

ASSISTANCE LEAGUE OF ARCADIA
INDEPENDENT ACCOUNTANTS' REVIEW REPORT AND
FINANCIAL STATEMENTS

For the Year Ended May 31, 2018
(With Comparative Totals for 2017)

ASSISTANCE LEAGUE OF ARCADIA

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Assistance League of Arcadia
Arcadia, California

We have reviewed the accompanying consolidated financial statements of the Assistance League of Arcadia (a California Nonprofit Corporation), and subsidiaries, which comprise the consolidated statement of financial position as of May 31, 2018, and the related consolidated 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 entity 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 as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

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

Accountants' Conclusion

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


Board of Directors
Assistance League of Arcadia

Supplementary Information

The accompanying consolidating statement of financial position and consolidating statement of activities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Summarized Comparative Information

The consolidated financial statements of the Assistance League of Arcadia as of May 31, 2017 were reviewed by other accountants whose report dated September 27, 2017, stated that based on their review, they were not aware of any material modifications that should be made to the 2017 consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended May 31, 2017, for it to be consistent with the reviewed consolidated financial statements from which it has been derived.



CliftonLarsonAllen LLP
Glendora, California
October 2, 2018

ASSISTANCE LEAGUE OF ARCADIA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

May 31, 2018

With comparative totals as of May 31, 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 240,811	\$ 300,491
Prepaid Expenses	19,099	18,293
Inventories (Note 3)	118,900	98,971
Investments (Note 4)	424,652	396,927
Property and Equipment, Net (Note 5)	351,724	372,158
TOTAL ASSETS	\$ 1,155,186	\$ 1,186,840
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 3,118	\$ 19,093
Deferred Dues Revenue	25,876	25,180
Total Liabilities	28,994	44,273
NET ASSETS		
Unrestricted	1,028,139	1,037,553
Temporarily Restricted (Note 6)	98,053	105,014
Total Net Assets	1,126,192	1,142,567
TOTAL LIABILITIES AND NET ASSETS	\$ 1,155,186	\$ 1,186,840

See the accompanying notes to the financial statements

ASSISTANCE LEAGUE OF ARCADIA

CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2018

With comparative totals as of May 31, 2017

	Year Ended May 31, 2018			Year Ended
	Unrestricted	Temporarily Restricted	Total	May 31, 2017 Total
SUPPORT AND REVENUES				
Bargain Box Thrift Shop Revenue (Note 1):				
Contributions of Merchandise	\$ 196,435	\$ -	\$ 196,435	\$ 187,205
Sales of Donated Merchandise	192,968	-	192,968	180,801
Less: Value of Merchandise Sold	(192,968)	-	(192,968)	(180,801)
Net Revenue From Thrift Shop	196,435	-	196,435	187,205
Fundraising Events and Activities (Note 7):				
Revenue	13,989	-	13,989	15,605
Less: Direct Costs	(8,640)	-	(8,640)	(9,009)
Net Revenue From Fundraising	5,349	-	5,349	6,596
Contributions and Grants	16,016	-	16,016	23,388
Membership	27,458	-	27,458	29,130
Investment Return (Note 4)	30,123	-	30,123	30,882
Other Income	1,381	-	1,381	3,302
Net Assets Released From Restrictions:				
Satisfaction of Purpose Restrictions (Note 8)	6,961	(6,961)	-	-
TOTAL SUPPORT AND REVENUES	283,723	(6,961)	276,762	280,503
EXPENSES				
Program Services Expense:				
Senior Citizens Community House	56,043	-	56,043	52,446
Operation School Bell	103,689	-	103,689	88,174
Other Philanthropic Programs	24,358	-	24,358	31,223
Total Program Services Expense	184,090	-	184,090	171,843
Support Services Expense:				
Fundraising:				
Thrift Shop	58,546	-	58,546	59,605
Management and General	35,816	-	35,816	46,122
Membership Development	14,685	-	14,685	9,362
Total Supporting Services Expense	109,047	-	109,047	115,089
TOTAL EXPENSES	293,137	-	293,137	286,932
CHANGE IN NET ASSETS	(9,414)	(6,961)	(16,375)	(6,429)
NET ASSETS - BEGINNING OF YEAR	1,037,553	105,014	1,142,567	1,148,996
NET ASSETS - END OF YEAR	\$ 1,028,139	\$ 98,053	\$ 1,126,192	\$ 1,142,567

See the accompanying notes to the financial statements

ASSISTANCE LEAGUE OF ARCADIA

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended May 31, 2018

With comparative totals as of May 31, 2017

	2018	2017
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ (16,375)	\$ (6,429)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	30,934	30,934
Interest and Dividends	(9,399)	(6,643)
Unrealized Gain on Investment	(20,724)	(24,239)
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	-	1,664
Prepaid Expenses and Other Assets	(806)	3,714
Inventories	(19,929)	(21,823)
Accounts Payable	(15,975)	18,819
Deferred Revenue	696	(3,835)
Net Cash Used by Operating Activities	(51,578)	(7,838)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(8,102)	(3,503)
Net Cash Used by Investing Activities	(8,102)	(3,503)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(59,680)	(11,341)
Cash and Cash Equivalents - Beginning of Year	300,491	311,832
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 240,811	\$ 300,491

See the accompanying notes to the financial statements

ASSISTANCE LEAGUE OF ARCADIA

STATEMENT OF FUNCTIONAL EXPENSE For the Year Ended May 31, 2018 *With comparative totals as of May 31, 2017*

	Community House	School Bell	Philanthropic Programs	Program Services	Thrift Shop	Fundraising Activities	Management and General	Membership Development	Supporting Services	May 31, 2018 Total	May 31, 2017 Total
Clothing and Shoes	\$ -	\$ 74,671	\$ -	\$ 74,671	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,671	\$ 56,769
Backpacks	-	9,234	-	9,234	-	-	-	-	-	9,234	5,457
Books and School Kits	-	4,377	-	4,377	-	-	-	-	-	4,377	5,377
Kaboodle kits	-	-	-	-	-	-	-	-	-	-	2,965
Thrift Shop Inventory	-	-	-	-	192,968	-	-	-	192,968	192,968	180,801
Other Program Supplies	1,389	3,452	13,304	18,145	-	-	-	-	-	18,145	9,283
Fundraising	-	-	-	-	-	8,640	-	-	8,640	8,640	9,009
Campership	-	1,034	-	1,034	-	-	-	-	-	1,034	1,312
Hospital Kits	-	-	290	290	-	-	-	-	-	290	568
Links to Learning Grants	-	-	10,493	10,493	-	-	-	-	-	10,493	12,546
Utilities	10,745	1,593	-	12,338	14,032	-	-	-	14,032	26,370	24,599
Repairs and Maintenance	29,083	2,105	-	31,188	9,997	-	-	-	9,997	41,185	34,647
Insurance	-	-	-	-	-	-	11,681	-	11,681	11,681	12,983
Taxes and Licenses	-	3,650	-	3,650	9,053	-	179	-	9,232	12,882	9,842
Furnishings	2,404	-	-	2,404	1,326	-	-	-	1,326	3,730	3,072
Depreciation	10,079	2,069	271	12,419	18,515	-	-	-	18,515	30,934	30,934
Postage and freight	-	158	-	158	18	-	3,097	-	3,115	3,273	4,436
Professional Services	-	-	-	-	2,957	-	7,433	-	10,390	10,390	10,441
Advertising and Promotion	-	-	-	-	10	-	1,765	-	1,775	1,775	1,455
Donated Services	-	1,140	-	1,140	-	-	-	-	-	1,140	7,760
Office Supplies	1,445	96	-	1,541	104	-	885	62	1,051	2,592	2,241
Operating Supplies	759	110	-	869	2,012	-	194	125	2,331	3,200	7,099
National Assistance League Dues	-	-	-	-	-	-	-	14,660	14,660	14,660	15,306
National Assistance League Conference	-	-	-	-	-	-	9,258	(373)	8,885	8,885	16,539
Education	-	-	-	-	-	-	566	-	566	566	602
Miscellaneous Expense	139	-	-	139	522	-	758	211	1,491	1,630	10,699
Total expenses	56,043	103,689	24,358	184,090	251,514	8,640	35,816	14,685	310,655	494,745	\$ 476,742
Less expenses included with revenue on the statement of activities	-	-	-	-	(192,968)	(8,640)	-	-	(201,608)	(201,608)	(189,810)
Total 2018 Functional Expenses	\$ 56,043	\$ 103,689	\$ 24,358	\$ 184,090	\$ 58,546	\$ -	\$ 35,816	\$ 14,685	\$ 109,047	\$ 293,137	
Total 2017 Functional Expenses	\$ 52,446	\$ 88,174	\$ 31,223	\$ 171,843	\$ 59,605	\$ -	\$ 46,122	\$ 9,362	\$ 115,089		\$ 286,932

See the accompanying notes to the financial statements

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Assistance League of Arcadia (the Chapter), founded in 1951 is a California nonprofit organization and is a chartered chapter of National Assistance League® of Arcadia and its auxiliaries, Las Alas and Assisteens®, (collectively, the Chapter). The Chapter is staffed and directed entirely by trained volunteers for the purpose of serving the needs to children and senior citizens in the community.

The Chapter provides the following programs:

The Community House

The Community House is a facility for Arcadia senior citizens and the Arcadia/Pasadena EYE-DAS Club both of whom gather for socialization, education and refreshments

Operation School Bell®

Operation School Bell provides new clothing and shoes to elementary students in the school district.

Hospital Magazines

Hospital Magazines are provided at Methodist Hospital of Southern California and encompass the distribution of magazines to all waiting rooms of the hospital. The Baby Basics program provides newborn layettes to new mothers in economic need.

Kids on the Block

Kids on the Block is a puppet program for elementary school children providing educational programs about bullying, the dangers of smoking, disabilities and childhood obesity.

The chapter's support and revenues come primarily from contributions and other fundraising efforts including fundraising events and operation of a thrift shop.

Basis of Accounting

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

Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-*

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Profit Entities. Under ASC 958, the Chapter is required to report information regarding its financial position and activities in three classes of net assets:

- *Unrestricted net assets* are net assets not subject to donor-imposed restrictions or law.
- *Temporarily restricted net assets* are net assets subject to donor-imposed restrictions that can be fulfilled by actions of the chapter pursuant to those restrictions or that expire by the passage of time. Temporarily restricted resources whose restrictions are met in the same reporting periods are recorded as unrestricted.
- *Permanently restricted net assets* are net assets subject to donor-imposed restrictions that the gift cannot be wholly expended on a current basis. Investment returns generated from these funds are available for general support of the chapter's programs and operations unless otherwise stipulated by the donor. The Chapter has no permanently restricted net assets.

Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Assistance League of Arcadia's financial statements for the year ended May 31, 2017, from which the summarized information was derived.

Fair Value Measurements

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

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

For purposes of financial reporting, the Chapter has determined that the fair values of its financial instruments, which include cash equivalents, accounts receivable and accounts

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

payable, approximate the carrying values at May 31, 2018, based on their short maturities and/or the terms available to the Chapter in financial markets.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts, time deposits, certificates of deposit and all highly liquid investments with original maturities of three months or less. The Chapter maintains cash balances in financial institutions which are insured up to \$250,000. As of May 31, 2018, all cash balances were fully insured. For purposes of the statement of cash flows, the Chapter considers all unrestricted highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Inventories

The chapter maintains an inventory of new clothing and shoes for use in its Operation School Bell program which is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

Thrift Store Sales and Inventory

Used clothing and household items are donated by the Chapter members and others for resale by the Bargain Box which is a thrift store operated by the Chapter. The inventory is valued at the estimated fair market value which is an estimate of the net value to be realized. Sales and corresponding cost of sales of dated merchandise are recorded as exchange transaction revenue, and exchange transaction expense.

Investments

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

Concentration of Credit and Market Risk

Financial instruments that potentially expose the Chapter to concentrations of credit and market risk consist primarily of cash, cash equivalents and investments. Cash and cash equivalents are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2018, the Chapter had no uninsured balances at these institutions. The Chapter has not experienced any losses on its

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

cash or cash equivalents. The Chapter's investments do not represent significant concentrations of market risk inasmuch as the Chapter's investment portfolio is adequately diversified among issuers.

Property and Equipment

Property and equipment are stated at cost. Donated property is recorded at its estimated fair value at the date of receipt, which is then treated as cost. The Chapter maintains a capitalization threshold of \$1,000. The costs of normal maintenance and repairs that do not add to the value of an asset or significantly extend an asset's life are not capitalized.

Depreciation is computed on the straight-line basis over the estimated useful life of the assets as follows:

Buildings and improvements	10 to 39 years
Furniture and equipment	5 to 10 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.

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.

Public Support and Revenue

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized gains/losses and unrealized gains/losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as assets released from restriction between the applicable classes of net assets.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Donated Materials, Services and Free Use of Facilities

Significant materials, services and free use of facilities are donated to the chapter by various individuals, corporations and other organizations, and are reflected in the accompanying financial statements at their fair values at the date of donation.

In addition, a significant portion of the chapter's functions and programs are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2018, these volunteers donated approximately 23,450 hours with an estimated value of \$522,466. This value was computed using an estimated hourly rate of \$22.28, based upon the average hourly earnings of nonagricultural workers for the time period of May 2018, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 12% for estimated fringe benefits.

Income Taxes

The Chapter is a non-profit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

United States Generally Accepted Accounting Principles (US GAAP) requires management to evaluate tax positions taken by the Chapter and recognize a tax liability (or asset) if an uncertain position has been taken that more likely than not would not be sustained upon examination. Management has analyzed the tax positions taken by the Chapter, and has concluded that as of May 31, 2018 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The primary tax positions evaluated are related to the Chapter's continued qualification as a tax-exempt organization. The statute of limitations for federal and California purposes is generally three and four years, respectively.

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the reporting date, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, based upon management's estimates, certain costs have been allocated among the programs, support services, and fundraising activities.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2018 consist of the following:

Cash on Hand	\$ 1,162
Checking Accounts:	
Citizens Business Bank	44,174
Citizens Business Bank	32,807
Citizens Business Bank	57,764
Citibank	104,904
Total Checking Accounts	<u>239,649</u>
Total Cash and Cash Equivalents	<u>\$ 240,811</u>

NOTE 3: INVENTORIES

Inventories at May 31, 2018 consisted of the following:

Operation School Bell clothing at lower of cost or net realizable value	\$ 73,519
Thrift store merchandise at estimated fair market value at date of donation	41,400
Project material costs	3,981
Total inventories	<u>\$ 118,900</u>

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 4: INVESTMENTS

Investments are recorded at cost at date of acquisition or fair value at date of donation. The cost and fair value of investments as of May 31, 2018 are as follows:

Level 1	Cost	Fair Value
Cash and cash equivalents	\$ 6,908	\$ 6,908
Exchange traded funds	202,265	299,946
Fixed income	30,012	29,983
Mutual funds - equity	81,523	87,815
Total	<u>\$ 320,708</u>	<u>\$ 424,652</u>

Levels 1 through 3 have been assigned to the fair value measurements of investments. The fair value level of measurement is determined as follows:

Level 1 – quoted prices in an active market for identical assets.

Level 2 – quoted prices for similar assets and market-corroborated inputs.

Level 3 – the organization’s own assumptions about market participation, including assumptions about risk, developed based on the best information available in the circumstances.

All of the Chapter’s investments are categorized as level 1 investments.

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended May 31, 2018:

Interest and dividends	\$ 9,399
Unrealized gain on investments, net	<u>20,724</u>
Total investment income	<u>\$ 30,123</u>

NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at May 31, 2018

Land	\$ 206,060
Buildings and Improvements	827,116
Furniture and Equipment	<u>123,080</u>
Total	1,156,256
Less: Accumulated Depreciation and Amortization	<u>(804,532)</u>
Total Property and Equipment, Net	<u>\$ 351,724</u>

ASSISTANCE LEAGUE OF ARCADIA

NOTES TO THE FINANCIAL STATEMENTS

May 31, 2018

NOTE 6: NET ASSETS

At May 31, 2018, net assets were restricted by donors or designated by the Chapter as follows:

<u>Unrestricted net assets</u>		
Designated reserve for one year's operating expenses		\$ 293,235
Undesignated		<u>734,904</u>
Total unrestricted net assets		<u>\$ 1,028,139</u>
<u>Temporarily restricted net assets</u>		
OSB Arcadia Students In-Store		\$ 98,053
Total unrestricted net assets		<u>\$ 98,053</u>

NOTE 7: FUNDRAISING EVENTS AND ACTIVITIES

The chapter conducts various fundraising events and activities to help fund current operations. The revenue and related expenses from such events and activities for the year ending May 31, 2018, are as follows:

	<u>Revenue</u>	<u>Direct Cost</u>	<u>Net Revenue</u>
Las Alas			
Poinsetta	\$ 2,680	\$ (1,060)	\$ 1,620
Nite on the Town Cards	1,465	(463)	1,002
Bunco	196	-	196
Assisteens:			
Sees Candy	9,648	(7,117)	2,531
	<u>\$ 13,989</u>	<u>\$ (8,640)</u>	<u>\$ 5,349</u>

NOTE 8: NET ASSETS RELEASED FROM RESTRICTIONS

Net assets of \$6,961 were released from temporary donor restrictions during the year ended May 31, 2018. The Chapter met donor imposed restrictions by incurring qualified expenses.

NOTE 9: SUBSEQUENT EVENTS

The Chapter's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through October 2, 2018 which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

SUPPLEMENTARY INFORMATION

ASSISTANCE LEAGUE OF ARCADIA

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

May 31, 2018

	Chapter	Las Alas	Assisteens	Consolidated
ASSETS				
Cash and Cash Equivalents (Note 2)	\$ 149,180	\$ 58,824	\$ 32,807	\$ 240,811
Prepaid Expenses	14,399	4,700	-	19,099
Inventories (Note 3)	115,439	3,461	-	118,900
Investments (Note 4)	424,652	-	-	424,652
Property and Equipment, Net (Note 5)	351,724	-	-	351,724
TOTAL ASSETS	\$ 1,055,394	\$ 66,985	\$ 32,807	\$ 1,155,186
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable	\$ 3,118	\$ -	\$ -	\$ 3,118
Deferred Dues Revenue	16,551	5,700	3,625	25,876
Total Liabilities	19,669	5,700	3,625	28,994
NET ASSETS				
Unrestricted	937,672	61,285	29,182	1,028,139
Temporarily Restricted (Note 6)	98,053	-	-	98,053
Total Net Assets	1,035,725	61,285	29,182	1,126,192
TOTAL LIABILITIES AND NET ASSETS	\$ 1,055,394	\$ 66,985	\$ 32,807	\$ 1,155,186

See the independent accountants' review report and accompanying notes to the financial statements

ASSISTANCE LEAGUE OF ARCADIA

CONSOLIDATING STATEMENT OF ACTIVITIES

May 31, 2018

	<u>Chapter</u>	<u>Las Alas</u>	<u>Assisteens</u>	<u>Eliminations</u>	<u>Consolidated</u>
SUPPORT AND REVENUES					
Bargain Box Thrift Shop Revenue (Note 1):					
Contributions of Merchandise	\$ 175,423	\$ 15,620	\$ 5,392	\$ -	\$ 196,435
Sales of Donated Merchandise	192,968	-	-	-	192,968
Less: Value of Merchandise Sold	<u>(192,968)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(192,968)</u>
Net Revenue From Thrift Shop	<u>175,423</u>	<u>15,620</u>	<u>5,392</u>	<u>-</u>	<u>196,435</u>
Fundraising Events and Activities (Note 7):					
Revenue	-	4,341	9,648	-	13,989
Less: Direct Costs	<u>-</u>	<u>(1,523)</u>	<u>(7,117)</u>	<u>-</u>	<u>(8,640)</u>
Net Revenue From Fundraising	<u>-</u>	<u>2,818</u>	<u>2,531</u>	<u>-</u>	<u>5,349</u>
Contributions and Grants	19,141	-	75	(3,200)	16,016
Membership	17,590	6,193	3,675	-	27,458
Investment Return (Note 4)	30,123	-	-	-	30,123
Other	1,381	-	-	-	1,381
Net Assets Released From Restrictions:					
Increase in Unrestricted	6,961	-	-	-	6,961
Decrease in Temporarily Restricted	<u>(6,961)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,961)</u>
TOTAL SUPPORT AND REVENUES	<u>243,658</u>	<u>24,631</u>	<u>11,673</u>	<u>(3,200)</u>	<u>276,762</u>
 EXPENSES					
Program Services Expense:					
Senior Citizens Community House	56,043	-	-	-	56,043
Operation School Bell	96,530	10,359	-	(3,200)	103,689
Other Philanthropic Programs	<u>15,698</u>	<u>6,995</u>	<u>1,665</u>	<u>-</u>	<u>24,358</u>
Total Program Services Expense	<u>168,271</u>	<u>17,354</u>	<u>1,665</u>	<u>(3,200)</u>	<u>184,090</u>
Support Services Expense:					
Fundraising:					
Thrift Shop	58,546	-	-	-	58,546
Management and General	35,425	367	24	-	35,816
Membership Development	<u>8,178</u>	<u>4,484</u>	<u>2,023</u>	<u>-</u>	<u>14,685</u>
Total Supporting Services Expense	<u>102,149</u>	<u>4,851</u>	<u>2,047</u>	<u>-</u>	<u>109,047</u>
TOTAL EXPENSES	<u>270,420</u>	<u>22,205</u>	<u>3,712</u>	<u>(3,200)</u>	<u>293,137</u>
CHANGE IN NET ASSETS	(26,762)	2,426	7,961	-	(16,375)
NET ASSETS - BEGINNING OF YEAR	<u>1,062,487</u>	<u>58,859</u>	<u>21,221</u>	<u>-</u>	<u>1,142,567</u>
NET ASSETS - END OF YEAR	<u>\$ 1,035,725</u>	<u>\$ 61,285</u>	<u>\$ 29,182</u>	<u>\$ -</u>	<u>\$ 1,126,192</u>

See the independent accountants' review report and accompanying notes to the financial statements