

**FOUNDATION FOR WOMEN WARRIORS
FINANCIAL STATEMENTS
JUNE 30, 2023**

FOUNDATION FOR WOMEN WARRIORS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Foundation for Women Warriors

Opinion

We have audited the accompanying financial statements of Foundation for Women Warriors, a nonprofit organization, which comprise of the statement of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, 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 Foundation for Women Warriors as of June 30, 2023, and the results of its activities 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 audits 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 Foundation for Women Warriors and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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; 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.

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 Foundation for Women Warriors' 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 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 base 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 Foundation for Women Warriors' 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about Foundation for Women Warriors' 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.



CONSIDINE & CONSIDINE
An accountancy corporation

October 13, 2023

FOUNDATION FOR WOMEN WARRIORS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

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ASSETS

CURRENT ASSETS

Cash (note 3)	\$ 476,228
Receivables	359,346
Prepaid expenses	1,939
	837,513

OTHER ASSETS

Investments (note 5)	114,138
Inventory	139,096
Right-of-use asset (note 10)	53,051
Security deposit	3,243
	309,528

TOTAL ASSETS

1,147,041

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	1,402
Accrued liabilities	26,212
Lease liabilities - current (note 10)	46,508
	74,122

OTHER LIABILITIES

Lease liabilities - non-current (note 10)	3,899
	3,899

TOTAL LIABILITIES

78,021

NET ASSETS (note 7)

Without donor restrictions	878,883
With donor restrictions	190,137
	1,069,020

1,069,020

TOTAL LIABILITIES AND NET ASSETS

\$ 1,147,041

See accompanying notes to the financial statements

FOUNDATION FOR WOMEN WARRIORS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

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	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
REVENUE AND SUPPORT			
Grant revenue and donations	\$ 776,602	\$ 288,788	\$ 1,065,390
In-kind goods and services (note 8)	466,543	-	466,543
Interest and dividends (note 5 and 6)	1,414	194	1,608
Realized and unrealized gain, net (note 5 and 6)	<u>13,838</u>	<u>1,160</u>	<u>14,998</u>
	1,258,397	290,142	1,548,539
NET ASSETS RELEASED FROM DONOR RESTRICTIONS (note 7)			
	<u>325,872</u>	<u>(325,872)</u>	<u>-</u>
TOTAL REVENUE	1,584,269	(35,730)	1,548,539
OPERATING EXPENSES			
Program services	1,350,922	-	1,350,922
Management and general	73,980	-	73,980
Development	<u>119,540</u>	<u>-</u>	<u>119,540</u>
	<u>1,544,441</u>	<u>-</u>	<u>1,544,441</u>
CHANGE IN NET ASSETS	39,828	(35,730)	4,098
NET ASSETS, BEGINNING	<u>839,055</u>	<u>225,867</u>	<u>1,064,922</u>
NET ASSETS, ENDING	<u><u>\$ 878,883</u></u>	<u><u>\$ 190,137</u></u>	<u><u>\$ 1,069,020</u></u>

See accompanying notes to the financial statements

**FOUNDATION FOR WOMEN WARRIORS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

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	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>DEVELOPMENT</u>	<u>TOTAL</u>
EXPENSES				
Salaries and benefits	\$ 451,630	\$ 49,961	\$ 63,867	\$ 565,458
In-kind education, supplies, services	555,444	-	-	555,444
Warrior support	152,098	-	-	152,098
Facilities (note 10)	46,700	1,714	9,738	58,152
Advertising and marketing	34,309	1,962	21,283	57,554
Professional fees	33,444	16,451	202	50,097
Conference and events	41,435	1,755	3,507	46,697
Outside services	12,436	422	2,888	15,746
Meeting	7,626	301	4,663	12,590
Insurance	8,715	313	1,738	10,766
Tax and license	-	100	8,363	8,463
Office	3,641	790	799	5,229
Postage and shipping	3,351	165	710	4,226
Bank charges	93	46	1,782	1,921
TOTAL EXPENSES INCLUDED IN THE EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS	<u>\$ 1,350,922</u>	<u>\$ 73,980</u>	<u>\$ 119,540</u>	<u>\$ 1,544,441</u>

See accompanying notes to the financial statements

FOUNDATION FOR WOMEN WARRIORS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

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CASH FLOWS USED BY OPERATING ACTIVITIES

Change in net assets \$ 4,098

ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES

Unrealized gain, net (13,321)

Operating lease amortization (2,644)

In-kind inventory donations 89,201

Change in operating assets and liabilities:

Receivables (128,151)

Prepaid expenses 3,318

Accounts payable (1,068)

Accrued liabilities 453

Deferred revenue (5,000)

(57,212)

NET CASH USED BY OPERATING ACTIVITIES

(53,114)

CASH, BEGINNING

529,342

CASH, ENDING

\$ 476,228

See accompanying notes to the financial statements

FOUNDATION FOR WOMEN WARRIORS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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NOTE 1 THE FOUNDATION

The Foundation for Women Warriors (Foundation) was incorporated under the laws of the State of California in 2006 as a nonprofit foundation. The Foundation's mission is to serve women veterans and their children so that their next mission is clear and continues to impact the world.

All of the Foundation's support comes from foundation, corporate, and individual donors. The Foundation offers emergency financial assistance to women veterans with rent and security deposits, childcare and other short-term support. It also provides women veterans and their families' information and connections to local, state and national agencies from which they can receive additional assistance. Lastly, the Foundation has created a network of business and academia leaders for women warriors to connect with, hold interactive sessions with on topics relevant to women warriors and receive mentorship opportunities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The financial statements have been prepared using the accrual method in conformity with generally accepted accounting principles (GAAP) in the United States.

Basis of presentation - The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. The Foundation follows standards regarding classification of Endowment Funds of nonprofits subject to an enacted version of the Uniform Prudent Management of Institutional Funds Acts (UPMIFA) and enhanced disclosures in the endowment.

Estimates - The preparation of financial statements in conformity with GAAP requires the Foundation to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Financial statement presentation - The Foundation follows the Financial Accounting Standards Board's (FASB) Financial Statements of Not-for-Profit Foundations for presentation of its financial statements, which require that net assets, support, revenue and gains, expenses and losses be classified as without donor restrictions and with donor restrictions.

Net assets without donor restrictions - These net assets consist of assets that are fully available, at the discretion of management and the Board of Directors, for the Foundation to utilize in any of its programs or supporting services. Net assets without donor restrictions also include amounts designated for certain purposes by the Board of Directors.

Net assets with donor restrictions - These net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Foundation may spend the funds. These net assets also include amounts that are restricted by donors that neither expire by the passage of time nor can be fulfilled or removed by actions of the Foundation.

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NOTES TO FINANCIAL STATEMENTS
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Cash - The Foundation considers financial instruments with a fixed-maturity date of less than three months to be cash equivalents.

Receivables - Receivables consist primarily of pledges receivable. It is the Foundation's policy to charge off uncollectible receivables when management determines the amounts are uncollectible. As of June 30, 2023, all receivables are considered collectible.

Investments - The Foundation carries investments in marketable securities with readily determinable values at fair value in the statement of financial position. Realized and unrealized gains and losses are included in the accompanying statement of activities and changes in net assets. Investment income is recognized as revenue in the period it is earned.

Inventory - Inventory consists of donated items that are distributed to women veterans and their family and is recorded at the fair value at the time of donation.

Fair value measurement - The Foundation follows accounting standards consistent with the FASB Codification, which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

Revenue and donor-imposed restrictions - All contributions are considered unrestricted unless specifically restricted by the donor. Amounts received designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions, increasing that net asset class. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as restricted and then released from restriction in the same period.

Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets with donor restrictions until the restriction is fulfilled.

The Foundation follows the FASB Accounting Standards Codification (ASC) Topic 606 (ASC 606) Revenue from Contracts with Customers, which provides guidance for revenue recognition. This ASC's core principle requires an organization to recognize revenue when it transfers promised goods or services to customers in an amount that reflects consideration to which the organization expects to be entitled in exchange for those goods and services. The standard also clarifies the principal versus agent considerations, providing the evaluation must focus on whether the entity has control of the goods or services before they are transferred to the customer.

The Foundation follows the FASB-issued Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, which provides clarification regarding the accounting for contracts and agreements as exchange transactions or contributions and provides improved guidance to better distinguish between conditional and unconditional contributions.

In-kind goods - The Foundation recognizes the value of donated goods by recording the donations at fair value. The fair value of donated goods has been measured on a nonrecurring basis using quoted prices

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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for similar financial statement elements in inactive markets (Level 2 inputs). See note 8 for additional information.

In-kind services - The Foundation follows standards relating to contributions received and contributions made consistent with FASB codification. These standards require recording the value of donated services that create or enhance non-financial assets or require specialized skills. Volunteers have contributed significant amounts of their time to the activities of the Foundation; however, only the services that meet the above requirements are recorded in the financial statements. The fair value of donated services has been measured on a nonrecurring basis using quoted prices for similar financial statement elements in inactive markets (Level 2 inputs). See note 8 for additional information.

Advertising and marketing - Advertising and marketing expenses are charged to expenses as incurred.

Functional allocation of expenses - The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenditures that can be identified with a specific program or support service are allocated directly, according to their natural expenditure. Costs that are common to several functions are allocated among the program and support services based on time records, space-utilized, and estimates made by the Foundation's management.

Income taxes - The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under Section 23701(d) of the California Franchise Tax Code.

The Foundation follows accounting standards, which clarify the accounting uncertainty in income taxes recognized in the financial statements, and prescribes a recognition threshold and measurement attribute for the financial statements and recognition and measurement of a tax position taken or expected to be taken in the tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. As of June 30, 2023, the Foundation has no accrued interest or penalties related to uncertain tax positions. The Foundation files tax returns in the U.S. Federal jurisdiction and the State of California.

Recent accounting pronouncements

In February 2016, FASB issued ASU 2016-02 Leases (Topic 842). In July 2018, FASB issued two updates to ASU 2016-02, ASU 2018-10, Codification Improvements to Topic 842 Leases, and ASU 2018-11, Leases (Topic 812): Targeted Improvements. The new standard is effective for fiscal years beginning after December 15, 2021. ASU 2016-02 requires recognition of operating leases with lease terms of more than twelve months on the statement of financial position as both assets and liabilities for the obligations created by the leases. Topic 842 also requires disclosures that provide qualitative and quantitative information for the lease assets and liabilities recorded in the financial statements. The Foundation adopted Topic 842 as of July 1, 2022 by recognizing and measuring leases at the adoption date with cumulative effect of initially applying the guidance recognized at the date of initial application and as a result did not restate the prior periods presented in the financial statement.

The Foundation elected certain practical expedients permitted under the transitional guidance, including retaining historical lease classification, evaluating whether any expired contracts are or contain leases,

FOUNDATION FOR WOMEN WARRIORS
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JUNE 30, 2023

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and not applying hindsight in determining the lease term. The Foundation also elected the practical expedient to not separate lease and non-lease components within the lessee lease transaction for all classes of assets. Lastly, the Foundation elected the short-term lease exception for all classes of assets, and therefore does not apply the recognition requirements for leases of 12 months or less. Options to renew a lease are only included in the lease term to the extent those options are reasonably certain to be exercised.

The Foundation categorizes long-term leases as either operating or finance. Finance leases are generally those leases that allow the Foundation to substantially utilize or pay for the entire asset of its estimated life. The Foundation had no finance leases at June 30, 2023.

Leases with a term greater than one year are recognized on the statements of financial position as right-of-use (ROU) assets and short-term and long-term lease liabilities, as applicable. Operating lease liabilities and their corresponding ROU assets are initially recorded based on the present value of lease payments over the term of the lease. The rate implicit in lease contracts is typically not readily determinable and, as a result, the Foundation utilizes the Treasury bill rate to discount lease payments.

NOTE 3 CASH

The Foundation maintains three bank accounts with a commercial bank. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Foundation has not experienced any loss in such accounts. As of June 30, 2023, the uninsured balance was approximately \$63,000. The Foundation believes it is not exposed to any significant credit risks on these cash balances.

The Foundation maintains two accounts with its investment broker. These accounts are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000. The Foundation has not experienced any loss in such accounts. As of June 30, 2023, there was no uninsured balance. The Foundation believes it is not exposed to any significant credit risks on these balances.

NOTE 4 FAIR VALUE MEASUREMENT

The Foundation follows the method of fair value to value its financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels has been established, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

FOUNDATION FOR WOMEN WARRIORS
NOTES TO FINANCIAL STATEMENTS
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Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to level 3 inputs.

Financial assets carried at fair value and measured on a recurring basis as of June 30, 2023 are classified below in one of the three levels described above:

	Level 1	Level 2	Level 3	Total
Exchange traded and closed end funds	\$ 114,138	\$ -	\$ -	\$ 114,138

Investments in exchange traded and closed end funds are revalued at market prices in active markets and are classified as level 1.

NOTE 5 INVESTMENTS

Investments are stated at fair value and consist of the following as of June 30, 2023:

	Cost	Fair value
Exchange traded and closed end funds	\$ 116,938	\$ 114,138

The following schedule summarizes the Foundation's return on long-term investments and its classification in the statement of activities and changes in net assets for the year ended June 30, 2023:

	Without donor restrictions	With donor restrictions	Total
Interest and dividends	\$ 1,414	\$ 194	\$ 1,608
Realized and unrealized gain, net	13,838	1,160	14,998
Total investment return	\$ 15,252	\$ 1,354	\$ 16,606

Investment return is shown net of investment management fees of \$350 for the year ended June 30, 2023.

Included in investments on the statement of financial position are restricted investments held in an endowment fund (see note 6). The objective of the endowment fund is to support the programs provided by the Foundation.

NOTE 6 ENDOWMENT FUND

In 2019, the Foundation received funds totaling \$25,000, for establishing a donor-restricted endowment fund. The Foundation follows an enacted version of the UPMIFA.

The Board of Directors of the Foundation has interpreted the enacted version of the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (to be held in perpetuity) (1) the original value

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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of gifts donated to the permanent endowment (2) investment income or increases in fair value if required to be restricted by the donors. Donor-restricted endowment net assets of \$25,000 are held in perpetuity as of June 30, 2023. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. Endowment funds without donor restrictions are classified as net assets without donor restrictions, available to be appropriated for expenditure by the Foundation. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in net assets with donor restrictions were \$957 as of June 30, 2023. These deficiencies resulted from losses due to market values.

The Foundation has adopted investment and spending policies for endowment funds that:

- Protect the invested assets
- Preserve spending capacity of the fund income
- Maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a level commensurate with that of the median fund in comparable organizations
- Comply with applicable laws

The Foundation's endowment funds are invested in securities that are structured to satisfy its long-term rate-of-return objectives. The Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The endowment funds are held mainly as investments on the statement of financial position, with some amounts held in cash.

The endowment payout is set at 5% of the endowment fund, excluding the original gift value. This amount is available for the Foundation's program expenses, including investment management fees for the endowment fund.

FOUNDATION FOR WOMEN WARRIORS
NOTES TO FINANCIAL STATEMENTS
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Changes in endowment net assets as of June 30, 2023 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets			
Beginning of year	\$ -	\$ 22,689	\$ 22,689
Interest and dividends	-	194	194
Realized and unrealized gain, net	-	1,335	1,335
Investment fees	-	(175)	(175)
Endowment net assets, end of year	\$ -	\$ 24,043	\$ 24,043

NOTE 7 NET ASSETS

Net assets were available for the following purposes as of June 30, 2023:

Without donor restrictions		
Unrestricted and undesignated		\$ 878,883
With donor restrictions		
Subject to expenditure for specific purpose		
General program support		166,094
Perpetual in nature		
Mohan endowment fund		24,043
		190,137
		\$ 1,069,020

Net assets released from donor restrictions by incurring expenses satisfying the purpose or time restriction specified by donors as follows for the year ended June 30, 2023:

Net assets released from donor restrictions		
General program support		\$ 325,872

NOTE 8 IN-KIND GOODS AND SERVICES

In-kind donations consist of supplies and goods that are distributed to women veterans and their families and services for program support.

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NOTES TO FINANCIAL STATEMENTS
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In-kind donations consist of the following for the year ended June 30, 2023:

Personal hygiene items	\$ 209,370
Clothing	90,791
Infant items	56,083
Gift cards	43,994
Outside services	35,500
Household items	17,096
Toys	7,697
Other	3,710
Supplies	2,302
	<u>\$ 466,543</u>

NOTE 9 LIQUIDITY AND AVAILABILITY

Contributions and expenses are monitored on a monthly basis by the Foundation's leadership and board. The level of assets are monitored on an annual basis. The Foundation's goal is to be able to function within the boundaries of the income received throughout the year.

Upon board approval, excess funds may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical course of operations. As part of the Foundation's liquidity management, it has structured its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Foundation manages its liquidity following these guiding principles: operating within a prudent range of financial stewardship and stability and maintaining adequate liquid assets to fund near-term operating needs, to provide reasonable assurance that long-term obligations will be discharged.

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NOTES TO FINANCIAL STATEMENTS
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The following schedule reflects the Foundation's financial assets as of June 30, 2023, reduced by the amounts not available for general-use because of donor-imposed restrictions within one year of the statement of financial position date:

Financial assets, at year end	
Cash	\$ 476,228
Receivables	359,346
Investments	<u>114,138</u>
	<u>949,712</u>
Less those unavailable for general expenditures within one year due to contractual or donor imposed restrictions:	
Subject to expenditure for specific purpose	
General program support	(166,094)
Perpetual in nature	
Mohan endowment fund	<u>(24,043)</u>
	<u>(190,137)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 759,575</u></u>

NOTE 10 LEASES

The Foundation has entered into a lease agreement for office space. In July 2023, the Organization exercised the renewal option which extended the lease term for an additional 12 months. The lease expires in July 2024. The lease agreement required fixed CAM charges, which are included in the calculation of lease liabilities.

As the lease does not provide an implicit rate, the Foundation uses a risk-free discount rate. The Foundation elected to use the remaining lease term Treasury bill rate as of the transition date as the risk-free discount rate. The discount rate is 2.84%.

The following summarizes the cash flow information related to operating leases for the year ended June 30, 2023:

Operating cash flows for operating leases	\$ 45,673
Right-of-use assets obtained in exchange for operating lease liabilities, due to the adoption of Topic 842	\$ 93,427

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Future minimum lease payments related to operating lease liabilities for the years ended June 30 are as follows:

	2024	\$	47,940
	2025		4,010
Total undiscounted lease payments			<u>51,950</u>
Less: present value discount			<u>(1,543)</u>
Total lease liability		\$	<u><u>50,407</u></u>

Operating lease costs included in facilities were \$46,859 on the statement of functional expense at June 30, 2023.

NOTE 11 RETIREMENT PLAN

The Foundation maintains a 401(k) Retirement Plan (the "Plan") for employees. Eligible employees may elect to make salary deferral contributions to the Plan. The Plan may provide discretionary matching contributions and employer contributions for eligible employees. The total discretionary contribution for the years ended June 30, 2023 was \$0. All contributions to the Plan are 100% vested.

NOTE 12 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through October 13, 2023, the date which the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.