



STS JOACHIM AND ANN CARE SERVICE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2020

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STS JOACHIM AND ANN CARE SERVICE

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C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Sts Joachim and Ann Care Service

Report on the Financial Statements

We have audited the accompanying financial statements of Sts Joachim and Ann Care Service (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sts Joachim and Ann Care Service as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Sts Joachim and Ann Care Service's 2019 financial statements and our report dated March 18, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

C. J. Schlusser + Company, P.C.

Certified Public Accountants
Alton, Illinois

March 3, 2021

STS JOACHIM AND ANN CARE SERVICE

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(With Comparative Totals for 2019)

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 1,045,782	\$ 280,195
Grants and Accounts Receivable	75,646	73,105
Prepaid Expenses	6,144	6,275
Inventory	2,128	10,447
Total Current Assets	<u>1,129,700</u>	<u>370,022</u>
Noncurrent Assets:		
Fixed Assets, Net	<u>1,813,942</u>	<u>1,866,297</u>
Total Assets	<u>\$ 2,943,642</u>	<u>\$ 2,236,319</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 5,498	\$ 9,311
Accrued Expenses	33,370	7,578
Paycheck Protection Program Loan	210,800	-
Current Maturities of Long-term Liabilities	69,443	66,694
Total Current Liabilities	<u>319,111</u>	<u>83,583</u>
Non-Current Liabilities:		
Note Payable	212,797	281,974
Less: Current Maturities	<u>(69,443)</u>	<u>(66,694)</u>
Total Non-Current Liabilities	<u>143,354</u>	<u>215,280</u>
Total Liabilities	<u>462,465</u>	<u>298,863</u>
Net Assets:		
Without Donor Restrictions:		
Undesignated	2,228,198	1,798,429
Board Designated	49,692	10,002
With Donor Restrictions	<u>203,287</u>	<u>129,025</u>
Total Net Assets	<u>2,481,177</u>	<u>1,937,456</u>
Total Liabilities and Net Assets	<u>\$ 2,943,642</u>	<u>\$ 2,236,319</u>

See accompanying notes to financial statements

STS JOACHIM AND ANN CARE SERVICE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for 2019)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020</u>	<u>2019</u>
Revenues, Gains, and Other Support:				
Contributions	\$ 1,109,542	\$ 343,652	\$ 1,453,194	\$ 588,745
Grants - Government	-	765,958	765,958	1,025,540
Grants - Other	265,300	106,452	371,752	437,104
In-kind Contributions	658,800	-	658,800	913,075
Special Event Revenue	39,600	-	39,600	70,210
Less: Costs of Direct Benefits to Donors	(4,436)	-	(4,436)	(24,411)
Net Revenues From Special Events	35,164	-	35,164	45,799
Gain on Disposal of Equipment	(5,880)	-	(5,880)	1,300
Other	18,090	-	18,090	24,393
Investment Income	220	-	220	82
Net Assets Released from Restrictions:				
Satisfaction of Program Restrictions	1,141,800	(1,141,800)	-	-
Total Revenues, Gains, and Other Support	<u>3,223,036</u>	<u>74,262</u>	<u>3,297,298</u>	<u>3,036,038</u>
Expenses and Losses:				
Program Services	2,337,412	-	2,337,412	2,719,949
Management and General	293,735	-	293,735	352,014
Fundraising	122,430	-	122,430	58,298
Total Expenses and Losses	<u>2,753,577</u>	<u>-</u>	<u>2,753,577</u>	<u>3,130,261</u>
Change in Net Assets	469,459	74,262	543,721	(94,223)
Net Assets at Beginning of Year	<u>1,808,431</u>	<u>129,025</u>	<u>1,937,456</u>	<u>2,031,679</u>
Net Assets at End of Year	<u>\$ 2,277,890</u>	<u>\$ 203,287</u>	<u>\$ 2,481,177</u>	<u>\$ 1,937,456</u>

See accompanying notes to financial statements

STS JOACHIM AND ANN CARE SERVICE

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for 2019)

	Program	Management and General	Fundraising	Total	
				2020	2019
Salaries	\$ 725,018	\$ 89,115	\$ 89,219	\$ 903,352	\$ 857,713
Payroll Taxes	52,709	6,778	6,384	65,871	61,315
Insurance - Health	89,250	1,335	19,166	109,751	127,546
Insurance - Life	4,037	492	508	5,037	2,239
Retirement Expense	29,834	3,980	1,737	35,551	36,690
Professional Fees	386	10,326	-	10,712	10,382
Contracted Services	13,810	10,428	-	24,238	22,297
Assistance to Individuals	628,995	-	-	628,995	764,452
Assistance to Individuals - In-kind	564,014	-	-	564,014	736,336
Contributed Services	37,719	57,066	-	94,785	176,738
Office Expenses	19,783	1,545	647	21,975	14,962
Postage	3,062	1,626	154	4,842	4,900
Memberships and Dues	250	1,466	109	1,825	1,731
Marketing	-	1,084	-	1,084	785
Education and Training	316	305	-	621	3,651
Meals and Luncheons	54	792	-	846	552
Transportation and Travel	9,906	-	34	9,940	26,610
Bank Fees	3,841	7,161	848	11,850	5,681
Miscellaneous	4,976	3,847	-	8,823	9,133
Insurance - General	10,985	10,545	228	21,758	21,184
Depreciation	72,927	11,873	2,288	87,088	92,537
Interest	5,836	1,090	178	7,104	12,984
Rental Expenses	8,400	-	-	8,400	8,400
Repairs and Maintenance	14,546	2,741	379	17,666	16,446
Telephone	16,906	6,451	-	23,357	25,007
Utilities	19,852	3,399	551	23,802	25,383
Taxes and Assessments	-	60,290	-	60,290	64,607
	<u>\$ 2,337,412</u>	<u>\$ 293,735</u>	<u>\$ 122,430</u>	<u>\$ 2,753,577</u>	<u>\$ 3,130,261</u>

See accompanying notes to financial statements

STS JOACHIM AND ANN CARE SERVICE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 543,721	\$ (94,223)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	87,088	92,537
Loss on disposal of assets		
Loss (gain) on disposal of equipment	5,880	(1,300)
(Increase) decrease in operating assets:		
Grants receivable	(2,541)	103,049
Funds held by others	-	16,755
Prepaid expenses	131	(771)
Inventory	8,319	(7,350)
Increase (decrease) in operating liabilities:		
Accounts payable	(3,813)	1,329
Accrued expenses	25,792	(33,236)
Net Cash Provided By Operating Activities	<u>664,577</u>	<u>76,790</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(40,613)	(31,426)
Proceeds from asset disposal	-	1,300
Net Cash Provided (Used) By Investing Activities	<u>(40,613)</u>	<u>(30,126)</u>
Cash Flows from Financing Activities:		
Paycheck Protection Program Loan	210,800	-
Payments on note payable	(69,177)	(63,481)
Net Cash Provided (Used) By Financing Activities	<u>141,623</u>	<u>(63,481)</u>
Net Change in Cash and Cash Equivalents	765,587	(16,817)
Cash and Cash Equivalents at Beginning of Year	<u>280,195</u>	<u>297,012</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,045,782</u>	<u>\$ 280,195</u>
Interest Paid	<u>\$ 7,104</u>	<u>\$ 12,984</u>

See accompanying notes to financial statements

STS JOACHIM AND ANN CARE SERVICE

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - Sts Joachim and Ann Care Service ("Organization") is a nonprofit community organization established in 1981 to reach out to the community to provide case management, homeless outreach, rental assistance, emergency shelter, assistance with utility bills, medical expenses and owner occupied home repairs as well as weekly food sustenance through an on-site food pantry and job search and application tools.

The Organization obtains its revenue primarily through local and state contracts, donor contributions and private grants.

Related Parties – The By-Laws of the Organization designate that there shall be a Member which shall be the Pastor of Sts. Joachim and Ann Catholic Church, provided that in case of vacancy in the position of Pastor of Sts. Joachim and Ann Catholic Church, the administrator of the parish shall serve as Member of the Corporation and, if the parish should cease to exist, the Archbishop of St. Louis shall designate who is to be the Member of the Corporation.

The Member of the Organization has certain enumerated powers of oversight and approval specified in the By-Laws of Sts. Joachim and Ann Care Service.

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

Basis of Presentation - The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting. Financial statement presentation follows the guidance of FASB ASC 958-205, as amended by ASU 2016-14. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: assets with donor restrictions and net assets without donor restrictions.

The Organization follows accounting standards set by the Financial Accounting Standards Board (FASB). In June 2009, the FASB issued FASB ASC 105, Generally Accepted Accounting Principles, which established the FASB Accounting Standards Codification (FASB ASC), as the sole source of authoritative U.S. generally accepted accounting principles (GAAP).

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

Fair Value of Financial Instruments - The fair value of financial instruments classified as current assets or liabilities, including prepaid expenses and other assets, accounts receivable, accounts payable and accrued expenses approximate carrying value due to the short-term nature of these accounts. The values of these assets are determined using Level 1 inputs.

The Organization determines the fair value of certain assets on a recurring basis through application of FASB ASC 820 (formerly SFAS No. 157, *Fair Value Measurements*) for financial assets and liabilities. The Organization has no material financial assets or liabilities measured at fair value and, accordingly, management has determined that the application of ASC 820 does not have a material impact on the financial statements.

FASB ASC 820 is also effective for nonfinancial instruments of the Organization. There were no triggering events that required fair value measurements of the Organization's nonfinancial assets and liabilities at December 31, 2020 and 2019.

Accounts Receivable - Accounts receivable consist of amounts due to the Organization from various funding agencies. The Organization reviews these amounts to determine whether they are collectible and has determined that an allowance for uncollectible amounts is not considered necessary at December 31, 2020 and 2019.

Property and Equipment - Property and equipment is recorded at cost. The capitalization threshold is set at \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows: Building – 40 years; Equipment and Furniture – 5-7 years; and Vehicles – 3 years. Maintenance and repairs are charged to operations. Major improvements are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and the gain or loss, if any, is included in the comparable statement of activities.

Tax Status - The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and, therefore, is exempt from both federal and state income taxes. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

The Organization has adopted the provisions of FASB ASC 740-10-25 (formerly FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes - an Interpretation of FASB No. 109*) requiring disclosure of uncertain tax positions. There has been no interest or penalties recognized in the Statement of Activities nor in the Statement of Financial Position related to uncertain tax positions. In addition, no tax positions exist for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the next 12 months. The Organization evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures and discussions with outside experts. Tax years remaining open as of December 31, 2020 are the past three years ended December 31, 2017 through 2019.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

In-Kind Services - In-kind services donated by volunteers are reflected as contributions and offsetting expenses in the accompanying financial statements based on the number of hours worked at predetermined hourly rates, which approximate a market rate. The amounts are recognized if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Total in-kind services recorded as contributions and expenses for the years ended December 31, 2020 and 2019 totaled \$104,853 and \$176,738, respectively.

The fair value of donated services included as contributions in the financial statements and as corresponding program expenses for the years ended December 31, are as follows:

	<u>2020</u>	<u>2019</u>
Case managers	\$ 14,607	\$ 28,803
Accounting services	4,564	2,874
Information technology services	22,049	21,661
Drivers - food pantry	3,704	8,924
Building maintenance	3,025	3,025
Other professional services	<u>46,836</u>	<u>111,451</u>
	<u>\$ 94,785</u>	<u>\$ 176,738</u>

Donated materials are recorded as support at their estimated values at the date of receipt.

Donated food pantry items are only reported when the items are distributed to program participants. Due to the uncertainty of the value of these items, no value is assigned until distributed and therefore, these items are not reported as inventory.

Concentrations - The Organization receives a substantial amount of its funds from local and state funded agencies. Significant reductions in these funds would have a material effect on the Organization's financial position.

Comparative Financial Statement 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 U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Subsequent Events - In accordance with FASB ASC 855 (formerly SFAS No. 165, Subsequent Events), the Organization has evaluated subsequent events through March 3, 2020, which is the date the financial statements were available to be issued.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

Inventory – The Organization values the inventory at cost.

Contributions - Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Cost Allocation - The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates expenses across programs on a basis that best represents the underlying use or cost to the related program.

NOTE 2: GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable consists of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
ESG	\$ 41,072	\$ 32,765
CCRB	5,380	13,542
LCRB	17,350	-
COC	7,037	-
Dollar More	1,100	-
MHTF	-	16,250
MO HIP	-	7,000
CDBG - O'Fallon	<u>3,707</u>	<u>3,520</u>
	<u>\$ 75,646</u>	<u>\$ 73,077</u>

All grants and accounts receivable are considered fully collectible.

The Organization receives grants from a variety of private and public organizations. Included in grants from governments are several grants from St. Charles County. These grants consisted of the Hostel for Hope, Indigent Fund, Project Cares, Community Development Block Grant, and Community Development Block Grant- Coronavirus Funds grants for \$45,450, \$9,050, \$4,000, \$25,000, and \$1,707 respectively. The Organization also received a grant from St. Charles City for \$6,850.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Land	\$ 258,500	\$ 258,500
Building	2,082,728	2,072,980
Computers and Equipment	287,086	263,946
Vehicles	<u>57,023</u>	<u>57,023</u>
Property and equipment, at cost	2,685,338	2,652,450
Less - accumulated depreciation	<u>(871,395)</u>	<u>(786,153)</u>
Property and equipment, net	<u>\$ 1,813,943</u>	<u>\$ 1,866,297</u>

The Organization had depreciation and amortization expense of \$87,088 and \$92,537 for the years ended December 31, 2020 and 2019, respectively.

NOTE 4: LEASES

The Organization entered into a lease for the Lincoln County office on February 1, 2014 for a three-year period through January 31, 2017. Terms of the lease have been extended by four years through January 31, 2021. The monthly payments for this lease are \$700 for a total of \$8,400 in the fiscal years ended December 31, 2020 and 2019.

NOTE 5: REVOLVING LINE OF CREDIT

The Organization has a revolving line-of-credit with Commerce Bank. The amount available is \$50,000 and the stated interest rate is prime+3.50%. The highest borrowing on the line of credit at any time was \$0 and \$28,000 for the years ended December 31, 2020 and 2019, respectively. The line of credit did not have a balance at the end of either year.

NOTE 6: PENSION PLAN

The Organization maintains an agency retirement plan, covering substantially all of its employees, to which it contributes 5% of qualifying employees' base salaries. The plan expense for the years ended December 31, 2020 and 2019 totaled \$35,551 and \$36,690, respectively.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

NOTE 7: NOTES PAYABLE

Notes payable at December 31, 2020 consists of the following:

	Balance Payable December 31, <u>2019</u>	<u>Additions</u>	Retirement of Debt	Balance Payable December 31, <u>2020</u>
Archdiocesan Fund	<u>\$ 281,974</u>	<u>\$ --</u>	<u>\$ 69,177</u>	<u>\$ 212,797</u>

\$942,000 note issued by the St. Louis Archdiocesan Fund on July 1, 2009; interest only through December 7, 2012. A new amortized loan, with a beginning balance of \$705,599, began in December 2012. The note has a stated interest rate of 8% and is due in monthly payments of \$6,399, including principal and interest, through May 1, 2029. As of December 31, 2020, the outstanding balance on this debt was \$212,797.

Future annual debt payments are as follows:

Year Ended December 31,	<u>Principal</u>	<u>Interest</u>
2021	\$ 69,443	\$ 7,345
2022	72,272	4,516
2023	<u>71,082</u>	<u>1,575</u>
	<u>\$212,797</u>	<u>\$ 13,436</u>

NOTE 8: PAYROLL PROTECTION PROGRAM LOAN

The Organization received a loan for \$210,800 from the Small Business Administration (SBA) through the Payroll Protection Loan program. The loans are to be used to provide funds for payroll and other occupancy eligible expenses. Upon spending the full balance and obtaining subsequent approval through the SBA, the loans are expected to be forgiven in full. The Organization believes the funds were expended for allowable costs and that employment levels were maintained and that a full forgiveness of the loans will occur in fiscal year 2021.

NOTE 9: RELATED PARTY TRANSACTIONS

As a result of the relationship between the Organization and the Member as described in Note 1, certain transactions by the Organization with the St. Louis Archdiocese and with Sts. Joachim and Ann Catholic Church are considered to be related party transactions. In addition to the notes payable as described in Note 7, the Organization made payments of \$199,058 to the related parties for health insurance (\$109,751), assessments (\$60,290), interest (\$7,104), insurance (\$21,758), and utilities (\$155).

The Organization also receives contributions from the Archdiocese of St. Louis and Sts. Joachim and Ann Church in the amounts of \$92,250 and \$41,708, respectively.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets of \$203,287 and \$129,025 are available for the Organization's programs for the years ended December 31, 2020 and 2019, respectively. As of December 31, 2020, and 2019, net assets with donor restrictions were comprised of balances from the following sources:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
Government Grants:		
MHTF	\$ -	\$ 4,923
Hostels for Hope	1,475	16,416
EFSP	9,830	-
Project Care	1,229	-
Indigent	779	287
MO - HIP	852	-
Private Grants/Contributions	<u>189,122</u>	<u>107,399</u>
Total Donor Restrictions	<u>\$ 203,287</u>	<u>\$ 129,025</u>

Purpose restrictions received and accomplished:

	<u>Received</u>	<u>Accomplished</u>
Government Grants:		
MHTF	\$ 178,750	\$ 183,673
CCRB	96,276	96,276
LCRB	151,678	151,678
CDBG	45,730	45,730
Hostels for Hope	45,450	60,391
MO HIP	41,898	41,046
ESG	135,149	135,149
EFSP	17,084	7,254
Other	19,900	18,179
COC	34,043	34,043
Private Grants/Contributions	<u>450,103</u>	<u>368,380</u>
	<u>\$ 1,216,061</u>	<u>\$ 1,141,799</u>

Net assets were released from donor restrictions by incurring expense satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

STS JOACHIM AND ANN CARE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019 (CONTINUED)

NOTE 11: BOARD DESIGNATED NET ASSETS

The Organization's governing body has designated, from net assets without donor restrictions of \$49,692, net assets for the following purposes as of December 31, 2020:

Quasi-Endowment	<u>\$ 49,692</u>
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NOTE 12: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes include grants and contributions from both private and government sources.

Financial assets, at year end	\$ 1,121,428
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	<u>(203,287)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 918,141</u>

The Organization is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus financial assets may not be available for general expenditures within one year. As part of the Organization's liquidity measurement, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization maintains its reserves in cash accounts that are liquid for use on demand. The Organization also maintains a line of credit to be able to assist in cash flows needs.