

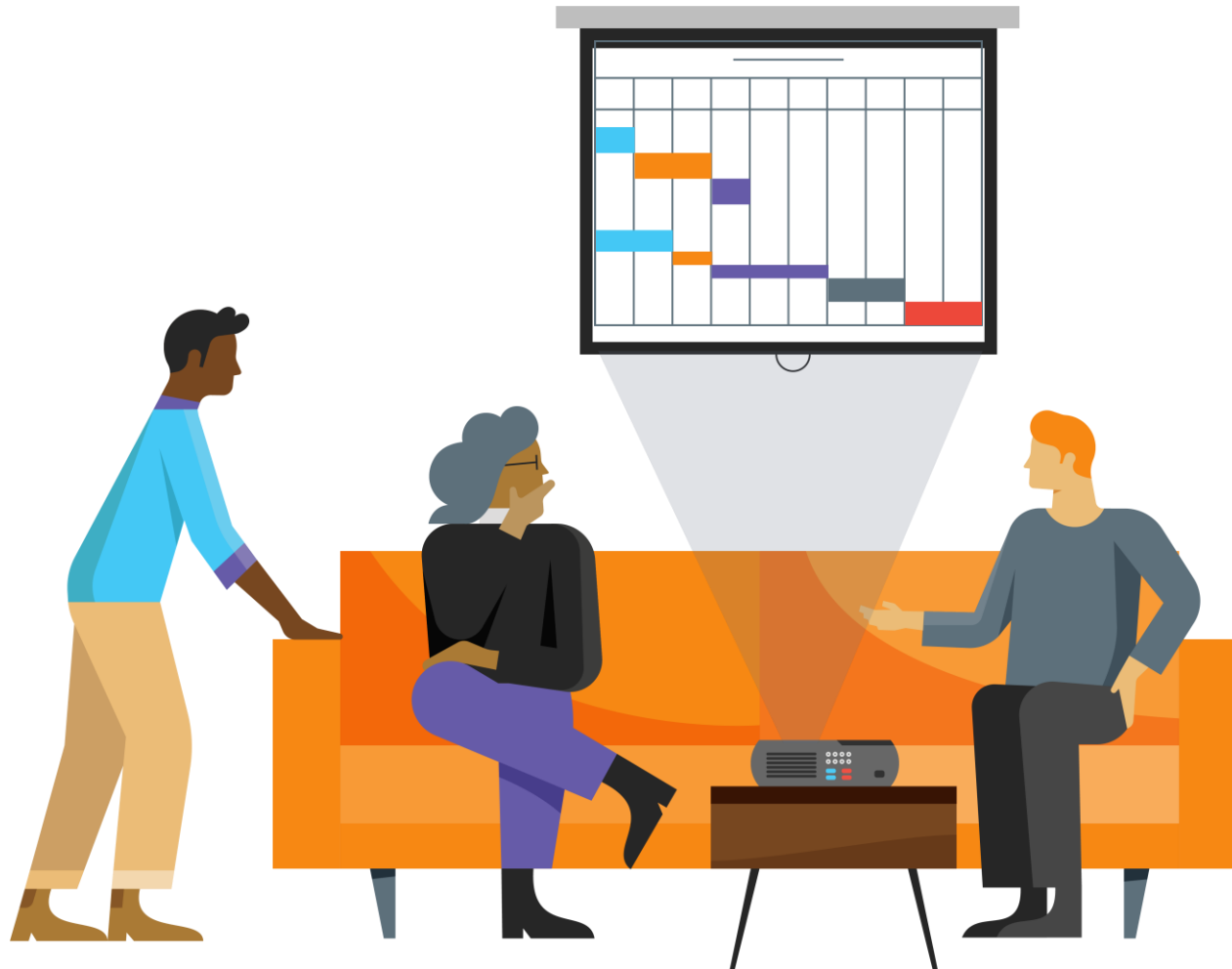
FASB Accounting Standards Update

Net Assets, Expenses, and Liquidity

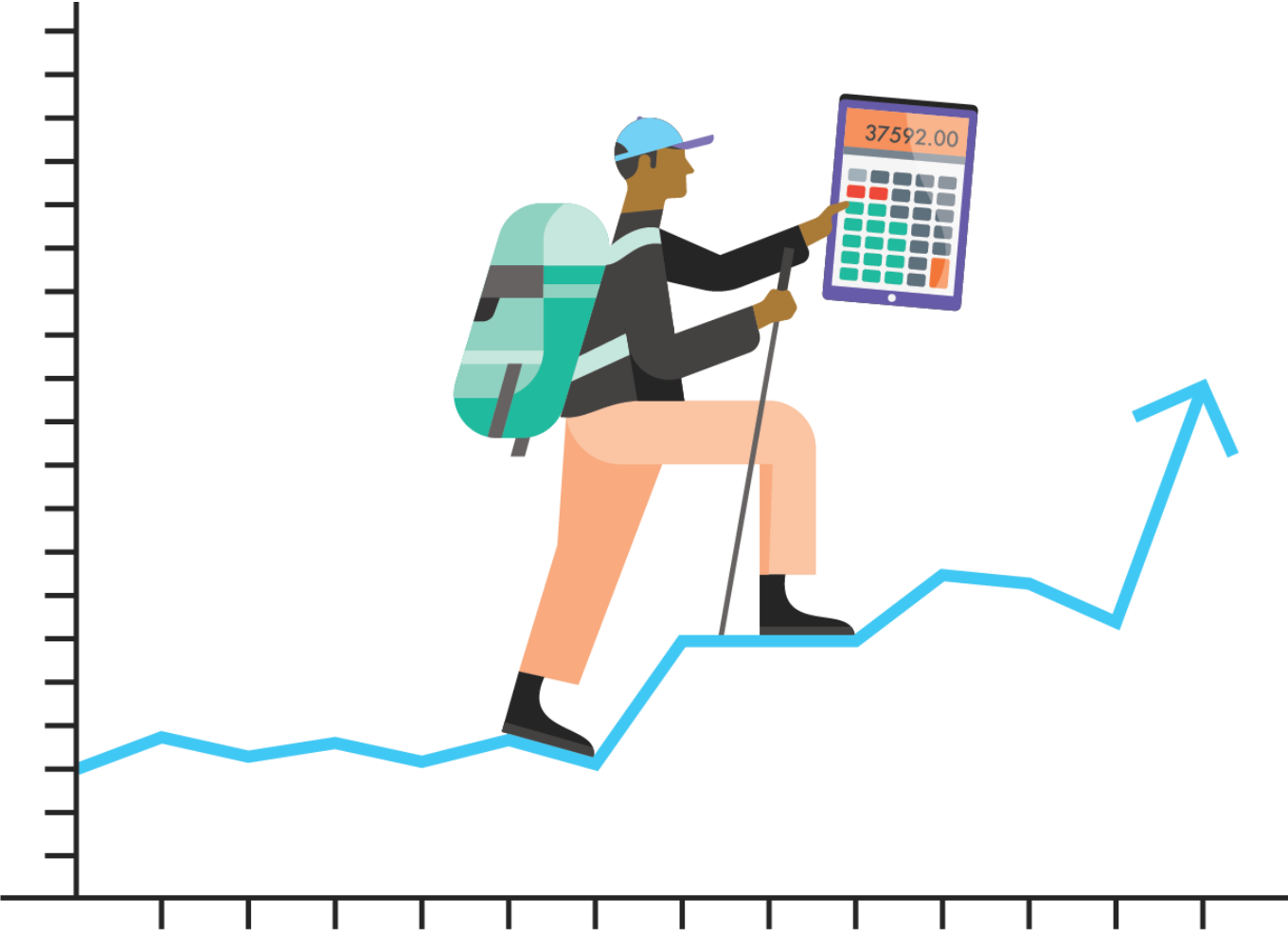
Presented by

Alice Antonelli

Meadow Didier

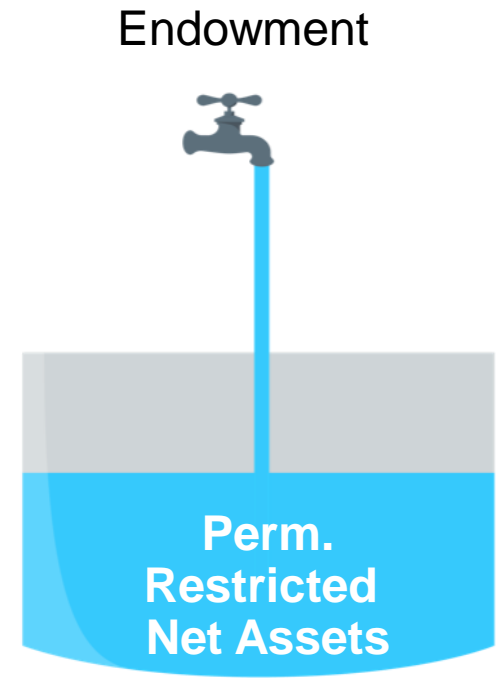
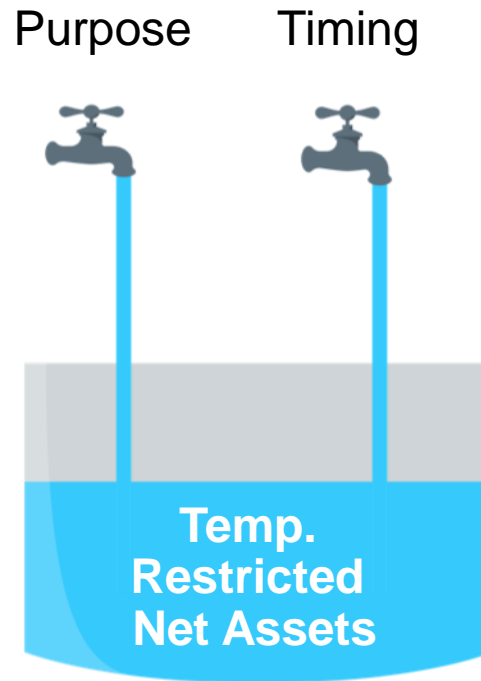
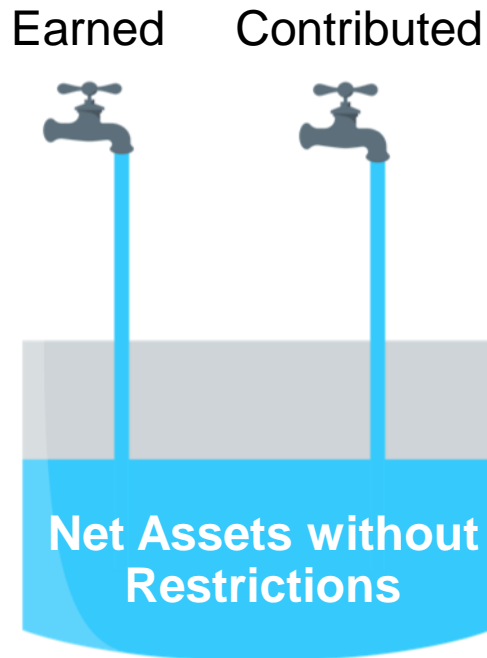


Net Assets



Net Assets

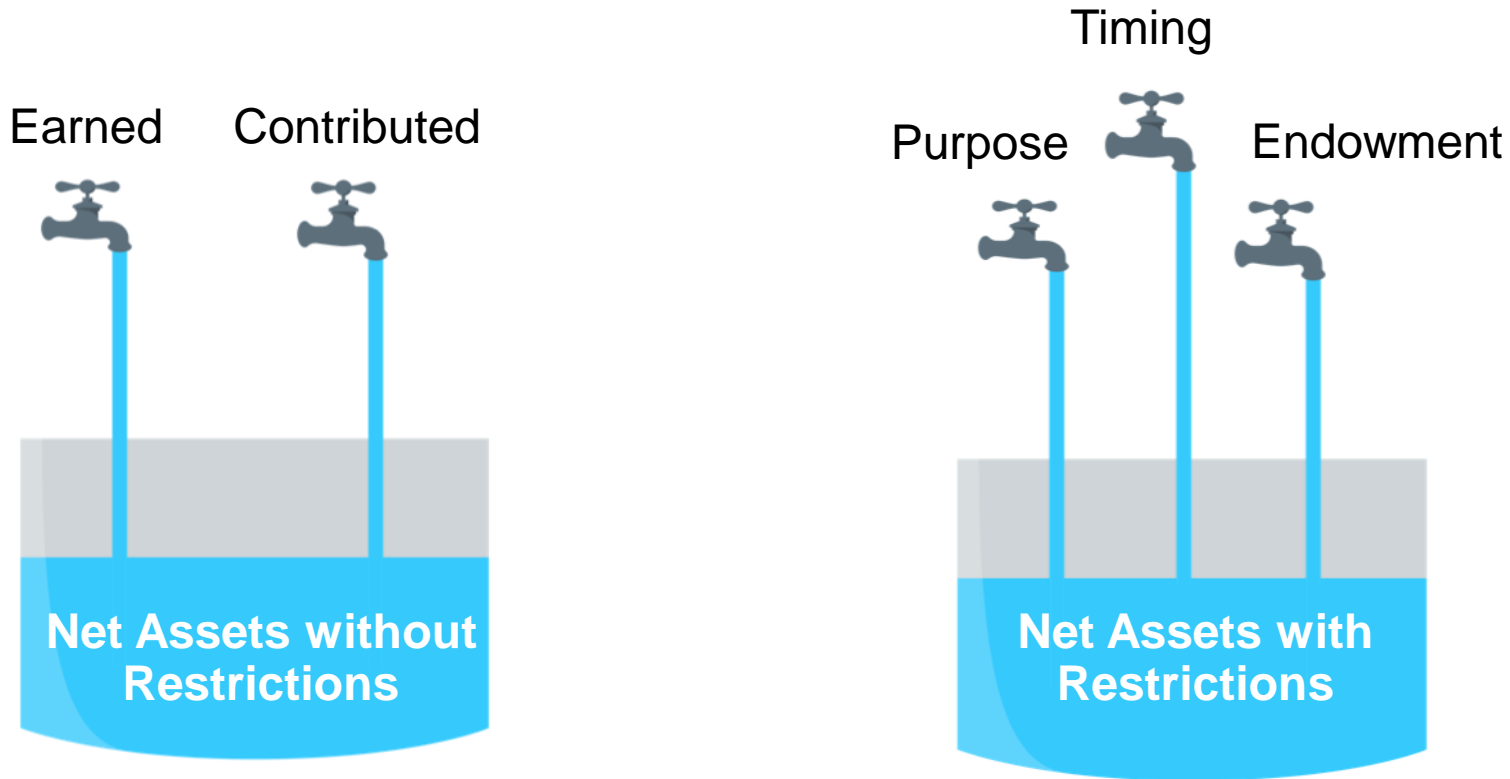
Used to be divided into three categories



Net Assets

Used to be divided into three categories

Now there are two categories:



Statement of Activities

	Without Restrictions	Time Restrictions	Program Restrictions	Endowment	Total Restrictions	Total 12/31/18	Total 12/31/17
Revenue							
Earned revenue	85,100	-	-	-	-	85,100	75,100
Foundations	415,000	240,000	-	-	240,000	655,000	505,000
Government	80,000	-	-	-	-	80,000	85,000
Corporations	15,000	-	-	-	-	15,000	15,000
Individuals	65,000	-	-	-	-	-	-
Net assets released from restrictions	120,000	(120,000)	-	-	(120,000)	-	-
Total Revenue	780,100	120,000	-	-	120,000	900,100	737,100
Expenses							
Personnel	455,941	-	-	-	-	455,941	424,903
Consultants/contractors	134,500	-	-	-	-	134,500	122,500
Occupancy	21,287	-	-	-	-	21,287	19,500
Support	128,175	-	-	-	-	128,175	110,975
Total Expenses	739,903	-	-	-	-	739,903	677,878
Operating Surplus / Deficit	40,197	120,000	-	-	120,000	160,197	59,222

Statement of Financial Position

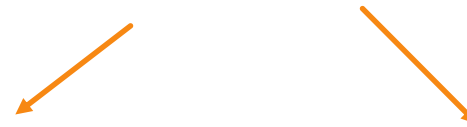
Net Assets	FY 2018	FY 2017
Undesignated	44,419	79,222
Operating reserve	60,000	-
Designated by the board for capital purchases	15,000	-
Without donor restrictions	119,419	79,222
Time restricted for future periods	120,000	-
Purpose restricted	-	-
Endowment fund	-	-
With donor restrictions	120,000	-
Total net assets	239,419	79,222
Total liabilities and net assets	297,419	119,222

Expenses



Analysis by Function and Nature

Function



	Programs				Total Program	Supporting Activities		Total
	Onsite Services	Job Mentorship	Parnter Counseling	Parnter Services		Development	Management & General	
Salaries, benefits and taxes	90,088	127,352	91,492	70,959	379,892	29,249	46,799	455,941
Contractors and professional fees	-	-	115,000	-	115,000	5,000	9,500	129,500
Occupancy	3,916	4,427	5,328	1,841	15,512	882	4,893	21,287
Supplies, travel, printing	56,500	40,175	1,450	1,850	99,975	25,975	14,625	140,575
Depreciation	978	1,099	1,211	356	3,644	207	1,149	5,000
Total	151,483	173,053	214,481	75,006	614,023	61,314	76,966	752,304

Nature



Disclosures

Example

Note 4 – Methods for Allocation of Expenses Among Program and Supporting Services

The financial statements report outlines categories of expenses that are attributable to one or more program or supporting services of Help for Homeless Youth.

Those expenses include depreciation, occupancy, and the Executive Director's and Office Manager's salary and benefits.

Depreciation and occupancy are allocated based on a square-footage basis, and the Executive Director and Office Manager's salary and benefits are allocated based on time spent on each program using a time-tracking system.

Liquidity



Liquidity and Availability Disclosures

Qualitative

Information that communicates how an organization **manages its liquid, available resources** to meet cash needs

Quantitative

Illustrate the availability of an organization's financial assets to meet cash needs

Examples of Qualitative Notes

In fiscal year 2018, our board of directors established an operating reserve to set aside funds in the event of financial distress or an immediate need for cash due to unforeseen circumstances.

The organization's target for this reserve is \$120,000, based on management's best judgement about the appropriate amount of funds to set aside in addition to working capital. The operating reserve fund had a balance of \$60,000 at December 31, 2018.

The operating reserve funds are held in a cash savings account and the balance is included in the cash and cash equivalents line on the statement of position.

Example of Availability Disclosure

Note 6 - Availability of Financial Assets

The following reflects Help for Homeless Youth's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	<u>2018</u>	<u>2017</u>
Cash	\$ 133,419	\$ 57,222
Accounts receivable	52,500	55,000
Grants receivable	<u>100,000</u>	<u>-</u>
Total financial assets	285,919	112,222
Receivables to be collected in more than one year	(2,500)	(5,000)
Contractual or other donor-imposed restrictions		
Time restrictions	(120,000)	
Board designated		
Operating reserves and other	<u>(75,000)</u>	<u>-</u>
Financial assets able to meet cash needs for general expenditures within one year	<u>\$ 88,419</u>	<u>\$ 107,222</u>

Thank You!

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