ 263,327	$ 248,378
Sales of donated merchandise	279,546	-	279,546	245,918
Value of merchandise sold	(279,546)	-	(279,546)	(245,918)
Net thrift shop revenue	263,327	-	263,327	248,378
Contributions - Other	270,691	-	270,691	219,645
Contributions - Foundations	71,084	-	71,084	30,000
Total Public Support	605,102	-	605,102	498,023
Revenue				
Membership	13,813	-	13,813	10,457
Investment return, net of fees	403,060	65,890	468,950	341,303
Other	1,572	-	1,572	3,703
Net assets released from restrictions	369,577	(369,577)	-	-
Total Revenue	788,022	(303,687)	484,335	355,463
Total Public Support and Revenue	1,393,124	(303,687)	1,089,437	853,486
Expenses				
Program services - Supplies 4 Success	309,815	-	309,815	253,328
Program services - Care Closet	224,911	-	224,911	136,846
Program services - Other Programs	182,455	-	182,455	59,193
Total program services	717,181	-	717,181	449,367
Supporting services:				
Management and general	73,599	-	73,599	18,432
Membership development	19,860	-	19,860	77,237
Thrift Shop	123,786	-	123,786	111,529
Total supporting services	217,245	-	217,245	207,198
Total Expenses	934,426	-	934,426	656,565
Change in Net Assets	**458,698**	**(303,687)**	**155,011**	**196,921**
Net Assets, Beginning of Year	6,025,301	1,120,873	7,146,174	6,949,253
Net Assets, End of Year	**$ 6,483,999**	**$ 817,186**	**$ 7,301,185**	**$ 7,146,174**

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

OUTREACH ALLIANCE OF VENTURA COUNTY

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended April 30, 2025
(With Comparative Totals for the Year Ended April 30, 2024)

	Supplies 4 Success	Care Closet	Other Programs	Program Services	Thrift Shop	Management and General	Membership Development	Total Supporting Services	Total 2025	(Memo) Total 2024
Salaries and benefits	$ 12,739	$ 12,739	$ 1,627	$ 27,105	$ 20,146	$ 3,483	$ -	$ 23,629	$ 50,734	49,121
Program supplies	255,452	166,964	175,496	597,912	-	-	-	-	597,912	400,743
Occupancy:										
Utilities	1,842	1,842	236	3,920	14,889	191	-	15,080	19,000	19,460
Repairs and maintenance	13,405	13,405	1,712	28,522	31,211	1,041	-	32,252	60,774	32,419
Insurance	3,936	3,935	499	8,370	6,171	236	-	6,407	14,777	13,636
Bank fees	130	190	13	333	157	8	-	165	498	819
Licenses and fees	1,268	1,268	162	2,698	13,975	98	-	14,073	16,771	13,991
Postage	25	25	4	54	40	2	855	897	951	1,370
Printing	2,477	2,477	316	5,270	4,111	192	2,025	6,328	11,598	6,724
Professional services	-	-	-	-	-	64,460	-	64,460	64,460	55,807
Public relations and advertising	2,470	2,470	316	5,256	6,483	192	5,322	11,997	17,253	13,746
Supplies - office and other	3,009	6,582	411	10,002	5,375	2,682	2,184	10,241	20,243	9,306
National dues	-	-	-	-	-	-	3,850	3,850	3,850	5,340
Credit card fees	101	101	14	216	-	8	861	869	1,085	1,976
Miscellaneous	668	620	79	1,367	1,908	51	4,763	6,722	8,089	15,325
Depreciation	12,293	12,293	1,570	26,156	19,320	955	-	20,275	46,431	44,274
Total expenses by function	309,815	224,911	182,455	717,181	123,786	73,599	19,860	217,245	934,426	684,057
2025 Total Expenses	**$ 309,815**	**$ 224,911**	**$ 182,455**	**$ 717,181**	**$ 123,786**	**$ 73,599**	**$ 19,860**	**$ 217,245**	**$ 934,426**	
2024 Total Expenses (Memo)	$ 253,328	$ 136,846	$ 59,193	$ 449,367	$ 111,529	$ 18,432	$ 77,237	$ 207,198		$ 684,057

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

OUTREACH ALLIANCE OF VENTURA COUNTY

STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2025
(With Comparative Totals for the Year Ended April 30, 2024)

	2025	(Memo) 2024
Cash Flows from Operating Activities:		
Change in net assets	$ 155,011	$ 196,921
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	46,431	44,274
Realized and unrealized gain on investments	(359,407)	(243,628)
(Increase) decrease in:		
Pledges and bequests receivable	300,000	-
Other receivables	-	5,604
Prepaid expenses	96	1,347
Inventory	44,529	41,165
Increase (decrease) in:		
Accounts payable and accrued expenses	14,537	7,935
Accrued payroll and related liabilities	171	(989)
Deferred dues revenue	(580)	4,580
Net Cash Provided by Operating Activities	200,788	57,209
Cash Flows From Investing Activities:		
Purchase of property and equipment	(18,561)	(24,998)
Purchase of securities	(3,706,327)	(360,550)
Proceeds from sale of securities	3,419,030	400,601
Net Cash Provided (Used) by Investing Activities	(305,858)	15,053
Cash Flows from Financing Activities:		
Principal payments of finance lease liabilities	(1,720)	(2,084)
Net Cash Used By Financing Activities	(1,720)	(2,084)
Net Change in Cash	**(106,790)**	**70,178**
Cash - Beginning of Year	333,312	263,134
Cash - End of Year	**$ 226,522**	**$ 333,312**
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	$ 33	$ 53

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

Note 1 – ORGANIZATION

Outreach Alliance of Ventura County (the Organization) is a nonprofit corporation. The mission of the Organization is to transform the lives of children and adults in Ventura County through philanthropic community programs. Effective April 28, 2025, we have transitioned to Outreach Alliance of Ventura County (OAVC) from Assistance League® of Ventura County. As part of this transition, we are no longer affiliated with the Assistance League's national organization. This name change enables us to more effectively serve Ventura County while maintaining our unwavering commitment to community impact.

While our name and branding changed, our mission remains steadfast. The Organization continues to serve Ventura County through our philanthropic programs.

A summary of the number of children, adults and families served are provided below:

	Number Served (Unaudited)
B.U.F.F.Y. Bear	3,698
Care Closet – Families Served	4,473
Care Closet – Children Served	6,015
Supplies 4 Success	3,047
Scholarships	12
Reading Club	84
Comfort Kits®	58
Safe Harbor "Goodie" Bags and Snuggle Blankets	95
Families provided with Holiday Gifts	7
Teens Helping Teens	130
	17,619

Supplies 4 Success

Since 1993, Supplies 4 Success partners with local school districts to ensure that underserved students across Ventura County start the school year with confidence and dignity. This signature program provides essential school supplies, hygiene kits, age- appropriate books, and a gift card for clothing to students in grades TK through 6. Since its inception, the program has served nearly 40,000 children in 59 elementary schools. Supplies 4 Success is entirely volunteer driven, reflecting the Organization's commitment to empowering young learners and strengthening families - one backpack, one book and one smile at a time.

Care Closet

The Organization's Care Closet program is a big operation with a single purpose, existing solely to provide supplies to Ventura County Children & Family Services (VCCFS) for its critical work helping local residents in emergency situations. Children, youth and fragile families in need in our community benefit from this program. The committee sorts, labels and bags new and gently used clothing from infant to teen sizes. Other necessities, including diapers, car seats, backpacks, beds and gift cards are purchased. All of these items are given to VCCFS where they store the donated items at the County Care Closets located in Ventura and Simi Valley. These items are ready to be picked up 24 hours a day, by social workers for their clients, or when emergencies occur, such as when a child needs to be removed from an unsafe situation and leaves with nothing.

Note 1 – ORGANIZATION (continued)

B.U.F.F.Y. Bear

B.U.F.F.Y. Bear Program began providing bears in 1989 to comfort children in times of distress. The acronym for B.U.F.F.Y. stands for Bears, Understanding, Friends, Feelings, and You! The committee keeps a steady supply of bears flowing to the police, fire, medical, crisis and county personnel, as well as a nursing home. In addition, a smaller version, Buffette, is supplied to Healthy Start schools in Ventura County.

Scholarships

The Organization's Scholarships provide financial assistance to college students who are pursuing an undergraduate degree or a certification in their desired field of study.

- The Dorothy and Al Stacey Scholarship supports college students who excel in the study of science or engineering at California State University Channel Islands.
- The Outreach Alliance Community Scholarship is awarded to entry level students and is renewable for the remainder of the students' academic career at California State University Channel Islands.
- The OAVC Re-Entry Scholarship is administered through Ventura College Foundation's Phoenix Program to assist those who return to college after a hiatus in their education.

Reading Club

The goal of the Reading Club is to instill a love of books and reading in children and to provide a comfortable, safe space for these students to read and discuss what is read with others.

Teens Helping Teens

Teens Helping Teens is a program designed to develop teen volunteers and community leaders through a combination of philanthropic programs, community service, fundraising activities, events and leadership opportunities. Members are responsible for participating in and tracking a minimum of 20 hours of annual service.

Nancy R. Brandt (NRB)

The NRB program provides emergency aid to local families in abusive situations by assembling and providing "Comfort Kits" for victims of family violence, sexual assault and child abuse. The kits consist of new clothing, educational books and personal items for local families in need. The kits are distributed in partnership with Safe Harbor, a program administered by the Ventura County District Attorney's Office that provides services to victims of child physical and sexual abuse, and adult victims of sexual assault. NRB members also provide gift baskets for local families several times a year.

The corporation's revenue comes from corporate and individual donations, grants, fundraisers, the corporation's Bargain Box resale store and earnings on investments.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization uses the accrual basis of accounting, recognizing revenues when earned and expenses when incurred. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Estimates and assumptions include, but are not limited to depreciation, allowances and allocation of expenses among programs. It is at least reasonably possible that the significant estimates used will change within the next year.

Cash and Cash Equivalents

The Organization classifies cash, money market accounts, certificates of deposit, and all highly liquid investments with original maturities of three months or less as cash and cash equivalents.

Allowance for Credit Losses

The Organization has previously adopted FASB ASC 326, measuring credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. There were no financial assets held by the Organization subject to the guidance in FASB ASC 326. The impact of the adoption was not considered material to the financial statements and primarily resulted in the preceding disclosure only.

Investments

The Organization 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 revenue without restrictions.

Property and Equipment

Equipment is recorded at cost or, if donated, at fair market value at the time of the donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specified purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. It is the Organization's policy to capitalize expenditures for these items in excess of $2,500 and with a useful life of five years or more. Lesser amounts are expensed.

The Organization provides for depreciation of property and equipment by use of the straight-line method over the estimated useful lives as follows:

Buildings and Improvements	10 to 39 years
Furniture and Fixtures	5 to 7 years
Machinery and Equipment	5 to 10 years

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

Advertising costs are expensed as incurred and included in office expense program services. Advertising costs for the year ended April 30, 2025, totaled $9,330.

Deferred Revenue

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

Description of Net Assets

The Organization reports information regarding its financial position and activities in two classes of net assets - with donor restrictions and without donor restrictions - based on the existence or absence of donor-imposed restrictions.

Without Donor Restrictions

Net assets without donor restrictions represent net assets that are not subject to donor-imposed time or use restrictions. Net assets without donor restrictions include board designated funds.

With Donor Restrictions

Net assets with donor restrictions represent net assets that are subject to donor-imposed time or use restrictions. Net assets with donor restrictions generally include contributions and bequests receivable and planned gifts. Earnings on net assets with donor restrictions are reported as an increase in net assets with donor restrictions. Earnings on donor-restricted funds that have not yet been appropriated are also classified as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as "Net assets released from restrictions". Net assets with donor restrictions include perpetual income trusts for which the related income is reported as contributions without donor restrictions when received on the Statement of Activities. The change in value of the underlying assets is recorded as an unrealized gain or loss in net assets with donor restrictions on the Statement of Activities. Net assets with donor restrictions also consist of those donor-restricted funds held by the Organization as defined under the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Contributions

All contributions are considered to be available for use without restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restriction support that increases this net asset class. When a donor restriction expires, net assets with restrictions are reclassified to net assets without donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as net assets without donor restrictions.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Materials, Facilities and Services

Significant materials and facilities are donated to the Organization by various individuals and other organizations. The donated materials and facilities of $326,613 in 2025 are reflected in the accompanying financial statements at their fair values at the date of donation. The donated materials consisted primarily of clothing and household items donated by Organization members and others for resale by a thrift shop operated by the Organization in the amount of $263,327 and program supplies for use in programs in the amount of $63,286.

In addition, a significant portion of the Organization's functions and programs are conducted by unpaid volunteers. The financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria. During the fiscal year ending April 30, 2025, these volunteers donated approximately 27,150 hours with an estimated value of $1,097,000. This value was computed using an estimated hourly rate of $40.39, based upon the average hourly earnings of nonagricultural workers for the time period of May l, 2024, to April 30, 2025, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 12% for estimated fringe benefits.

Leases

The Organization has previously adopted FASB ASC 842, Leases. For the year ended April 30, 2025, the Organization had a noncancellable finance lease.

Further, the Organization elected a short-term lease extension policy, permitting the Organization to not apply the recognition requirements of this standard to short-term leases (i.e., leases with terms of 12 months or less) and an accounting policy to account for lease and non-lease components as a single component for certain classes of net assets.

Functional Expenses

The Organization allocates its expenses on a functional basis among its various program and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases. The expenses that are allocated include salaries and benefits, supplies, utilities, professional services, bank fees, interest, licenses and fees, miscellaneous, meetings, postage, printing, public relations and advertising, and insurance, which are allocated on a square-footage basis.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tax Exempt Status

The Organization is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 2370(1)(d); therefore, no provision for income taxes is required. The Organization is not considered a private foundation. The Organization is not aware of any transactions that would affect its tax-exempt status.

The Organization evaluates uncertain tax positions, whereby the effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of April 30, 2025, the Organization had no uncertain tax positions requiring accrual.

The Organization files tax returns in California and U.S. federal jurisdictions. The Organization is no longer subject to U.S. federal and state examinations by tax authorities for fiscal years ending before April 30, 2021 and 2020, respectively.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 6, 2025, the date of the financial statements.

Note 3 – COMPARATIVE AMOUNTS

The amounts shown for April 30, 2024, in the accompanying financial statements are included to provide a basis for comparison with April 30, 2025, and are not intended to present all information necessary for a fair presentation of the April 30, 2024, financial statements in conformity with accounting principles generally accepted in the United States of America.

Note 4 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises are included in the financial statements as contributions and revenue of the appropriate net asset category in the period when the donor makes a promise to give to the Organization that is, in substance, unconditional. Promises to give are recorded at net realizable value if they are expected to be collected within one year and at net present 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.

At April 30, 2025, there is $50,000 of unconditional promises to give in the form of a bequest receivable. The valuation of the receivable is based on a conservative fair market value of the estate as of April 30, 2025, no allowance is deemed necessary.

Note 5 – INVESTMENTS

Investments are presented in the financial statement at fair market value. Fair value is defined as the amount that would be exchanged for an asset or to transfer a liability between market participants in an orderly transaction at the balance sheet date. These amounts are not necessarily indicative of the amounts the Organization could realize in a current market exchange. Realized and unrealized gains and losses on investments are reflected in the Statement of Activities.

Note 5 – INVESTMENTS (continued)

At April 30, 2025, investments consisted of the following:

	Cost	Market Value	Unrealized Gain
Fixed Income and Equities	$ 3,715,815	$ 3,901,935	$ 186,120
Exchange-Traded and Closed-End Funds	1,745,091	2,055,236	310,145
Total Investments	$ 5,460,906	$ 5,957,171	$ 496,265

The following summarizes the net change in unrealized gain on investments:

	Cost	Market Value	Unrealized Gain
Balance at end of the year	$ 5,460,906	$ 5,957,171	$ 496,265
Balance at the beginning of the year	4,966,683	5,310,467	343,784
Net change in unrealized gain			$ 152,481

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended April 30, 2025:

Dividends and interest	$ 152,583
Net realized gains on investments	206,926
Net unrealized gains on investments	152,481
Investment fees	(43,040)
Total Investment Return	$ 468,950

Note 6 – PROPERTY AND EQUIPMENT

Property and equipment at April 30, 2025, consists of the following:

Without donor restrictions	
Land – Chapter House	$ 14,759
Land – Thrift Shop	550,000
Building – Chapter House	406,773
Building – Thrift Shop	516,067
Furniture and Equipment – Thrift Shop	43,752
Furniture and Equipment – Chapter House	65,292
Total property and equipment	1,596,643
Less accumulated depreciation	(563,101)
Net property and equipment	$ 1,033,542

Depreciation and amortization expense for the year ended April 30, 2025, was $46,431.

Note 7 – INVENTORY

The Organization maintains an inventory of new clothing and toiletries for use in its Supplies 4 Success program in the amount of $24,511, which is stated at the lower of cost or market determined by the first-in, first-out method. The Organization also maintains an inventory of used clothing and household items donated by Organization members and others for resale by a thrift shop operated by the Organization in the amount of $55,694, which is stated at its estimated fair value.

Note 8 – CREDIT RISK AND UNCERTAINTIES

Credit Risk

The Organization maintains cash balances at various financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to $250,000 for each insured financial institution. At April 30, 2025, the Organization had no uninsured cash balances.

Note 9 – LEASES

At the inception or modification of a contract, the Organization assesses whether the contract is, or contains, a lease. The assessment is based on (1) whether the contract involves the use of a distinct identified asset, (2) whether the Organization obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (3) whether the Organization has the right to direct the use of the asset.

The accounting standard establishes a right-of-use (ROU) model requiring a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term of longer than 12 months. ROU assets represent the Organization's right to use an underlying asset during the reasonably certain lease term, and lease liabilities represent its obligation to make lease payments arising from the lease. Leases are classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the statement of income. Lease terms may include options to extend or terminate the lease when it is reasonably certain the option will be exercised.

ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of all minimum lease payments over the term of the lease. The initial measurement of ROU assets also includes any prepaid lease payments and are reduced by any previously accrued deferred rent. Lease terms include options to extend or terminate the lease when it is reasonably certain that such option will be exercised. For operating leases, lease expense is recognized on a straight line basis over the term of the lease. Management will periodically review the carrying value of ROU assets to determine whether impairment may exist.

The Organization leases office equipment under a finance lease which is payable in monthly instalments of $172 through 2026. The Organization has elected to use the risk-free rate to discount the lease payments.

The Organization recognized $2,064 of amortization on right-of-use assets, as well as $33 of interest on finance lease liabilities for the year ended April 30, 2025. Additionally, $1,720 of financing cash outflows was related to principal payments on finance lease liabilities. The remaining lease term is approximately 1 year, and the discount rate used is approximately 1%.

Note 9 – LEASES (continued)

The following is a schedule of future finance lease payments, as of April 30:

2026	$ 2,064
2027	410
Total minimum lease payments	2,474
Less imputed interest	(13)
Present value of minimum lease payments	$ 2,461

Note 10 – FAIR VALUE MEASUREMENT

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurement and Disclosures, provides the framework for measuring and disclosing the fair value of assets and liabilities. Accounting principles define fair value as the price that would be received by the Organization to sell an asset or be paid by the Organization to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. A fair value hierarchy has been established that prioritizes valuation inputs into three broad levels to ensure consistency and comparability. The valuation hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3) described as follows:

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; discounted cash flows; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities; including general partner estimates and recent third-party appraisals.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying Statement of Financial Position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then Level 2 fair values are estimated by using a pricing model of quoted prices of securities with similar characteristics or discounted cash flows. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Note 10 – FAIR VALUE MEASUREMENT (continued)

Fair market valuation of Level 3 securities is based on estimates of management, information valuation methods used within a particular industry, or other market factors to determine if the carrying value of these investments should be adjusted. Because of the inherent uncertainty of valuations, however, the estimated values may differ from the values that would have been used had a ready market existed, and the differences could be material.

The following is a description of the general classification of investments pursuant to the valuation hierarchy:

Equities – include investments in domestic and international equities of varying market capitalizations. Equities are held as separate ownership shares of a specific company or in the form of mutual funds. All assets have daily pricing.

Fixed Income – include investments in domestic fixed income positions and is held in the investment portfolio through either individual bond holdings (treasuries, corporate, government, mortgage, etc.) or through fixed income mutual funds. All assets have daily pricing.

Exchange-Traded and Closed-End Funds – include investments in domestic and international indices. All assets have daily pricing.

The Organization recognizes transfers between the levels in the fair value hierarchy at the end of the reporting period. There were no transfers between the levels during the year ended April 30, 2025.

The following table presents assets and liabilities recognized in the accompanying Statement of Financial Position measured at fair value on a recurring basis and the level in which the fair value measurements fall at April 30, 2025:

Description	Level 1	Level 2	Level 3	Total
Fixed Income and Equities	$ 3,901,935	$ -	$ -	$ 3,901,935
Exchange-traded and closed-end funds	2,055,236	-	-	2,055,236
Total assets measured at fair value	$ 5,957,171	$ -	$ -	$ 5,957,171

Note 11 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets are released from donor restrictions by the passage of time or by satisfying the restricted purposes specified by donors. For the year ended April 30, 2025, net assets released from restriction totaled $369,577.

Note 12 – LIQUIDITY

Financial assets available to meet cash needs for general expenditure for the following year are comprised of current assets and investments, adjusted for amounts unavailable due to illiquidity and other funds spending policy appropriations beyond one year, and current liabilities payable to vendors, financial institutions, and nonprofit organizations.

Financial assets available to meet cash needs for general expenditures within one year as of April 30, 2025:

Current assets	
Cash and cash equivalents available within one year	$ 225,407
Pledges and bequests receivable	50,000
Total Current Assets	275,407
Investments	5,957,171
Less investments unavailable for general expenditures within one year:	
Funds subject to restrictions beyond one year:	
With donor restrictions	(766,071)
Total Investments	5,191,100
Current liabilities	(57,042)
Financial assets available to meet cash needs for general expenditures within one year as of April 30, 2025	$ 5,409,465

Note 13 – NET ASSETS

Net Assets With Donor Restrictions

As of April 30, 2025, net assets with donor restrictions consist of the following:

Bequest Receivable	$ 50,000
Scholarship Fund	767,186
Total Net Assets With Donor Restrictions	$ 817,186