

ASSISTANCE LEAGUE® OF LOS GATOS-SARATOGA  
(A California Nonprofit Public Benefit Corporation)

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FINANCIAL STATEMENTS

AND

INDEPENDENT REVIEWER'S REPORT

May 31, 2020  
(with comparative totals for 2019)

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**Boman Accounting Group, Inc.**

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors  
Assistance League of Los Gatos – Saratoga  
(A California Nonprofit Public Benefit Corporation)  
Los Gatos, California

We have reviewed the accompanying financial statements of the Assistance League of Los Gatos - Saratoga (a California nonprofit public benefit corporation) which comprise the statement of financial position as of May 31, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements 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 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 the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require 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 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.

**Accountant's Conclusion**

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

## **Prior Year Financial Statements**

The prior year summarized information has been derived from the Organization's 2019 financial statements, and in our report dated September 10, 2019, we stated that we were not aware of any material modifications that should be made to the 2019 financial statements in order for them to be in conformity with the accounting principles generally accepted in the United States of America.

*Berman Accounting Group, Inc*

Campbell, CA  
September 13, 2020

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A California Non-profit Public Benefit Corporation)  
STATEMENT OF FINANCIAL POSITION

May 31, 2020  
(With Comparative Totals for 2019)

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current Assets		
Cash and equivalents (Note B)	\$ 80,292	\$ 93,342
Grants and other receivables (Note C)	250	3,500
Inventory (Note D)	2,842	2,941
Investments (Note E)	129,562	108,536
Prepaid Expenses	<u>2,733</u>	<u>11,984</u>
TOTAL ASSETS	\$ <u>215,679</u>	\$ <u>220,303</u>
 <b>LIABILITIES</b>		
Current liabilities		
Deferred Dues Revenue	\$ <u>9,140</u>	\$ <u>8,325</u>
TOTAL LIABILITIES	<u>9,140</u>	<u>8,325</u>
 <b>NET ASSETS</b>		
Without donor restrictions	206,539	200,978
With donor restrictions (Note F)	<u>-</u>	<u>11,000</u>
TOTAL NET ASSETS	<u>206,539</u>	<u>211,978</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>215,679</u>	\$ <u>220,303</u>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A California Non-profit Public Benefit Corporation)  
STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2020  
(With Comparative Totals for 2019)

	Year Ended May 31, 2020			
	Without Donor Restrictions	With Donor Restrictions	Total	2019 Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>				
Special Events/Fundraising (Note I):				
Special Events Revenue	\$ 40,314	\$ 1,100	\$ 41,414	\$ 57,070
Less cost of direct benefit to attendees	-		-	(5,256)
Net revenue from special events	40,314	1,100	41,414	51,814
Program service income	10,720		10,720	16,374
Grants	850	5,000	5,850	13,350
Contributions	10,790		10,790	1,401
Noncash contributions (Note J)	7,786		7,786	9,658
Membership	9,611		9,611	9,425
Investment income (Note E)	2,026		2,026	2,046
Net assets released from restriction (Note G)	17,100	(17,100)	-	-
<b>TOTAL SUPPORT AND REVENUES</b>	<b>99,197</b>	<b>(11,000)</b>	<b>88,197</b>	<b>104,068</b>
<b>EXPENSES</b>				
Program Services				
Operation School Bell ®				
Clothes for Kids	13,988		13,988	17,144
Literacy programs	12,506		12,506	17,734
Scholarships	15,883		15,883	15,804
Garden program	218		218	960
STEAM	7,072		7,072	5,628
Family programs	20,993		20,993	30,537
Senior programs	10,983		10,983	19,842
Teen philanthropic program	52		52	461
Total program service expenses	81,695		81,695	108,110
Supporting Services				
Management and general	2,454		2,454	3,611
Membership development	5,976		5,976	7,422
Special events (Note I)	3,511		3,511	3,026
Total supporting services expenses	11,941		11,941	14,059
<b>TOTAL EXPENSES</b>	<b>93,636</b>	<b>-</b>	<b>93,636</b>	<b>122,169</b>
<b>CHANGE IN NET ASSETS</b>	<b>5,561</b>	<b>(11,000)</b>	<b>(5,439)</b>	<b>(18,101)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>200,978</b>	<b>11,000</b>	<b>211,978</b>	<b>230,079</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 206,539</b>	<b>\$ -</b>	<b>\$ 206,539</b>	<b>\$ 211,978</b>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A California Non-profit Public Benefit Corporation)  
STATEMENT OF FUNCTIONAL EXPENSES

For the year ended May 31, 2020  
(With Comparative Totals for 2019)

	Program Services									Supporting Services				2020 Total Expenses	2019 Total Expenses
	Operation School Bell ®					Family Programs	Senior Programs	Teen Philanthropic Program	Total Program Services	Management and General	Membership Development	Special Events	Total Support Services		
	Clothes for Kids	Literacy Programs	Scholar- ships	Garden Program	STEAM										
Accounting	\$ 1,073	\$ 968	\$ 1,230	\$ 17	\$ 548	\$ 1,032	\$ 850	\$ 4	\$ 5,722	\$ 190	\$ -	\$ 233	\$ 423	\$ 6,145	\$ 5,666
Education	500	400	102	-	-	322	-	-	1,324	315	-	-	315	1,639	1,646
Food, entertainment and supplies	-	-	-	-	-	-	-	-	-	-	-	1,203	1,203	1,203	5,879
Insurance	149	134	170	2	76	143	118	1	793	26	-	32	58	851	927
Leadership	56	51	65	1	29	54	45	-	301	10	-	12	22	323	1,214
Mailing Fundraiser	-	-	-	-	-	-	-	-	-	-	-	1,782	1,782	1,782	1,866
Member training and recruiting	-	-	-	-	-	-	-	-	-	-	1,059	-	1,059	1,059	1,966
Miscellaneous	-	-	-	-	-	-	-	-	-	107	200	-	307	307	752
NAL dues/fees and donations	-	-	-	-	-	-	-	-	-	300	4,710	-	5,010	5,010	5,090
NAL convention/meetings	-	-	-	-	-	-	-	-	-	568	-	-	568	568	-
Office supplies	114	103	131	2	58	110	91	1	610	695	-	25	720	1,330	599
Postage	45	41	52	1	23	44	36	-	242	63	-	10	73	315	324
Printing	7	6	8	-	-	6	5	-	32	4	7	1	12	44	257
Program supplies	11,063	9,918	13,000	181	5,837	18,337	9,060	43	67,439	-	-	-	-	67,439	90,641
Public Relations	88	79	101	1	45	85	70	-	469	16	-	19	35	504	5,166
Rent	776	700	889	12	396	747	615	3	4,138	137	-	169	306	4,444	5,037
Utilities	117	106	135	1	60	113	93	-	625	23	-	25	48	673	395
Total expenses	13,988	12,506	15,883	218	7,072	20,993	10,983	52	81,695	2,454	5,976	3,511	11,941	93,636	127,425
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,256
<b>TOTAL EXPENSES PER STATEMENT OF ACTIVITIES</b>	<b>\$ 13,988</b>	<b>\$ 12,506</b>	<b>\$ 15,883</b>	<b>\$ 218</b>	<b>\$ 7,072</b>	<b>\$ 20,993</b>	<b>\$ 10,983</b>	<b>\$ 52</b>	<b>\$ 81,695</b>	<b>\$ 2,454</b>	<b>\$ 5,976</b>	<b>\$ 3,511</b>	<b>\$ 11,941</b>	<b>\$ 93,636</b>	<b>\$ 122,169</b>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A California Non-profit Public Benefit Corporation)  
STATEMENT OF CASH FLOWS

For the year ended May 31, 2020  
(With Comparative Totals for 2019)

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (5,439)	\$ (18,101)
Adjustments to reconcile changes in net assets to cash provided by operating activities:		
(Increase) decrease in operating assets:		
Accounts receivable	3,250	4,265
Inventory	99	(1,000)
Prepaid expenses	9,251	(3,284)
Deposit		-
Increase (decrease) in operating liabilities:		
Accounts payable	-	(244)
Deferred revenue	815	105
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>7,976</u>	<u>(18,259)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	<u>(21,026)</u>	<u>(2,046)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(21,026)</u>	<u>(2,046)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,050)	(20,305)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>93,342</u>	<u>113,647</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 80,292</u>	<u>\$ 93,342</u>
 SUPPLEMENTAL INFORMATION:		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and accountant's review report



ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A CALIFORNIA NON-PROFIT CORPORATION)

**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Chapter's significant accounting policies applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

Assistance League of Los Gatos – Saratoga (the Chapter) is a California nonprofit public benefit corporation and is a chartered chapter of National Assistance League. The Chapter derived the majority of its revenues from donations and grants received from unaffiliated groups and individuals. The Chapter is an all-volunteer, nonprofit organization whose mission is volunteers transforming the lives of children and adults through community programs. The Chapter provides the following service programs to the community:

***Operation School Bell*** – This is a multi-part outreach program geared to elementary and middle school children in Campbell Union, Moreland and Luther Burbank School Districts. With school closures in mid-March due to the pandemic, our programs were modified to meet the needs of the community.

*Clothes for Kids* – This program works with area school districts to provide jackets, uniforms, health kits, and shoes and socks to students living at or below the poverty line referred by school personnel, and fill emergency clothing needs of students as needed. In April and May the Chapter was able to continue providing health/hygiene kits as needed to the school districts with the help of the school secretaries.

*Literacy* – To encourage a love of reading in students, volunteers visit elementary school classrooms once a month to read aloud and then donate new books to the class library. The program provides quality new and gently used books as well to students for their personal use. Members also tutor Kindergarten and 1<sup>st</sup> grade students twice a week throughout the school year. Since the schools were closed in March, Chapter volunteers were unable to read in the classrooms. Funds were used to purchase books that were delivered to the school district to be handed out to students who were participating in the ongoing lunch programs at the school. Kindergarten books were donated to classrooms whose teachers prepared summer learning kits at the end of the school year for all their children at Rosemary School in Campbell.

*Scholarship* – Elementary and middle school students, selected by school staff, are provided financial assistance to attend Science Camp in support of the 5<sup>th</sup> and 6<sup>th</sup> grade science curriculums.

*Volunteers in the Garden* – The Chapter was unable to implement this program for this school year. Plans are to begin the program again in 2020-2021

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**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Nature of Activities (Continued)

*STEAM (Science, Technology, Education, Art and Math)* provides kindergarten through 5<sup>th</sup> grade students the opportunity to do hands-on engineering projects. Teacher Resource Packets for STEAM Education were provided to 1 school (40 classrooms). Inquiry and Innovation Day presented 800 third grade students in 10 schools with a science related book and participation in a science experiment. Event with the schools closing in March, the Chapter was able to continue providing student science kits that could be utilized during distance learning in cooperation with the teachers.

**Family Programs** – New moms and their babies identified by Santa Clara County Public Health nurses are provided with Baby Bundles containing layette items, toys, board books, clothing, and diapers. In conjunction with the nurses, a Family Store provides a variety of items, including books and diapers that may be “purchased” using points earned by the mothers for attending medical appointments and parenting classes. Families also receive holiday and birthday gifts to ensure that all children in the family receive at least one gift. Because the public health nurses were reassigned during the pandemic to participate in Covid infection tracing, we had less involvement with the young mothers and their babies beginning in March. The Chapter was available during that time and did meet emergency needs of some of their clients and delivered necessary items upon requests from the nurses.

**Senior Programs** – In conjunction with Saratoga Adult Daycare Center, teams of Chapter members plan, shop for and prepare nutritious lunches four days a week for the clients and provide valuable social interaction. The Saratoga Adult Day Care Center was closed in March, and the lunches could no longer be provided. It is unknown at this time when the program will restart.

**Teen Philanthropic Programs** – The teen philanthropic programs include activities with seniors, city beautification projects, providing holiday gifts for children in need, and other community projects.

2. Basis of Accounting

The financial statements of the Chapter have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

3. Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) accounting standards update (ASU) 2016-14 Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. Under ASC 958, the Chapter is required to report information regarding its financial position and activities in two classes of net assets:

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**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Financial Statement Presentation (Continued)

Net Assets Without Donor Restriction – net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restriction – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

4. Change in Accounting Principle

In fiscal year 2020, the Chapter adopted Accounting Standards Update (ASU) No. 2018-08 *Not for Profit Entities: Clarifying the Scope and Accounting Guidance for Contributions Received* (Topic 605) and ASU No. 2014-09 *Revenue from Contracts with Customers* (Topic 606). Analysis of various provisions of these updates resulted in no significant changes in the way the Chapter recognizes revenue, and therefore no changes to the previously issued reviewed financial statements were required on a retrospective basis.

5. Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the chapter's financial statements for the year ended May 31, 2019, from which the summarized information was derived.

6. Use of Estimates

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

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
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**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. 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. The 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 or 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 purpose of financial reporting, the chapter has determined that the fair values of its financial instruments, which include cash equivalents, accounts receivable, and accounts payable, approximate the carrying values at May 31, 2020 and 2019 based on their short maturities and/or the terms available to the chapter in financial markets.

8. Cash and Cash Equivalents

For purposes of the statement of financial position and statement of cash flows, the Chapter considers all highly liquid investments which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents.

9. Grants and other receivables Receivable

Grants and other receivables are comprised of grants and contracts receivable from private funders and contributors. The Chapter analyzes the collectability of these receivables and establishes an allowance for doubtful accounts when the receivable is deemed uncollectible. As of May 31, 2020, the Chapter believes 100% of accounts receivable is collectible; accordingly, no allowance for doubtful accounts is considered necessary.

10. Inventory

The chapter maintains an inventory of materials and supplies for use in its Family Programs, Literacy Programs, and Clothes for Kids program. The inventory is stated at the lower of cost or market determined by the first-in, first-out method.

11. Investments

The Chapter carries investments in Certificates of Deposits (level 2 investments) with various maturity terms. Investment income is reported as unrestricted revenue.

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
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**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Concentrations 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 certificates of deposit. Cash, cash equivalents and certificates of deposit 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, 2020, the Chapter's insured balances at these institutions total \$209,854. The Chapter has not experienced any losses on its cash, cash equivalents, or certificates of deposit.

13. Revenue Recognition

The Chapter recognizes contributions when cash, securities, and other assets or an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

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.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, 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.

14. Donated Materials and Services

Significant materials and services 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 program services, fundraising and administrative functions are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2020, these volunteers donated approximately 14,291 hours with an estimated value of \$383,856. This value was computed using an hourly rate of \$26.86. This amount is based upon the average hourly earnings of nonagricultural workers in the United States of America for the fiscal year ended May 31, 2020 (as determined by the U.S. Department of Labor's Bureau of Labor Statistics), plus 12% for estimated fringe benefits.

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
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**NOTES TO FINANCIAL STATEMENTS**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Income Taxes

The Chapter is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying statements. In addition, the Chapter qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

The Chapter files information returns in the U.S. federal jurisdiction and state of California. The Organization's federal returns for the year ended May 31, 2017 and beyond remain subject to possible examination by the Internal Revenue Service. The Organization's California returns of the year ended May 31, 2016 and beyond remain subject to possible examination by the Franchise Tax Board.

16. Advertising

The Chapter's policy is to expense advertising costs as the costs are incurred. There were no advertising costs incurred for the year ended May 31, 2020 and May 31, 2019.

17. Allocation of Shared Functional Expenses

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

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2020 and May 31, 2019 consist of the following:

Checking accounts:	2020	2019
General Checking, US Bank	\$ 80,292	\$ 93,342
Total Cash and Cash Equivalents	<u>\$ 80,292</u>	<u>\$ 93,342</u>

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**NOTES TO FINANCIAL STATEMENTS**

NOTE C – GRANTS AND OTHER RECEIVABLES

Grant and other receivables at May 31, 2020 and May 31, 2019 consist of the following:

	2020	2019
Grants Receivables	\$ 250	\$ 3,500
Other Receivables	-	-
Total Grants and Other Receivables	\$ 250	\$ 3,500

NOTE D – INVENTORY

Inventory at May 31, 2020 and May 31, 2019 consist of the following:

	2020	2019
Layette items and cribs	\$ 1,482	\$ 186
Books	1,200	2,367
Coats and Jackets	160	388
Total Inventory	\$ 2,842	\$ 2,941

NOTE E – INVESTMENTS

Investments are stated at fair value and consist of the following at May 31, 2020 and May 31, 2019:

	2020	2019
Certificates of Deposit – 6-19 month terms (unrestricted); level 2 investments		
US Bank	\$ 17,584	\$ 17,558
First Republic	111,978	90,978
Total investment accounts	\$ 129,562	\$ 108,536

Investment income consists of \$2,026 in interest income for May 31, 2020.

NOTE F – NET ASSETS

Net assets with donor restrictions consist of the following:

	2020	2019
Purpose Restriction:		
Operation School Bell	-	11,000
Total Net Assets with Donor Restrictions	\$ -	\$ 11,000

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
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**NOTES TO FINANCIAL STATEMENTS**

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**NOTE G - NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from restrictions during the year by incurring expenses satisfying the restricted purpose or by the expiration of time as follows:

	<u>2020</u>	<u>2019</u>
Purpose restriction:		
Operation School Bell	\$ 7,000	\$ 5,000
Scholarships	3,500	1,000
Literacy programs	3,500	1,000
STEAM programs	3,100	-
Total net assets released from restrictions	<u>\$ 17,100</u>	<u>\$ 7,000</u>

**NOTE H – LIQUIDITY AND AVAILABILITY**

The following is a quantitative disclosure which describes assets and liquid resources that are available as of May 31, 2020 to fund general expenditures and other obligations within one year:

	<u>2020</u>
Cash and Equivalents	\$ 80,292
Grant and other receivables	250
Investments	74,400
	<u>\$ 154,942</u>

To build upon its past achievements and ensure future sustainability, the chapter has a long-standing policy that requires the governing board to maintain net assets without restrictions enough for one year's operating expenses. For the fiscal year ending May 31, 2021, that amount is \$99,850. Assets received with donor restrictions to be used in the next fiscal year for operating purposes are considered to be available for general expenditure spending as of May 31, 2020.

As part of the Chapter's liquidity management plan, cash in excess of daily requirements is invested in short and/or long-term Certificates of Deposit (CDs). As of May 31, 2020, \$55,163 are long-term, with maturity dates after May 31, 2021, and are not included in the above liquidity total.



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**NOTES TO FINANCIAL STATEMENTS**

NOTE I – SPECIAL EVENTS

The Chapter has various fundraising events to help fund current operation. The revenue and related expenses from such events for the year ending May 31, 2020 were:

Event	Revenue	Benefit to Attendees	Other Costs	Net Revenue
Scrip Sales	\$ 1,299	\$ -	\$ -	\$ 1,299
Direct Mail Appeal (Contributions)	40,115	-	2,160	37,955
Totals	<u>\$ 41,414</u>	<u>\$ -</u>	<u>\$ 2,160</u>	<u>\$ 39,254</u>

In addition to the above special events, the Chapter had plans to hold their annual Gala event on March 29, 2020. However, due to the coronavirus pandemic, the event was cancelled. Ticket sales were refunded to the attendees. The Chapter received donations from many donors in lieu of the event. Donations received in lieu of the event totaled \$9,884 and are reported as contributions in the financial statements. The Chapter was able to receive refunds on most of the deposits that were made. Net expenses incurred for the event were \$1,351.

NOTE J – NONCASH CONTRIBUTIONS

The chapter received noncash contributions of materials that have been reflected in the financial statements of the chapter as follows:

	2020	2019
Family programs	\$ 7,659	\$ 8,798
Literacy programs	-	860
Operation School Bell	127	-
Total non-cash donations	<u>\$ 7,786</u>	<u>\$ 9,658</u>

NOTE K – RENT

The Chapter rents a hall for meetings at a rate of \$1,600 per year. The Chapter also rents a recreation center for \$60 per month as needed. There are no lease agreements in place for either of these locations. In addition, the Chapter rents a storage unit on a month-to-month basis for \$277. Insurance of \$9 per month is included with monthly charges. Total storage unit rent for the year ending May 31, 2020 was \$3,324.

ASSISTANCE LEAGUE OF LOS GATOS-SARATOGA  
(A CALIFORNIA NON-PROFIT CORPORATION)

**NOTES TO FINANCIAL STATEMENTS**

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NOTE L – SUBSEQUENT EVENTS

The Chapter has been impacted by the worldwide coronavirus pandemic. The Chapter is closely monitoring its operation and liquidity and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the Chapter's financial position is not known. In addition, the future operations of the community programs as they exist today is not known.

Assistance League of Los Gatos – Saratoga has evaluated events subsequent to May 31, 2020, to assess the need for potential recognition or disclosures in the financial statements. Such events were evaluated through September 13, 2020, the date these financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.