



**United Way of
Southern Chester County**

UNITED WAY OF SOUTHERN CHESTER COUNTY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

AUGUST 31, 2020

UNITED WAY OF SOUTHERN CHESTER COUNTY

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INDEPENDENT AUDITOR'S REPORT

March 10, 2021

To the Board of Directors
United Way of Southern Chester County
Kennett Square, Pennsylvania

We have audited the accompanying financial statements of the United Way of Southern Chester County, a not-for-profit organization, which comprise the statement of financial position as of August 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 audit. We conducted our audit 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

To the Board of Directors
United Way of Southern Chester County

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 the United Way of Southern Chester County as of August 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the United Way of Southern Chester County's August 31, 2019 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 27, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of allocations to agencies on page 16 is presented for the purpose of additional analysis and is not a required part of the 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

UNITED WAY OF SOUTHERN CHESTER COUNTY
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2020 AND 2019

	2020	2019
<u>ASSETS</u>		
Cash and cash equivalents	\$ 626,932	\$ 449,363
Investments	460,471	556,673
Pledges receivable, net	263,597	247,027
Prepaid expenses	4,228	4,560
Security deposits	800	800
Furniture and equipment, net	2,357	2,295
TOTAL ASSETS	\$ 1,358,385	\$ 1,260,718
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable	\$ 3,325	\$ 2,138
Accrued payroll	21,091	20,146
Allocations payable to agencies	750,000	800,000
Donor designated payable	4,681	7,770
Paycheck Protection Program loan	34,600	-
Total Liabilities	813,697	830,054
 NET ASSETS:		
Without donor restriction:		
Equity in furniture and equipment	2,357	2,295
Board-designated	279,092	244,288
Undesignated	74,586	16,695
Total without donor restriction	356,035	263,278
With donor restriction	188,653	167,386
Total Net Assets	544,688	430,664
 TOTAL LIABILITIES AND NET ASSETS	\$ 1,358,385	\$ 1,260,718

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

UNITED WAY OF SOUTHERN CHESTER COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2020
(With Summarized Totals for 2019)

	Without Donor Restriction	With Donor Restriction	Totals
	2020		2019
PUBLIC SUPPORT AND REVENUE			
Campaign contributions	\$ 1,079,766	-	\$ 1,048,865
Less: collection losses	(2,944)	-	(5,149)
Total Contributions	1,076,822	-	1,043,716
Investment income	40,095	13,993	7,737
Gain on disposal of asset	-	-	51
75th Anniversary board match	27,936	-	27,936
COVID-19 donations	-	119,774	119,774
Other income	9,220	-	9,220
Net assets released from donor restriction	112,500	(112,500)	-
TOTAL PUBLIC SUPPORT AND REVENUE	1,266,573	21,267	1,051,504
EXPENSES			
Distributions to agencies	762,524	-	813,966
COVID-19 assistance to organizations	112,500	-	-
Program services	176,139	-	141,845
Supporting services:			
Management and general	121,991	-	123,002
Fund raising	662	-	5,661
TOTAL EXPENSES	1,173,816	-	1,084,474
CHANGE IN NET ASSETS	92,757	21,267	(32,970)
NET ASSETS, BEGINNING OF YEAR	263,278	167,386	463,634
NET ASSETS, END OF YEAR	\$ 356,035	\$ 188,653	\$ 430,664

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

UNITED WAY OF SOUTHERN CHESTER COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2020
(With Summarized Totals for 2019)

	Program Services	Management and General	Fund Raising	Totals	
				2020	2019
EXPENSES					
Salaries	\$ 89,964	\$ 75,576	\$ -	\$ 165,540	\$ 132,538
Employee health and retirement benefits	16,967	14,254	-	31,221	28,956
Payroll taxes and workers' compensation premiums	7,511	6,310	-	13,821	11,357
Total Salaries and Related Expenses	<u>114,442</u>	<u>96,140</u>	<u>-</u>	<u>210,582</u>	<u>172,851</u>
Advertising	333	-	-	333	443
Bank and payment processing	1,755	474	-	2,229	2,164
Dues and memberships	3,212	3,804	-	7,016	7,353
Events	77	86	662	825	7,061
Insurance	1,360	1,611	-	2,971	3,046
Office supplies	506	598	-	1,104	1,686
Other	-	360	-	360	653
Postage	8,575	582	-	9,157	6,265
Professional fees	10,675	2,842	-	13,517	34,003
Rent	4,230	5,010	-	9,240	9,240
Repairs and maintenance	-	6,600	-	6,600	4,477
Stationary and printing	27,962	-	-	27,962	14,199
Telephone	1,252	1,484	-	2,736	2,622
Travel and meetings	1,760	795	-	2,555	2,940
Total Expenses Before Depreciation	<u>176,139</u>	<u>120,386</u>	<u>662</u>	<u>297,187</u>	<u>269,003</u>
Depreciation	-	1,605	-	1,605	1,505
TOTAL EXPENSES	<u>\$ 176,139</u>	<u>\$ 121,991</u>	<u>\$ 662</u>	<u>\$ 298,792</u>	<u>\$ 270,508</u>

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

**UNITED WAY OF SOUTHERN CHESTER COUNTY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 114,024	\$ (32,970)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,605	1,505
Collection losses	2,944	5,149
Net unrealized and realized (gains) losses on investments	(36,509)	10,212
Increase in pledges receivable	(19,514)	(10,856)
Decrease (Increase) in prepaid expenses	332	(316)
Increase in accounts payable	1,187	1,359
Increase (Decrease) in accrued payroll	945	(461)
Decrease in allocations payable to agencies	(50,000)	(40,000)
(Decrease) Increase in donor designated payable	(3,089)	4,228
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	11,925	(62,150)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture and equipment	(1,667)	-
Purchase of investments	-	(170,439)
Sale of investments	132,711	8,653
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	131,044	(161,786)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program loan	34,600	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	34,600	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	177,569	(223,936)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	449,363	673,299
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 626,932	\$ 449,363
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

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

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 NATURE OF THE ORGANIZATION

The United Way of Southern Chester County ("the Organization") is dedicated to improving the quality of life in the area of southern Chester County by mobilizing society's capacity to care. A not-for-profit organization, the Organization is a unique partnership that involves donors ranging from staff, volunteers, social service agencies, businesses, government, other nonprofits, and concerned individuals to achieve results that matter and to make a lasting impact on the quality of life in its community.

The Organization engages in a fall fund raising campaign to raise funds for member agencies, as well as other 501(c)(3) agencies. The Organization focuses community attention on the most critical human needs in southern Chester County, as well as addressing both the symptoms and the root causes of southern Chester County's most plaguing issues.

The Organization is dependent upon contributions from corporate and individual donors to support its program services. The level of such contributions can be affected by economic and other conditions. In addition, the choice on the part of donors to designate their gifts to specific agencies can result in reduced funding available to fund programs. A decrease in undesignated contributions could adversely affect the Organization's ability to provide services and to allocate funds to its member agencies.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Financial Statement Presentation

The Organization prepares its financial statements in accordance with the Financial Accounting Standards Boards Accounting Standards Codification ("FASB ASC") as applicable to non-profit organizations accounting principles generally accepted in the United States of America. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restriction, and net assets without donor restriction. In addition, the Organization is required to present a statement of cash flows.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Accounting principles generally accepted in the United States of America prescribe rules for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge.

Cash and Cash Equivalents

The Organization considers all short-term highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments are reported at fair value. Donated securities are initially reported at fair value as of the date of receipt. All realized and unrealized gains and losses arising from fluctuations in fair values, sales, or other disposition of assets are accounted for in the class of net assets that owns the assets. In accordance with accounting principles generally accepted in the United States of America, a fair value hierarchy is established that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 is based on observable market factors not included in Level 1, and Level 3 is based on unobservable inputs such as those that are internally developed. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Pledges Receivable

Allowances for uncollectible pledges are reviewed and estimated by management annually using a two-year average. As of August 31 of each fiscal year, a final accounting is made of the prior year's campaign. Pledges receivable related to the prior campaign that have not been realized are determined to be uncollectible and are written off.

Furniture and Equipment

Furniture and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the respective assets. The Organization uses a capitalization threshold of \$1,000. Expenditures for maintenance, repairs, minor renewals, and betterments

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

which do not improve or extend the useful life of the respective asset are expensed. The following is a schedule of the estimated useful lives:

Equipment	3 - 7 years
Furniture and fixtures	7 years

Contributions

Contributions received are recorded as support with donor restriction or without donor restriction, depending on the existence and/or nature of any donor restrictions.

Net Assets with Donor Restriction

This type of net assets includes funds restricted by funding sources. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction. This type of net assets may also include net assets that are subject to donor-imposed restrictions that will not terminate.

Allocation of Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of functional expenses. Whenever possible, costs are directly assigned to the program functions using the direct identification method based on the nature of the expense. Accordingly, certain costs have been allocated among program services, management and general, and fund raising using historical time studies.

Advertising Costs

The Organization expenses the production costs of advertising when incurred.

Use of Estimates in the Preparation of Financial Statements

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 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. Actual results could differ from those estimates.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Prior Year Financial Statements

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 Organization's financial statements for the year ended August 31, 2019, from which the summarized information was derived.

NOTE 3 PLEDGES RECEIVABLE

As of August 31, 2020, pledges receivable consisted of the following:

Pledges receivable related to current campaign	\$ 275,497
Allowance for uncollectible pledges	<u>(11,900)</u>
Total Pledges Receivable, Net	<u>\$ 263,597</u>

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

As of August 31, 2020, investments consisted of the following:

Chester County Community Foundation Investment Pool	\$ 181,379
Vanguard LifeStrategy Growth Fund	<u>279,092</u>
	<u>\$ 460,471</u>

Fair values of assets measured on a recurring basis at August 31, 2020 are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Vanguard LifeStrategy Growth Fund	\$ 279,092	\$ 279,092	\$ -
Chester County Community Foundation Investment Pool	<u>181,379</u>	<u>-</u>	<u>181,379</u>
Total	<u>\$ 460,471</u>	<u>\$ 279,092</u>	<u>\$ 181,379</u>

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (cont'd)

The Organization's investments with the Chester County Community Foundation are valued using Level 2 inputs. The Organization's portion of the investment pool is valued by the Chester County Community Foundation on a monthly basis. The investments in the pool are actively traded and valued using quoted market prices. However, since the investments are pooled funds, they are designated as Level 2 investments.

For the year ended August 31, 2020, investment income consists of the following:

Dividends and interest, net of fees	\$ 17,579
Net unrealized and realized gains	<u>36,509</u>
	<u>\$ 54,088</u>

NOTE 5 FURNITURE AND EQUIPMENT

As of August 31, 2020, furniture and equipment consisted of the following:

Equipment	\$ 23,444
Furniture and fixtures	<u>14,814</u>
	38,258
Less: Accumulated depreciation	<u>(35,901)</u>
	<u>\$ 2,357</u>

NOTE 6 PAYCHECK PROTECTION PROGRAM LOAN

On May 12, 2020, the Organization was granted a loan ("the loan") from the Bryn Mawr Trust Company ("the Lender") in the amount of \$34,600, pursuant to the Paycheck Protection Program ("the PPP") under Division A, Title I of the CARES Act, which was enacted on March 27, 2020.

The Loan, which was in the form of a Note dated May 12, 2020 issued by the Organization under the U.S. Small Business Administration, matures on May 12, 2022 and bears interest at a rate of one percent per annum. The Loan may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group healthcare benefits, mortgage payments, rent, utilities, and interest on other debt obligations. The Organization intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 6 PAYCHECK PROTECTION PROGRAM LOAN (cont'd)

If the Organization fails to apply for loan forgiveness or if partial forgiveness is granted, the Organization will be obligated to repay to the Lender the principal sum which remains outstanding, including principal and accrued interest on a payment schedule to be provided by the Lender. The payment deferral period is either (1) the date that the Small Business Administration remits the Organization's loan forgiveness amount to the Lender or (2) if the Organization does not apply for loan forgiveness, ten months after the end of the Organization's loan forgiveness covered period. The Organization has applied for loan forgiveness as of the date of this report.

The outstanding principal sum and all accrued and unpaid interest, if not forgiven, shall be due and payable on May 12, 2022. The outstanding balance at August 31, 2020 is \$34,600 and is reported as a liability in the statement of financial position.

NOTE 7 DEFINED CONTRIBUTION PENSION PLAN

The Organization has implemented a defined contribution pension plan covering eligible employees. An eligible employee is defined as an employee over the age of 21 who is through their 60-day probationary period. Upon completion of their probationary period, the benefit will be back dated to their date of hire. The Organization contributed six percent of eligible employees' regular annual salary. Pension expense for the year ended August 31, 2020 was \$9,910.

NOTE 8 DONATED SERVICES

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization. Contributed services are not recognized as revenue unless the services received create or enhance the value of a nonfinancial asset or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased and not donated. None of the services received during the year ended August 31, 2020 met the requirements for recognition in the financial statements.

NOTE 9 ENDOWMENT FUNDS

The Organization's endowment consists of two individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 9 ENDOWMENT FUNDS (cont'd)

In 2004, the Organization established an endowment fund restricted in perpetuity with the Chester County Community Foundation ("CCCCF") that was funded with contributions designated for an endowment fund. The CCCC endowment fund is governed by its investment policy, investment committee fiduciary structure, and target asset allocation. Once the endowment reaches \$5,000,000, the Organization is permitted to spend five percent of the endowment fund each year to provide grants for community nonprofits or for its own operating and capital needs. The Organization's long-term goal is to keep the endowment fund intact until it reaches an amount such that its earnings will cover operating costs.

In 2014, the Organization created a Board-designated endowment fund held by Vanguard and overseen by the Organization's Finance Committee. Per the Organization's investment policy, the assets of the endowment fund shall be invested in a manner intended to maximize the total return of the fund over the long term. The assets shall be broadly diversified, with the assets divided among asset classes within specified ranges while assets are less than \$5,000,000, and another set of asset classes within specified ranges when assets are greater than \$5,000,000. As an operating guideline, the Organization has targeted growth of the endowment fund to a level of \$5,000,000 in assets before distributions will be taken.

Endowment net asset composition by type of fund at August 31, 2020 was as follows:

	Without Donor Restriction	With Donor Restriction	Total
Endowment funds	\$ 279,092	\$ 181,379	\$ 460,471
Total	<u>\$ 279,092</u>	<u>\$ 181,379</u>	<u>\$ 460,471</u>

Changes in endowment net assets for the year ended August 31, 2020 were as follows:

	Without Donor Restriction	With Donor Restriction	Total
Endowment, September 1, 2019	\$ 244,288	\$ 167,386	\$ 411,674
Net investment income	34,804	13,993	48,797
Endowment, August 31, 2020	<u>\$ 279,092</u>	<u>\$ 181,379</u>	<u>\$ 460,471</u>

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 10 NET ASSETS WITH DONOR RESTRICTION

As of August 31, 2020, net assets were restricted by donors for the following programs:

Purpose restricted:	
COVID-19 assistance to organizations	\$ 7,274
Restricted in perpetuity:	
Endowment	<u>181,379</u>
TOTAL	<u>\$ 188,653</u>

NOTE 11 CONCENTRATION OF CREDIT RISK

The Organization maintains its bank accounts at various financial institutions which, at times, may exceed federally insured limits. Accounts at these financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As of August 31, 2020, the Organization's bank balances totaled \$513,572. A total of \$13,572 was not covered by federal depository insurance. In addition, the Organization maintains cash in the amount of \$117,252 in a Vanguard brokerage account which is insured by the Securities Investor Protection Corporation ("SIPC").

NOTE 12 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets consist of cash and cash equivalents, pledges receivable, and investments.

The following reflects the Organization's financial assets as of August 30, 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside by the Board that could be drawn upon if the governing board decides to approve such action.

Financial assets, at year end	\$ 1,351,000
Less unavailable for general expenses	
within one year due to:	
Donor-restricted	188,653
Board designations	<u>279,092</u>
Financial assets available to meet cash needs	
for general expenses within one year	<u>\$ 883,255</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 13 OPERATING LEASE

The Organization rents office space under an operating lease that was entered into on January 1, 2016. The lease is for a one-year term and renews annually unless terminated with 60 days written notice. Rent expense for the year ended August 31, 2020 was \$9,240. The total commitment under this lease is \$3,080 for the year ended August 31, 2021.

NOTE 14 UNCERTAINTIES

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the Organization's income in fiscal year 2021. Other financial impacts could occur though such potential impacts are unknown at this time.

NOTE 15 SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through March 10, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**UNITED WAY OF SOUTHERN CHESTER COUNTY
SCHEDULES OF ALLOCATIONS TO AGENCIES
FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Distributions to Agencies:		
Adult Literacy Program	\$ 34,160	\$ 38,540
Crime Victims' Center of Chester County, Inc.	25,460	26,120
Domestic Violence Center of Chester County	43,340	45,680
Family Promise of Southern Chester County	22,020	21,700
Family Service of Chester County	17,900	19,280
Garage Community & Youth Center	84,980	99,920
Joseph & Sarah Carter Community Development	-	12,280
Kennett After School Association	24,000	24,820
Kennett Area Community Service	109,200	116,540
Kennett Area Senior Center	10,000	29,600
La Comunidad Hispana	111,280	132,560
Maternal & Child Health Consortium	4,160	26,400
Oxford Area Senior Center	8,740	-
Oxford Neighborhood Services Center	86,200	87,720
Tick Tock Early Learning Center	83,560	87,180
Wings for Success	13,740	-
Young Moms	32,080	31,660
Donor-directed gifts	12,524	13,966
Unmet needs	39,180	-
	<u>\$ 762,524</u>	<u>\$ 813,966</u>
 Total Distributions to Agencies	 <u>\$ 762,524</u>	 <u>\$ 813,966</u>
 COVID-19 assistance to organizations:		
Family Service of Chester County	\$ 5,000	\$ -
Kennett Area Community Service	45,000	-
La Comunidad Hispana	25,000	-
Lighthouse Youth Center	5,000	-
Oxford Neighborhood Services Center	32,500	-
	<u>\$ 112,500</u>	<u>\$ -</u>
 Total COVID-19 assistance to organizations	 <u>\$ 112,500</u>	 <u>\$ -</u>