



**United Way of  
Southern Chester County**

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**UNITED WAY OF SOUTHERN CHESTER COUNTY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**AUGUST 31, 2019**

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UNITED WAY OF SOUTHERN CHESTER COUNTY

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## INDEPENDENT AUDITOR'S REPORT

February 27, 2020

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, 2019, 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, 2019, 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.

#### Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2019, the United Way of Southern Chester County has adopted the provisions of Financial Accounting Standards Board Accounting Standards Update 2016-14. Our opinion is not modified with respect to this matter.

#### Report on Summarized Comparative Information

We have previously audited the United Way of Southern Chester County's August 31, 2018 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 28, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2018 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 schedule of allocations to agencies on page 15 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, 2019 AND 2018**

	2019	2018
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 449,363	\$ 673,299
Investments	556,673	405,099
Pledges receivable, net	247,027	241,320
Prepaid expenses	4,560	4,244
Security deposits	800	800
Furniture and equipment, net	2,295	3,800
<b>TOTAL ASSETS</b>	<b>\$ 1,260,718</b>	<b>\$ 1,328,562</b>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>LIABILITIES:</b>		
Accounts payable	\$ 2,138	\$ 779
Accrued payroll	20,146	20,607
Allocations payable to agencies	800,000	840,000
Donor designated payable	7,770	3,542
Total Liabilities	830,054	864,928
 <b>NET ASSETS:</b>		
Without donor restriction:		
Equity in furniture and equipment	2,295	3,800
Board-designated	244,288	229,332
Undesignated	16,695	54,735
Total without donor restriction	263,278	287,867
With donor restriction	167,386	175,767
Total Net Assets	430,664	463,634
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,260,718</b>	<b>\$ 1,328,562</b>

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, 2019  
(With Summarized Totals for 2018)**

	Without Donor Restriction	With Donor Restriction	Totals	
			2019	2018
<b>PUBLIC SUPPORT AND REVENUE</b>				
Campaign contributions	\$ 1,048,865	\$ -	\$ 1,048,865	\$ 1,182,853
Less: collection losses	(5,149)	-	(5,149)	(38,122)
Total Contributions	<u>1,043,716</u>	<u>-</u>	<u>1,043,716</u>	<u>1,144,731</u>
Investment income (loss)	16,118	(8,381)	7,737	31,639
Gain on disposal of asset	51	-	51	-
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<u>1,059,885</u>	<u>(8,381)</u>	<u>1,051,504</u>	<u>1,176,370</u>
 <b>EXPENSES</b>				
Distributions to agencies	813,966	-	813,966	855,020
Program services	141,845	-	141,845	174,397
Supporting services:				
Management and general	123,002	-	123,002	116,514
Fund raising	5,661	-	5,661	4,313
<b>TOTAL EXPENSES</b>	<u>1,084,474</u>	<u>-</u>	<u>1,084,474</u>	<u>1,150,244</u>
 <b>CHANGE IN NET ASSETS</b>	(24,589)	(8,381)	(32,970)	26,126
 <b>NET ASSETS, BEGINNING OF YEAR</b>	<u>287,867</u>	<u>175,767</u>	<u>463,634</u>	<u>437,508</u>
 <b>NET ASSETS, END OF YEAR</b>	<u>\$ 263,278</u>	<u>\$ 167,386</u>	<u>\$ 430,664</u>	<u>\$ 463,634</u>

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, 2019**  
**(With Summarized Totals for 2018)**

	Program Services	Management and General	Fund Raising	Totals	
				2019	2018
<b>EXPENSES</b>					
Salaries	\$ 60,676	\$ 71,862	\$ -	\$ 132,538	\$ 147,688
Employee health and retirement benefits	13,256	15,700	-	28,956	27,757
Payroll taxes and workers' compensation premiums	5,199	6,158	-	11,357	14,564
Total Salaries and Related Expenses	<u>79,131</u>	<u>93,720</u>	<u>-</u>	<u>172,851</u>	<u>190,009</u>
Advertising	443	-	-	443	877
Bank and payment processing	1,704	460	-	2,164	1,874
Dues and memberships	3,366	3,987	-	7,353	7,383
Events	661	739	5,661	7,061	5,282
Insurance	1,394	1,652	-	3,046	2,999
Office supplies	772	914	-	1,686	2,562
Other	-	653	-	653	360
Postage	5,867	398	-	6,265	9,486
Professional fees	26,853	7,150	-	34,003	33,927
Rent	4,230	5,010	-	9,240	9,240
Repairs and maintenance	-	4,477	-	4,477	4,091
Stationary and printing	14,199	-	-	14,199	19,916
Telephone	1,200	1,422	-	2,622	2,737
Travel and meetings	2,025	915	-	2,940	2,976
Total Expenses Before Depreciation	<u>141,845</u>	<u>121,497</u>	<u>5,661</u>	<u>269,003</u>	<u>293,719</u>
Depreciation	<u>-</u>	<u>1,505</u>	<u>-</u>	<u>1,505</u>	<u>1,505</u>
<b>TOTAL EXPENSES</b>	<u><u>\$ 141,845</u></u>	<u><u>\$ 123,002</u></u>	<u><u>\$ 5,661</u></u>	<u><u>\$ 270,508</u></u>	<u><u>\$ 295,224</u></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, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (32,970)	\$ 26,126
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation	1,505	1,505
Collection losses	5,149	38,122
Net unrealized and realized losses (gains) on investments	10,212	(16,841)
Increase in pledges receivable	(10,856)	(23,036)
(Increase) Decrease in prepaid expenses	(316)	3,151
Increase (Decrease) in accounts payable	1,359	(5,671)
(Decrease) Increase in accrued payroll	(461)	8,852
(Decrease) Increase in allocations payable to agencies	(40,000)	40,000
Increase (Decrease) in donor designated payable	4,228	(3,939)
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	(62,150)	68,269
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(170,439)	(23,250)
Sale of investments	8,653	8,686
NET CASH USED BY INVESTING ACTIVITIES	(161,786)	(14,564)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(223,936)	53,705
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	673,299	619,594
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 449,363	\$ 673,299
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)

Generally accepted accounting principles 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 generally accepted accounting principles, 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 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:

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

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

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 generally accepted accounting principles 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.

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

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

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

constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Organization's financial statements for the year ended August 31, 2018, from which the summarized information was derived.

Implementation of FASB ASU 2016-14

During the year ended August 31, 2019, the Organization implemented Financial Accounting Standards Board Accounting Standards Update ("FASB ASU") 2016-14. FASB ASU 2016-14 provides new and expanded guidance for financial reporting for not-for-profit entities. The implementation of FASB ASU 2016-14 has resulted multiple changes to the Organization's financial reporting. Net assets are now categorized in two categories; net assets with donor restriction and net assets without donor restriction. The Organization has added additional disclosures related to its financial liquidity and the availability of financial assets for general expenditure within one year from each statement of financial position date.

This accounting guidance has been implemented retrospectively; however, the implementation of this guidance did not require restatement of prior accounting period balances.

NOTE 3 PLEDGES RECEIVABLE

As of August 31, 2019, pledges receivable consisted of the following:

Pledges receivable related to current campaign	\$ 274,827
Allowance for uncollectible pledges	<u>(27,800)</u>
Total Pledges Receivable, Net	<u>\$ 247,027</u>

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

As of August 31, 2019, investments consisted of the following:

Chester County Community Foundation Investment Pool	\$ 167,386
Vanguard LifeStrategy Growth Fund	244,287
WSFS Certificates of Deposit	<u>145,000</u>
	<u>\$ 556,673</u>

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

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

Fair values of assets measured on a recurring basis at August 31, 2019 are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Vanguard LifeStrategy Growth Fund	\$ 244,288	\$ 244,288	\$ -
Certificate of Deposit	144,999	-	144,999
Chester County Community Foundation Investment Pool	<u>167,386</u>	<u>-</u>	<u>167,386</u>
Total	<u>\$ 556,673</u>	<u>\$ 244,288</u>	<u>\$ 312,385</u>

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.

The Organization's investment in a Certificate of Deposit matures in June 2020. The fair value of this investment using Level 2 inputs as of August 31, 2019 amounted to \$144,999.

For the year ended August 31, 2019, investment income consists of the following:

Dividends and interest, net of fees	\$ 17,949
Net unrealized and realized losses	<u>(10,212)</u>
	<u>\$ 7,737</u>

NOTE 5 FURNITURE AND EQUIPMENT

As of August 31, 2019, furniture and equipment consisted of the following:

Equipment	\$ 21,777
Furniture and fixtures	<u>14,814</u>
	36,591
Less: Accumulated depreciation	<u>(34,296)</u>
	<u>\$ 2,295</u>

NOTE 6 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

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 6 DEFINED CONTRIBUTION PENSION PLAN (cont'd)

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, 2019 was \$7,903.

NOTE 7 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, 2019 met the requirements for recognition in the financial statements.

NOTE 8 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.

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.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 8 ENDOWMENT FUNDS (cont'd)

Endowment net asset composition by type of fund at August 31, 2019 was as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment funds	\$ 244,288	\$ 167,386	\$ 411,674
Total	<u>\$ 244,288</u>	<u>\$ 167,386</u>	<u>\$ 411,674</u>

Changes in endowment net assets for the year ended August 31, 2019 were as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment, September 1, 2018	\$ 229,332	\$ 175,767	\$ 405,099
Net investment income (loss)	<u>14,956</u>	<u>(8,381)</u>	<u>6,575</u>
Endowment, August 31, 2019	<u>\$ 244,288</u>	<u>\$ 167,386</u>	<u>\$ 411,674</u>

NOTE 9 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, 2019, the Organization's bank balances totaled \$316,169, all of which was covered by federal depository insurance. In addition, the Organization maintains cash in the amount of \$145,754 in a Vanguard brokerage account which is insured by the Securities Investor Protection Corporation ("SIPC").

NOTE 10 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets consist of cash and cash equivalents, pledge receivables, and investments.

The following reflects the Organization's financial assets as of August 30, 2019, 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.

UNITED WAY OF SOUTHERN CHESTER COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 10 LIQUIDITY AND AVAILABILITY OF RESOURCES (cont'd)

Financial assets, at year end	\$ 1,253,063
Less unavailable for general expenses within one year due to:	
Donor Restricted	167,386
Board designations	<u>244,288</u>
Financial assets available to meet cash needs for general expenses within one year	<u>\$ 841,389</u>

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

NOTE 11 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, 2019 was \$9,240. The total commitment under this lease is \$3,080 for the year ended August 31, 2020.

NOTE 12 SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through February 27, 2020, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**UNITED WAY OF SOUTHERN CHESTER COUNTY  
SCHEDULE OF ALLOCATIONS TO AGENCIES  
FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Allocations to Agencies:		
Adult Literacy Program	\$ 38,540	\$ 41,380
Camp Dreamcatcher	-	11,580
Crime Victims' Center of Chester County, Inc.	26,120	26,440
Domestic Violence Center of Chester County	45,680	40,760
Family Promise of Southern Chester County	21,700	33,440
Family Service of Chester County	19,280	21,760
Garage Community & Youth Center	99,920	109,060
Joseph & Sarah Carter Community Development	12,280	11,380
Kennett After School Association	24,820	24,720
Kennett Area Community Service	116,540	127,960
Kennett Area Senior Center	29,600	29,220
La Comunidad Hispana	132,560	98,760
Maternal & Child Health Consortium	26,400	28,760
Oxford Area Senior Center	-	8,380
Oxford Neighborhood Services Center	87,720	97,500
Tick Tock Early Learning Center	87,180	93,140
Wings for Success	-	6,380
Young Moms	31,660	29,380
Donor-directed gifts	13,966	15,020
	<u>813,966</u>	<u>855,020</u>
Total Allocations to Agencies	<u>\$ 813,966</u>	<u>\$ 855,020</u>