



CPAs AND  
BUSINESS ADVISORS



Big Brothers Big Sisters of Flint and Genesee County  
Audited Financial Statements

June 30, 2021

*Prepared by Taylor & Morgan, P.C.*

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Big Brothers Big Sisters of Flint and Genesee County  
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INDEPENDENT AUDITOR'S REPORT

November 29, 2021

Board of Directors  
Big Brothers Big Sisters of Flint and Genesee County

**Report on the Financial Statements**

We have audited the accompanying financial statements of Big Brothers Big Sisters of Flint and Genesee County (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, statement of 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 of 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 Big Brothers Big Sisters of Flint and Genesee County as of June 30, 2021, 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 Big Brothers Big Sisters of Flint and Genesee County's June 30, 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated November 23, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Taylor & Morgan, P.C.*

Taylor & Morgan, P.C.  
Certified Public Accountants

Big Brothers Big Sisters of Flint and Genesee County  
 Statements of Financial Position  
 June 30, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and equivalents	\$ 291,697	\$ 218,221
Investments	552,677	426,423
Grants receivable	15,500	43,170
Other receivables	16,199	6,958
Prepaid expenses	11,966	6,768
Total current assets	<u>888,039</u>	<u>701,540</u>
Property and equipment:		
Furniture and fixtures	57,130	57,130
Condominium-timeshare	9,000	9,000
Equipment and software	24,016	24,415
	<u>90,146</u>	<u>90,545</u>
Less: accumulated depreciation	(79,581)	(82,226)
Total property and equipment	<u>10,565</u>	<u>8,319</u>
Other assets:		
Beneficial interest in endowment fund held by the Community Foundation of Greater Flint	<u>43,643</u>	<u>33,874</u>
Total assets	<u>\$ 942,247</u>	<u>\$ 743,733</u>
 LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,260	\$ 6,373
Accrued payroll and related liabilities	<u>11,505</u>	<u>11,126</u>
Total liabilities	<u>13,765</u>	<u>17,499</u>
 NET ASSETS		
Without donor restrictions:		
Designated for long-term investment	583,478	463,936
Undesignated	245,655	223,146
With donor restrictions	<u>99,349</u>	<u>39,152</u>
Total net assets	<u>928,482</u>	<u>726,234</u>
Total liabilities and net assets	<u>\$ 942,247</u>	<u>\$ 743,733</u>

Big Brothers Big Sisters of Flint and Genesee County  
Statement of Activities  
For the Year Ended June 30, 2021  
With Summarized Information for the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Operating activities				
Revenues and other support				
Grant income				
Ruth Mott Foundation	\$ -	\$ 65,000	\$ 65,000	\$ 65,000
CS Mott Youth Mentoring	-	20,650	20,650	-
BBBS of America	-	53,758	53,758	53,348
Bishop	-	25,000	25,000	20,000
Bank Trusts	-	13,000	13,000	8,000
Youth Collaboratory	-	9,595	9,595	-
CDBG	-	8,176	8,176	31,837
MI Reinvestment Grant	-	10,000	10,000	-
Child Welfare Grant	-	10,000	10,000	-
CFGF Montoring Matters	-	41,000	41,000	-
United way	-	64,000	64,000	64,000
Paycheck Protection Program	-	88,800	88,800	88,800
Contributions and sponsorships	80,451	-	80,451	76,349
Fundraising activities:				
Bowling challenge	76,826	-	76,826	128,997
Agency Golf	63,799	16,179	79,978	23,115
Other	58,671	2,980	61,651	70,660
Miscellaneous income	2,788	-	2,788	12,663
Interest and dividends	375	-	375	35
Total Revenues and Other Support	282,910	428,138	711,048	642,804
Net assets released from restrictions	367,941	(367,941)	-	-
Total revenues and other support and net assets released from restrictions	650,851	60,197	711,048	642,804
Expenses				
Program services	460,210	-	460,210	540,165
Support services				
Fundraising	90,957	-	90,957	103,205
Management and general	92,114	-	92,114	91,817
Total expenses	643,281	-	643,281	735,187
Change in net assets from operations	7,570	60,197	67,767	(92,383)
Nonoperating activities				
Investment return, net	134,481	-	134,481	6,742
Total nonoperating activities	134,481	-	134,481	6,742
Change in net assets	142,051	60,197	202,248	(85,641)
Net assets, beginning of year	687,082	39,152	726,234	811,875
Net assets, end of year	\$ 829,133	\$ 99,349	\$ 928,482	\$ 726,234

See notes to financial statements.

Big Brothers Big Sisters of Flint and Genesee County  
Statement of Functional Expenses  
For the Year Ended June 30, 2021

	Program Services		Support Services		Total Support Services	Total Expenses
	Providing Mentors to Children		Fundraising	Management and General		
	\$	287,935	\$	44,782	\$	371,751
Salaries and wages		20,065		3,426	6,412	26,477
Payroll taxes		51,140		1,288	6,137	57,277
Fringe benefits		(15,955)		-	(1,671)	(17,626)
Fringe benefits-cost share						
Total salaries and related expenses		343,185		49,496	94,694	437,879
Advertising		312		6,250	6,250	6,562
Occupancy		37,025		9,878	9,878	46,903
Leased equipment		4,231		-	-	4,231
Supplies		7,292		19,116	19,116	26,408
Postage		2,333		236	236	2,569
Printing		198		2,355	2,355	2,553
Dues and fees		-		15	30,460	30,475
Telephone and internet		13,012		-	-	13,012
Travel and mileage		650		-	-	650
Legal checks		1,562		-	-	1,562
Professional services		258		2,661	15,310	18,229
Insurance		31,872		-	-	31,872
Maintenance and Repairs		-		-	1,146	1,146
Miscellaneous		-		950	950	950
Program activities		14,479		-	-	14,479
Board training and staff development		571		-	-	571
Meetings and conferences		468		-	-	468
Depreciation		2,762		-	-	2,762
Total Expenses	\$	460,210	\$	90,957	\$	643,281
					183,071	
					\$	\$

Big Brothers Big Sisters of Flint and Genesee County  
Statement of Functional Expenses  
For the Year Ended June 30, 2020

	Program Services		Support Services		Total Support Services	Total Expenses
	Providing Mentors to Children		Fundraising	Management and General		
Salaries and wages	\$ 342,823	\$	46,125	\$ 41,676	\$ 87,801	\$ 430,624
Payroll taxes	18,904		6,920	4,557	11,477	30,381
Fringe benefits	58,477		-	-	-	58,477
Fringe benefits-cost share	(17,101)		-	-	-	(17,101)
Total salaries and related expenses	403,103		53,045	46,233	99,278	502,381
Advertising	443		6,349	-	6,349	6,792
Occupancy	51,104		4,850	-	4,850	55,954
Leased equipment	4,477		-	-	-	4,477
Supplies	4,555		35,660	-	35,660	40,215
Postage	2,868		196	-	196	3,064
Printing	1,963		953	-	953	2,916
Dues and fees	-		55	27,550	27,605	27,605
Telephone and internet	14,020		-	-	-	14,020
Travel and mileage	3,223		-	-	-	3,223
Legal checks	2,090		-	-	-	2,090
Professional services	-		1,426	18,034	19,460	19,460
Insurance	29,872		-	-	-	29,872
Miscellaneous	-		411	-	411	411
Program activities	16,844		-	-	-	16,844
Board training and staff development	2,044		-	-	-	2,044
Meetings and conferences	831		260	-	260	1,091
Depreciation	2,728		-	-	-	2,728
Total Expenses	\$ 540,165	\$	103,205	\$ 91,817	\$ 195,022	\$ 735,187

See notes to financial statements.



Big Brothers Big Sisters of Flint and Genesee County  
 Statements of Cash Flows  
 For the Years Ended June 30, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase/(decrease) in net assets	\$ 202,248	\$ (85,641)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	2,762	2,728
Investment income	(375)	(12,344)
(Gains)/losses on investments	(134,481)	5,567
(Increase)/decrease in:		
Due from grantors/contributors	18,429	3,887
Pre-paid expenses	(5,198)	3,350
Increase/(decrease) in:		
Accounts payable	(4,113)	(9,338)
Accrued payroll	379	2,984
	<b>79,651</b>	<b>(88,807)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets	(5,009)	-
Sales of investments	93,127	229,280
Purchase of investments	(94,293)	(192,660)
	<b>(6,175)</b>	<b>36,620</b>
<b>Net cash provided by/(used) by operating activities</b>		
	<b>79,651</b>	<b>(88,807)</b>
<b>Net cash provided by/(used) by investing activities</b>		
	<b>(6,175)</b>	<b>36,620</b>
<b>Net increase/(decrease) in cash</b>	<b>73,476</b>	<b>(52,187)</b>
Beginning cash	218,221	270,408
Ending cash	\$ 291,697	\$ 218,221
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest paid	\$ -	\$ -

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 1 - Description of the Organization and Summary of Significant Accounting Policies**

**Description of the Organization:**

Big Brothers Big Sisters of Flint and Genesee County ("the Agency") is a Michigan nonprofit organization providing services for children and their families by adult volunteers, primarily on a one-to-one basis, under the supervision of professional staff. The children accepted into the program are those whose needs exceed the support and nurturing available from their families, schools, churches or neighborhood organizations.

**Basis of Presentation:**

The financial statements of the Agency have been prepared in accordance with FASB Accounting Standards Codification (ASC) 958-205 and subsections. Under ASC 958-205, the Agency is required to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Agency's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**Measure of Operations:**

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Agency's ongoing services for children and their families and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

**Cash and Cash Equivalents:**

The Agency's cash consists of cash on deposit with financial institutions. Cash equivalents represent money market funds or short-term investments with original maturities of 90 days or less from the date of purchase. Cash equivalents designated for long-term investment have been segregated from cash and are listed as long term investments on the statement of financial position.

**Concentrations of credit risk:**

Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Agency maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Agency's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Agency has not experienced, nor does it anticipate, any losses with respect to such accounts.

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 1 - Description of the Organization and Summary of Significant Accounting Policies-(continued)**

**Grants Receivable:**

Reimbursement for grant related expenditures that are expected to be collected within one year are recorded at net realizable value. Grants receivable for the years ended June 30, 2021 and 2020, was \$15,500 and \$43,170, respectively.

**Other Receivables:**

Other receivables consist of unconditional promises to give that are expected to be collected within one year and are recorded at net realizable value. Conditional promises to give are not included as support until the conditions are met. Other receivables for the years ended June 30, 2021 and 2020, were \$16,199 and \$6,958, respectively.

**Property and Equipment, Net:**

Property, equipment and leasehold improvements are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Assets with a cost exceeding \$500 are generally capitalized. Depreciation is calculated using the straight-line method over the respective useful lives of the assets or the lease term. The Agency's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recoverable.

**Investments:**

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statement of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statement of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

**Community Foundation of Greater Flint Endowment:**

The Agency has made transfers to the Community Foundation of Greater Flint (CFGF) naming itself as a beneficiary and represented by an interest in the assets held by CFGF. These amounts are recorded as assets on the Agency's statement of financial position. CFGF maintains these separate investments and the Agency may elect to receive the earnings or have them reinvested. This arrangement conveys variance power to CFGF.

**Grant and Contributions:**

Grants and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Grants and contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted grants and contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 1 - Description of the Organization and Summary of Significant Accounting Policies-(continued)**

reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**Donated Services:**

Several volunteers have made significant contributions of their time in furtherance of the Agency's mission. These services were not reflected in the accompanying statements of activities because they do not meet the criteria for recognition under US GAAP.

**Expense 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 expenses that are allocated include: advertising, occupancy, supplies and office expenses, which are allocated on a square-footage basis; as well as salaries & benefits, which are allocated on the basis of estimates of time & effort.

**Estimates:**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Prior Year Summarized Comparative Information:**

Certain statements and notes include prior year summarized comparative information in total. Such information does not always include sufficient detail to constitute a presentation in conformity US GAAP. Accordingly, such information should be read in conjunction with the Agency's financial statements as of and for the year ended June 30, 2020, from which the summarized comparative information is derived.

**Tax Exempt Status:**

The Agency is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Agency has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Agency has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 1 - Description of the Organization and Summary of Significant Accounting Policies-(continued)**

**Upcoming Accounting Pronouncement:**

In June 2018, the Financial Accounting Standards Board (FASB) issued ASU no. 2016-2, *Leases*, which will supersede the current guidance on accounting for leases. The ASU requires lessees to recognize a right-to-use asset and related liability for all leases except for those leases determined to be short term leases. Currently, leases are either classified as capital or operating leases with only capital leases recognized on the balance sheet. The reporting of lease related expenses under ASC 842 will be consistent with current guidance. The new lease guidance will be effective for the Agency's year ending June 30, 2022, and can be adopted on a retrospective basis or in the period of adoption. The Agency has not yet determined the impact of the adoption of the new standards on the statements of financial condition and activities.

**Note 2 – Cash and Investments**

The Agency holds deposit accounts at two separate local financial institutions. At June 30, 2021, the carrying amount of deposits was \$260,791 and the bank balance was \$261,788. The entire bank balance was covered by federal depository insurance.

Investments consist of an "agency trust" administered by Merrill Lynch and a stock investment in Principal Financial Group, Inc. Trust assets are invested in money market funds (cash equivalents), U.S. Treasury and corporate notes of varying maturities and interest rates (fixed income obligations), and various corporate stocks (equities). Investments are reported at fair value on the statement of financial position.

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. The values of these investments at June 30, 2021 and 2020, are as follows:

	2021	2021	2020	2020
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Cash Equivalents	\$ 30,801	\$ 30,801	\$ 37,513	\$ 37,513
Equities/Mutual Funds	<u>387,347</u>	<u>552,677</u>	<u>365,739</u>	<u>426,423</u>
Total	<u>\$ 418,148</u>	<u>\$ 583,478</u>	<u>\$ 403,252</u>	<u>\$ 463,936</u>

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 2 – Cash and Investments-(continued)**

The following schedule reflects an activity summary of the “agency trust” investment account for the years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Beginning Balance	\$463,936	\$461,010
Dividends and Interest	8,856	12,309
Account Fees	(5,170)	(4,607)
Realized Gains/(Losses)	11,210	(3,550)
Unrealized Gains/(Losses)	<u>104,646</u>	<u>(1,226)</u>
Ending Balance	<u>\$583,478</u>	<u>\$463,936</u>

**Note 3 – Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on these assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity’s assumptions (unobservable inputs). The Agency groups its assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1: Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2: Other observable inputs, either directly or indirectly, including:
  - Quoted prices for similar assets/liabilities in active markets;
  - Quoted prices for identical or similar assets in non-active markets;
  - Inputs other than quoted prices that are observable for the asset/liability; and,
  - Inputs that are derived principally from or corroborated by other observable market data.
- Level 3: Unobservable inputs that cannot be corroborated by observable market data.

The mutual funds held by the Agency are classified as Level 1 assets since there are quoted prices for identical assets. The values of the Agency’s Level 1 assets as of June 30, 2021 and 2020, was \$552,677 and \$426,423, respectively.

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 3 – Fair Value Measurements-(continued)**

The endowment through the Community Foundation of Greater Flint is classified as a Level 3 asset. CFGF values securities and other financial instruments on a recurring fair value basis of accounting. The estimated fair values of certain investments of CFGF, which includes securities for which prices are not readily available, are determined by the management of CFGF, and may not reflect amounts that could be realized upon immediate sale nor amounts that ultimately may be realized. The values of the Agency's Level 3 assets as of June 30, 2021 and 2020, was \$43,643 and \$33,874, respectively.

The asset or liability's fair value measurement within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**Note 4 – Endowment Funds**

The Agency is the owner and beneficiary of an endowment fund held by the Community Foundation of Greater Flint. The balance of the fund as of June 30, 2021 was \$43,643. The Community Foundation of Greater Flint makes all investment decisions. For the years ended June 30, 2021 and 2020, the Agency received \$1,234 and \$1,286, respectively, in income from this fund.

The Agency is a beneficiary of another endowment fund held by the Community Foundation of Greater Flint. For the years ended June 30, 2021 and 2020, the Agency received \$6,724 and \$7,190, respectively, in income from this fund.

**Note 5 – Liquidity and Availability of Funds**

The Agency 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 Agency must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Agency's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Agency has a \$100,000 line of credit available to meet cash flow needs. The Agency's financial assets available within one year of the balance sheet date for general expenditure are as follows for the years ended June 30, 2021 and 2020:

Financial assets at year end:	<u>2021</u>	<u>2020</u>
Cash and equivalents	\$ 291,697	\$ 218,221
Investments	552,677	426,423
Grants and accounts receivable	<u>31,699</u>	<u>50,128</u>
Total financial assets	876,073	694,772
Less amounts not available to be used within one year:		
Net assets with donor restrictions	99,349	39,152
Less net assets with purpose restrictions to be met in less than a year	<u>(99,349)</u>	<u>(39,152)</u>
	-----	-----
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 876,073</u>	<u>\$ 694,772</u>

**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 6 – Donor Restricted Net Assets**

As of June 30, 2021 and 2020, donor restricted net assets were available from the following sources for specific program purposes:

	<u>2021</u>	<u>2020</u>
CFGF-Mentoring Matters	\$ 19,907	\$ -
Ruth Mott-School Mentoring	39,741	22,252
CS Mott-Youth Mentoring	5,373	-
Bishop Trust	2,169	-
Bank Trusts	13,000	-
Big Raffle-individuals	2,980	-
Golf Outing-individuals	<u>16,179</u>	<u>16,900</u>
	<u>\$ 99,349</u>	<u>\$ 39,152</u>

**Note 7 - Retirement Plan**

The Agency maintains a defined contribution pension plan for its employees. Employees become eligible after they have completed two years of full time service to the Agency. Employer contributions are at the discretion of the Agency. For the years ended June 30, 2021 and 2020, the Agency contributed \$3,655 and \$5,632, respectively.

**Note 8 – Fundraising Income**

Revenue and direct expenses for fundraising activities for the year ended June 30, 2021 are as follows:

	<u>Bowling Challenge</u>	<u>Agency Golf</u>	<u>Anniversary Celebration</u>	<u>Other</u>
Revenue	\$ 76,826	\$ 79,978	\$ 40,922	\$ 11,934
Expenses	<u>(7,162)</u>	<u>(20,423)</u>	<u>(6,497)</u>	<u>(7,379)</u>
	<u>\$ 69,664</u>	<u>\$ 59,555</u>	<u>\$ 34,425</u>	<u>\$ 4,555</u>

Revenue and direct expenses for fundraising activities for the year ended June 30, 2020 are as follows:

	<u>Bowl-a-Mania</u>	<u>Bowling Challenge</u>	<u>Agency Golf</u>	<u>Ice Races</u>	<u>Anniversary Celebration</u>	<u>Other</u>
Revenue	\$ 6,582	\$ 128,997	\$ 6,215	\$ 12,523	\$ 41,015	\$ 10,540
Expenses	<u>(1,600)</u>	<u>(26,408)</u>	<u>-</u>	<u>-</u>	<u>(13,141)</u>	<u>(7,054)</u>
	<u>\$ 4,982</u>	<u>\$ 102,589</u>	<u>\$ 6,215</u>	<u>\$ 12,523</u>	<u>\$ 27,874</u>	<u>\$ 3,486</u>



**Big Brothers Big Sisters of Flint and Genesee County**  
**Notes to Financial Statements**  
**June 30, 2021**

**Note 9 – Operating Leases**

In May of 2018, the Agency agreed to an extension on its office space lease located at 410 E. Second St., Flint until June 30, 2020. This extension calls for monthly payments ranging from \$3,850 to \$4,100 with an option to terminate after one year with 120-days advance notice. In October 2019, the Agency exercised the option to terminate this lease and has vacated the premises as of January 31, 2020. Total lease payments made under this agreement for the year ended June 30, 2020 \$28,700.

In October of 2019, the Agency entered into a new lease agreement. This lease agreement is effective February 1, 2020 until January 31, 2025, and calls for monthly payments ranging from \$2,657 to \$2,737. A security deposit of \$2,657 has been paid, of which \$500 is a non-refundable cleaning fee. Total lease payments made under this agreement for the years ended June 30, 2021 and 2020 were \$31,884 and \$13,285, respectively. Future minimum lease obligations under this lease are as follows:

Year ended June 30, 2022	\$ 31,884
Year ended June 30, 2023	\$ 32,284
Year ended June 30, 2024	\$ 32,844
Year ended June 30, 2025	<u>\$ 19,159</u>
	<u>\$116,171</u>

**Note 10 – Line of Credit**

The Agency has a line of credit available to fund cash flow needs in the amount of \$100,000 with a local financial institution. This line of credit bears interest at the rate of Prime plus 1.0%. For the years ended June 30, 2021 and 2020, there were no borrowings on the line of credit.

**Note 11 – Paycheck Protection Program**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law in March 2020, established the Paycheck Protection Program (PPP). Loan amounts are forgiven to the extent proceeds are used to cover documented payroll, mortgage interest, rent and utility costs. In January 2021 and April 2020, the Agency received separate loan proceeds totalling \$88,800 each under the Paycheck Protection Program. These loans have both been fully forgiven by the Small Business Administration (SBA).

**Note 12 – Subsequent Events**

Subsequent events have been reviewed through November 29, 2021, which is the date the financial statements were available to be issued.

The United States and the State of Michigan declared a state of emergency in March 2020 due to the global coronavirus disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will impact subsequent periods of the Agency. The impact on the Agency's future operating costs, revenue, investment income, and any recovery from emergency funding, either federal or state, cannot be estimated at this time.