

**BIG BROTHERS BIG SISTERS OF FLINT &
GENESEE COUNTY**

REPORT ON FINANCIAL STATEMENTS

**YEARS ENDED JUNE 30, 2022
AND 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Big Brothers Big Sisters of Flint & Genesee County

Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters of Flint & Genesee County (a nonprofit organization) which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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 & Genesee County as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Big Brothers Big Sisters of Flint & Genesee County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Big Brothers Big Sisters of Flint & Genesee County as of June 30, 2021 were audited by other auditors whose reports dated November 29, 2021 expressed an unmodified opinion on those statements.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers Big Sisters of Flint & Genesee County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Big Brothers Big Sisters of Flint & Genesee County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers Big Sisters of Flint & Genesee County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Maney Costeiran PC

December 8, 2022

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 372,006	\$ 260,896
Contributions and grants receivable	23,775	31,699
Prepaid expenses	2,922	11,966
Total current assets	398,703	304,561
Other assets		
Investments, long term	500,801	583,478
Fixed assets, net of accumulated depreciation	8,894	10,565
Beneficial interest in assets held at CFGF	36,030	43,643
Total other assets	545,725	637,686
TOTAL ASSETS	\$ 944,428	\$ 942,247
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current liabilities		
Accounts payable	\$ 4,460	\$ 2,260
Accrued payroll and payroll withholdings	10,647	11,505
TOTAL LIABILITIES	15,107	13,765
NET ASSETS		
Without donor restrictions		
Designated	500,801	583,478
Undesignated	375,531	245,655
With donor restrictions	52,989	99,349
TOTAL NET ASSETS	929,321	928,482
TOTAL LIABILITIES AND NET ASSETS	\$ 944,428	\$ 942,247

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions of cash and other financial assets	\$ 374,527	\$ 120,050	\$ 494,577	\$ 80,451	\$ 320,179	\$ 400,630
Special events	229,879	-	229,879	199,296	19,159	218,455
Other income	874	-	874	3,163	-	3,163
PPP loan forgiveness	-	-	-	-	88,800	88,800
Investment return, net	(91,638)	-	(91,638)	134,481	-	134,481
Net assets released from restrictions	166,410	(166,410)	-	367,941	(367,941)	-
	<u>680,052</u>	<u>(46,360)</u>	<u>633,692</u>	<u>785,332</u>	<u>60,197</u>	<u>845,529</u>
TOTAL SUPPORT AND REVENUE						
EXPENSES						
Program services						
Mentor program	434,379	-	434,379	460,209	-	460,209
Supporting services						
Management and general	100,907	-	100,907	92,114	-	92,114
Fundraising	97,567	-	97,567	90,957	-	90,957
	<u>632,853</u>	<u>-</u>	<u>632,853</u>	<u>643,280</u>	<u>-</u>	<u>643,280</u>
TOTAL EXPENSES						
CHANGE IN NET ASSETS	47,199	(46,360)	839	142,052	60,197	202,249
NET ASSETS - beginning of year	829,133	99,349	928,482	687,081	39,152	726,233
NET ASSETS - end of year	<u>\$ 876,332</u>	<u>\$ 52,989</u>	<u>\$ 929,321</u>	<u>\$ 829,133</u>	<u>\$ 99,349</u>	<u>\$ 928,482</u>

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022

	Program Services	Supporting Services			Total
	Mentor Program	Management and General	Fundraising	Total Supporting Services	
Salaries and related	\$ 298,317	\$ 35,262	\$ 24,545	\$ 59,807	\$ 358,124
Employee benefits	33,610	5,931	-	5,931	39,541
Occupancy	45,433	9,973	-	9,973	55,406
Professional fees	1,467	14,844	-	14,844	16,311
Events	-	-	66,741	66,741	66,741
Direct program expenses	11,459	-	-	-	11,459
Supplies	3,264	-	-	-	3,264
Postage and printing	1,300	-	2,577	2,577	3,877
Dues	-	31,556	-	31,556	31,556
Insurance	35,111	-	-	-	35,111
Repairs and maintenance	-	1,354	-	1,354	1,354
Travel, meetings, training	2,746	-	-	-	2,746
Fees	-	1,987	-	1,987	1,987
Depreciation	1,672	-	-	-	1,672
Miscellaneous	-	-	3,704	3,704	3,704
Total expenses	\$ 434,379	\$ 100,907	\$ 97,567	\$ 198,474	\$ 632,853

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services	Supporting Services			Total
	Mentor Program	Management and General	Fundraising	Total Supporting Services	
Salaries and related	\$ 308,000	\$ 42,020	\$ 48,208	\$ 90,228	\$ 398,228
Employee benefits	35,185	3,178	1,288	4,466	39,651
Occupancy	48,558	-	-	-	48,558
Professional fees	929	15,310	-	15,310	16,239
Events	-	-	41,461	41,461	41,461
Direct program expenses	14,291	-	-	-	14,291
Supplies	3,276	-	-	-	3,276
Postage and printing	2,589	-	-	-	2,589
Dues	-	30,460	-	30,460	30,460
Insurance	33,277	-	-	-	33,277
Repairs and maintenance	-	1,146	-	1,146	1,146
Travel, meetings, training	1,689	-	-	-	1,689
Fees	7,909	-	-	-	7,909
Depreciation	2,762	-	-	-	2,762
Miscellaneous	1,744	-	-	-	1,744
Total expenses	\$ 460,209	\$ 92,114	\$ 90,957	\$ 183,071	\$ 643,280

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities		
Change in net assets	\$ 839	\$ 202,249
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	1,672	2,762
Net realized and unrealized (gain) loss on investments	84,705	(125,088)
Contributions and grants receivable	7,924	18,429
Change in beneficial interest in assets held at CFGF	7,613	(9,769)
Prepaid expenses	9,044	(5,198)
Accounts payable	2,200	(4,113)
Accrued payroll and payroll withholdings	(858)	379
Total adjustments	112,300	(122,598)
Net cash provided by operating activities	113,139	79,651
Cash flows from investing activities		
Purchase of fixed assets	-	(5,009)
Purchase of investments	(372,134)	(94,293)
Sale of investments	370,105	99,839
Net cash provided (used) by investing activities	(2,029)	537
NET INCREASE IN CASH AND CASH EQUIVALENTS	111,110	80,188
CASH AND CASH EQUIVALENTS		
Beginning of year	260,896	180,708
End of year	\$ 372,006	\$ 260,896

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits in banks, certificates of deposits with original maturities of less than 90 days, and cash on hand.

Investments

Investments are stated at fair value. Net investment return or loss is included in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses.

Contributions and Grants Receivable

Unconditional promises to give are recognized as revenues in the period received and as net assets, decreases in liabilities, or expenses depending on the form of the benefits received. Contributions receivable due beyond one year have not been discounted due to the effect being immaterial. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contributions receivable. Currently, no allowance for doubtful accounts is considered necessary.

Fixed Assets

Furniture and equipment are stated at cost or fair market value at the date received. Major improvements are capitalized while ordinary maintenance and repairs are expensed. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The Agency's policy for capitalizing is to capitalize all fixed asset expenses greater than \$500.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor or grantor restrictions. The Agency has designated a portion of net assets for long-term investment.

Net Assets with Donor Restrictions - Net assets subject to donor (or grantor) imposed restrictions. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose has been accomplished (see Note 10).

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The costs of providing program and other activities have been reported in the statement of activities. The statement of functional expenses presents the natural classification of expenses that are allocated to program or supporting functions of the Agency. Allocated expenses primarily consist of payroll and related, professional fees, maintenance and repair, depreciation, utilities, and various other expense classifications necessary to support the day-to-day operations of the Agency. Employee driven expenses are allocated based on salary and wage analysis. All other allocated expenses utilize management's estimated use of resources.

Contribution Revenue

Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or 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.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions of land, buildings, equipment, and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

The Agency receives a significant amount of donated services from unpaid volunteers who are matched with the children as well as others who assist with office work and special projects. No amounts have been recognized in the statement of activities, because the criteria for recognition under accounting principles generally accepted in the United States of America have not been satisfied.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

Reclassification

Certain prior year numbers have been reclassified to be in conformity with the current year presentation.

NOTE 2 - ORGANIZATION, RISKS AND UNCERTAINTIES

Big Brothers Big Sisters of Flint & Genesee County (the Agency) is a Michigan non-profit organization, established to provide services for children and their families by adult volunteers, primarily on a one-on-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. The Agency's main sources of revenue are contributions from various organizations in the form of grants, special events, and donations from the general public. The Agency is exempt from income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - ORGANIZATION, RISKS AND UNCERTAINTIES (continued)

The Agency is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments which potentially subject the Agency to concentrations of credit risk consist primarily of temporary cash investments. The Agency places its temporary cash investments with FDIC insured financial institutions. Although such investments and cash balances may exceed the federally insured limits at certain times during the year, they are, in the opinion of management, subject to minimal risk.

The process of preparing financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

The Agency evaluates events and transactions that occur after year end for potential recognition or disclosure in the financial statements. These subsequent events have been considered through December 8, 2022, which is the date the financial statements were available to be issued.

In January 2021, the Agency received a \$88,800 loan under the CARES Act through the second round of the Paycheck Protection Program. The loan is potentially forgivable, to the extent the Agency uses the funds on eligible expenses over the 24-week period following the date of the loan. Eligible expenses include payroll, mortgage interest, lease payments and utility payments. The Agency met the conditions as outlined under the loan for eligible expenses during the covered period and has recognized as revenue for the year ended June 30, 2021. The Agency received notification of full loan forgiveness.

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state, and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The following reflects the Agency's financial assets as of June 30, 2022 and 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the statement of financial position. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 372,006	\$ 260,896
Contributions and grants receivable	<u>23,775</u>	<u>31,699</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 395,781</u>	<u>\$ 292,595</u>

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - LIQUIDITY AND AVAILABILITY (continued)

The Agency is substantially supported by contribution and grant revenue. 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 requirements. Therefore, certain financial assets may not be available for general expenditure within one year. The Agency structures 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.

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

At June 30, 2022, investments are reported in the statement of financial position as follows:

	<u>Fair Value</u>	<u>Cost</u>
Mutual funds and exchange traded funds		
Fixed income	\$ 170,256	\$ 173,321
Equities	225,819	240,323
Alternate investments	73,284	81,094
Bank deposit program	<u>31,442</u>	<u>31,442</u>
Total investments	<u>\$ 500,801</u>	<u>\$ 526,180</u>

At June 30, 2021, investments are reported in the statement of financial position as follows:

	<u>Fair Value</u>	<u>Cost</u>
Mutual funds and exchange traded funds		
Fixed income	\$ 185,645	\$ 181,984
Equities	367,032	205,363
Bank deposit program	<u>30,801</u>	<u>30,801</u>
Total investments	<u>\$ 583,478</u>	<u>\$ 418,148</u>

Investment return, net consists of the following as of June 30:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 7,460	\$ 8,856
Realized and unrealized gain (loss)	(85,710)	121,026
Fees	(5,775)	(5,170)
Change in beneficial interest in assets held at Community Foundation	<u>(7,613)</u>	<u>9,769</u>
	<u>\$ (91,638)</u>	<u>\$ 134,481</u>

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

Accounting standards establish a hierarchy that prioritizes the inputs to valuation techniques giving the highest priority to readily available unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) when market prices are not readily available or reliable. The three levels of the hierarchy are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the Agency's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

From time to time, changes in valuation techniques may result in reclassification of an investment's assigned level within the hierarchy.

The asset's fair value measurement level 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021.

Mutual Funds and Exchange Traded Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Agency are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds and exchange traded funds held by the Agency are deemed to be actively traded.

Beneficial Interest in Assets Held at community foundation: Valued by the foundation as the Agency's portion of the total fair values of the underlying securities held by the foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The inputs or methodologies used for valuing securities may not be an indication of the risk associated with investing in those securities.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following is a market value summary by the level of the inputs used, as of June 30, 2022, in evaluating the Agency's assets carried at fair value.

Description	Level 1	Level 2	Level 3	Total
Mutual funds and exchange traded funds				
Fixed income	\$ 170,256	\$ -	\$ -	\$ 170,256
Equities	225,819	-	-	225,819
Alternate investments	73,284	-	-	73,284
Beneficial interest in assets held at community foundation	-	-	36,030	36,030
Total valued on a recurring basis	<u>\$ 469,359</u>	<u>\$ -</u>	<u>\$ 36,030</u>	<u>\$ 505,389</u>

The following is a market value summary by the level of the inputs used, as of June 30, 2021, in evaluating the Agency's assets carried at fair value.

Description	Level 1	Level 2	Level 3	Total
Mutual funds and exchange traded funds				
Fixed income	\$ 185,645	\$ -	\$ -	\$ 185,645
Equities	367,032	-	-	367,032
Beneficial interest in assets held at community foundation	-	-	43,643	43,643
Total valued on a recurring basis	<u>\$ 552,677</u>	<u>\$ -</u>	<u>\$ 43,643</u>	<u>\$ 596,320</u>

NOTE 5 - BENEFICIAL INTEREST IN ASSETS HELD AT CFGF

The Agency established an endowment at the Community Foundation of Greater Flint (CFGF) and named itself as the beneficiary. This amount, in addition to net earnings, is presented on the statements of financial position as "Beneficial Interest in Assets Held at CFGF" in the amounts of \$36,030 and \$43,643 as of June 30, 2022 and 2021, respectively. Although this amount has been recorded as an asset, the Agency has granted variance power to Community Foundation of Greater Flint. Distributions from the endowment will be made annually to the Agency according to the spending guidelines established by the Board of Trustees of the CFGF.

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - FIXED ASSETS

Fixed assets at June 30 consist of the following:

	Estimated Lives	2022	2021
Furniture and fixtures	5 - 10 years	\$ 57,130	\$ 57,130
Condominium-timeshare	30 years	9,000	9,000
Equipment and software	5 - 7 years	24,016	24,016
Less accumulated depreciation		(81,252)	(79,581)
		\$ 8,894	\$ 10,565

Depreciation expense charged to operations amounted to \$1,672 and \$2,762 for the years ended June 30, 2022 and 2021, respectively.

NOTE 7 - LEASES

In October 2019, the Agency entered into a lease agreement for office space effective February 1, 2020 until January 1, 2025. The lease calls for monthly payments ranging from \$2,657 to \$2,737. Total lease payments of \$31,884 were made under this agreement for the years ended June 30, 2022 and 2021. The Agency leases a postage machine with minimum monthly payments of \$66 through October 2023. The Agency leases printer with minimum monthly payments of \$134 through December 2022.

Future commitments under the operating leases are as follows:

Year Ending June 30,		
2023	\$	33,883
2024		33,108
2025		19,159
	\$	86,150

NOTE 8 - RETIREMENT PLAN

The Agency maintains a 403b retirement 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, 2022 and 2021, the Agency contributed \$6,031 and \$3,655, respectively.

NOTE 9 - LINE OF CREDIT

The Agency maintains a \$100,000 line of credit bearing interest at the rate of prime plus 1%, collateralized by substantially all assets of the Agency. No amounts were outstanding as of June 30, 2022 and 2021.

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose		
CFGF-Mentoring Matters	\$ -	\$ 19,907
Ruth Mott-School Mentoring	35,895	39,741
CS Mott-Youth Mentoring	4,493	5,373
Bishop Trust	3,601	2,169
Bank Trusts	9,000	13,000
Big Raffle-individuals	-	2,980
Golf Outing-individuals	-	16,179
	<u>\$ 52,989</u>	<u>\$ 99,349</u>

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as of June 30:

	<u>2022</u>	<u>2021</u>
Satisfaction of purpose restriction		
CFGF-Mentoring Matters	\$ 19,907	\$ 21,093
Ruth Mott-School Mentoring	68,846	47,510
CS Mott-Youth Mentoring	21,930	15,277
Bishop Trust	23,568	22,832
Bank Trusts	13,000	-
Big Raffle-individuals	2,980	-
Golf Outing-individuals	16,179	16,900
Big Brothers Big Sisters America	-	53,758
PPP loan forgiveness	-	88,800
United Way	-	64,000
Youth Collaborative	-	9,595
CDBG	-	8,176
Mi Reinvestment grant	-	10,000
Child Welfare grant	-	10,000
	<u>\$ 166,410</u>	<u>\$ 367,941</u>