

LINCOLN LITERACY COUNCIL
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

LINCOLN LITERACY COUNCIL
TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
NOTES TO FINANCIAL STATEMENTS	7 - 15



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Lincoln Literacy Council
Lincoln, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Lincoln Literacy Council (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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 Lincoln Literacy Council as of December 31, 2021 and 2020, the changes in its net assets and its cash flows for the years 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 the Lincoln Literacy Council 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Lincoln Literacy Council'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 and 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 based on the financial statements.

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

- Exercise professional judgement 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 Lincoln Literacy Council'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 the Lincoln Literacy Council'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.

Dana F Cole + Company, LLP

Lincoln, Nebraska
April 18, 2022

LINCOLN LITERACY COUNCIL
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS	2021	2020
ASSETS		
Cash and cash equivalents	399,587	352,776
Investments	313,557	277,559
Accounts receivable	30,658	34,524
Inventory	10,985	10,185
Prepaid expenses	3,628	3,667
Equipment	83,162	83,162
Less accumulated depreciation	<u>(62,592)</u>	<u>(47,198)</u>
 TOTAL ASSETS	 <u>778,985</u>	 <u>714,675</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	4,727	12,835
Payroll tax payable	4,786	4,130
Wages payable	9,178	9,130
Unearned grant support and deferred revenue	<u>8</u>	<u>7</u>
Total liabilities	<u>18,699</u>	<u>26,102</u>
 NET ASSETS		
With donor restrictions		
Restricted by purpose or time	<u>5,000</u>	<u>110,000</u>
 Without donor restrictions		
Net investment in property and equipment	20,570	35,964
Designated	313,557	277,558
Undesignated	<u>421,159</u>	<u>265,051</u>
Total without donor restrictions	<u>755,286</u>	<u>578,573</u>
Total net assets	<u>760,286</u>	<u>688,573</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>778,985</u>	 <u>714,675</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN LITERACY COUNCIL
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT						
Contributions	237,141		237,141	281,619		281,619
United Way funding	41,031		41,031	42,441		42,441
Other grants	125,714	170,000	295,714	171,936	210,000	381,936
Government grants		150,440	150,440		151,083	151,083
Fees				27,575		27,575
Workshops, classes, and materials	5,910		5,910	4,253		4,253
Investment return	36,689		36,689	39,759		39,759
Gain on book sales				15		15
Special events, net direct donor benefit						
costs of \$- 0 - and \$- 0 -	27,140		27,140	24,902		24,902
Net assets released from restriction	<u>425,440</u>	<u>(425,440)</u>		<u>269,833</u>	<u>(269,833)</u>	
Total revenues and other support	<u>899,065</u>	<u>(105,000)</u>	<u>794,065</u>	<u>862,333</u>	<u>91,250</u>	<u>953,583</u>
EXPENSES						
Program services						
FLAIR	87,445		87,445	85,413		85,413
BASIC	6,126		6,126	5,663		5,663
ESL	577,619		577,619	567,684		567,684
Management and general	33,293		33,293	30,972		30,972
Fundraising	<u>17,869</u>		<u>17,869</u>	<u>13,140</u>		<u>13,140</u>
Total expenses	<u>722,352</u>		<u>722,352</u>	<u>702,872</u>		<u>702,872</u>
CHANGE IN NET ASSETS	176,713	(105,000)	71,713	159,461	91,250	250,711
NET ASSETS, beginning of year	<u>578,573</u>	<u>110,000</u>	<u>688,573</u>	<u>419,112</u>	<u>18,750</u>	<u>437,862</u>
NET ASSETS, end of year	<u>755,286</u>	<u>5,000</u>	<u>760,286</u>	<u>578,573</u>	<u>110,000</u>	<u>688,573</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN LITERACY COUNCIL
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021					
	Program Services			Management and	Fund-	Total
	ESL	BASIC	FLAIR	General	raising	
Wages and payroll taxes	499,318	6,126	73,881	23,013	11,597	613,935
Training/teaching materials	9,022					9,022
Office, postage, printing, supplies	30,400		4,114	4,297	2,088	40,899
Conference, workshop, dues, travel	4,280		1,450	54		5,784
Occupancy	34,599		8,000	5,929		48,528
Fees					4,184	4,184
	<u>577,619</u>	<u>6,126</u>	<u>87,445</u>	<u>33,293</u>	<u>17,869</u>	<u>722,352</u>
	2020					
	Program Services			Management and	Fund-	Total
	ESL	BASIC	FLAIR	General	raising	
Wages and payroll taxes	473,598	5,663	72,576	20,310	5,708	577,855
Training/teaching materials	12,965					12,965
Office, postage, printing, supplies	37,881		3,737	4,404	2,612	48,634
Conference, workshop, dues, travel	5,347		1,100	328	265	7,040
Occupancy	37,893		8,000	5,930		51,823
Fees					4,555	4,555
	<u>567,684</u>	<u>5,663</u>	<u>85,413</u>	<u>30,972</u>	<u>13,140</u>	<u>702,872</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN LITERACY COUNCIL
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>71,713</u>	<u>250,711</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	15,393	15,243
Realized gain on investments	(194)	(2,254)
Unrealized gain on investments	(31,168)	(31,380)
(Increase) decrease in assets:		
Accounts receivable	3,866	18,312
Inventory	(800)	(658)
Prepaid expenses	39	(308)
Increase (decrease) in liabilities:		
Accounts payable	(8,108)	3,636
Sales tax payable		(26)
Payroll taxes payable	656	732
Wages payable	48	2,692
Unearned grants	<u>1</u>	<u> </u>
Total adjustments	<u>(20,267)</u>	<u>5,989</u>
Net cash provided by operating activities	<u>51,446</u>	<u>256,700</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments		94,618
Purchase of investments	(4,635)	(169,358)
Purchase of property and equipment	<u> </u>	<u>(750)</u>
Net cash used in investing activities	<u>(4,635)</u>	<u>(75,490)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	46,811	181,210
CASH AND CASH EQUIVALENTS, beginning of year	<u>352,776</u>	<u>171,566</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>399,587</u></u>	<u><u>352,776</u></u>
Schedule of purchase of property and equipment		
Total property and equipment additions	<u> </u>	<u>750</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Lincoln Literacy Council, doing business as Lincoln Literacy (the Organization), is a Nebraska nonprofit corporation. Its purpose is to bring students together with volunteers to provide literacy services, support, and awareness to the community. The Organization's primary support comes from donors and grants.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

The financial statements report amounts by class of net assets, as required by ASU 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are currently available for operating purposes under the direction of the Board, designated by the Board for specific use, or invested in property and equipment.

Net Assets With Donor Restrictions

Net assets with donor restrictions are stipulated by donors for specific operating purposes, for the acquisition of property and equipment or are time restricted. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments

The Organization utilizes FASB ASC 958-320, *Not-for-Profit Entities, Investments - Debt and Equity Securities*. FASB ASC 958-320 establishes standards of reporting at fair value certain investments, debt and equity securities, held by not-for-profit organizations.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

Therefore, investments in equity securities that have a readily determinable fair value and all investments in debt securities are stated at fair value, with gains and losses included in the statements of activities. Fair value is determined by quoted market values.

Accounts Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for bad debts is considered necessary at year end.

Inventory

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost, if purchased, or fair market value, if donated. Major expenditures for property and those which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Depreciation

The Organization provides for depreciation of property and equipment using annual rates which are sufficient to amortize the cost of depreciable assets using the straight-line method over their estimated useful lives for five years.

Revenue Recognition

Fees, Workshops, Classes, and Materials

The Organization conducts program-related experiences such as English for All, Family Literacy, Workforce Readiness for Refugees, and CNA and GED prep classes, where the performance obligation is delivery of the program. Employer and sponsor fees for classes are set by the Organization. For classes, fees include program supplies, staffing, and facility costs. As is customary, these items are not separately priced and, are therefore considered to be one performance obligation. Some activities require the purchase of course materials, which are separately priced.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Special Fundraising Event Revenue

The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event, the exchange component, and a portion represents a contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are recorded as costs of direct donor benefits in the statement of activities and changes in net assets. The performance obligation is delivery of the event. The event fee is set by the Organization. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation(s). Special event fees collected by the Organization in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event.

Contributions

The Organization utilizes FASB ASC 958-605, *Accounting for Contributions Received and Made*. FASB ASC 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributed Materials and Services

The Organization records various types of in-kind contributions. Contributed services are recognized at fair market value if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

Volunteers

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with its operations. The volunteer hours have not been recorded in the financial statements since those services do not meet the criteria for recognition.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Support

The Organization receives approximately 21% and 13% of its annual budget from Woods Charitable Funds and a contract with the Nebraska Health and Human Services System, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been reported on a functional basis in the statement of functional expenses based on time and effort, actual costs, and estimates by the Organization.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$960 and \$1,185 for the years ended December 31, 2021 and 2020, respectively.

Compensated Absences

Employees' vacation benefits are recognized when paid.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization utilizes the provisions of FASB ASC 740-10, *Accounting for Uncertain Tax Positions*. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings. The

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that would be material to the financial statements.

Reclassification

In certain instances, figures for the prior year have been reclassified to place them on a basis comparable with the current year.

NOTE 2. PROLITERACY ENDOWED FUND AND THE LINCOLN COMMUNITY FOUNDATION

The Lincoln Community Foundation is a holder of the Proliteracy Endowed Fund and the Organization is a beneficiary of the income from the fund. The income from this fund is remitted to the Organization in November of each year and the amount will vary depending on the investment returns of the Lincoln Community Foundation. The total received from these funds during the years ended December 31, 2021 and 2020, was \$- 0 - and \$751, respectively.

NOTE 3. LEASE COMMITMENT

In April 2018, the Organization renewed its lease for its current office space under a noncancelable lease expiring April 30, 2023, including shared complex expenses. On May 1 of each year of the lease term monthly rent will be increased by 2.5%. There is an option to renew the lease for an additional four years at an increased monthly rental plus the shared complex expenses. At December 31, 2021, monthly lease payments were \$1,727.

In February 2018, the Organization entered into a 60-month lease with Eakes Office Plus for a copier requiring payments of \$195 due monthly.

At December 31, 2021, a schedule of the future minimum lease payments required under the above is as follows:

Year Ending December 31,	
2022	24,479
2023	1,266

NOTE 4. DESIGNATED NET ASSETS

The Board of Directors has designated net assets as of December 31, 2021 and 2020, of \$313,557 and \$277,558, respectively, for the Fund for the future.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following as of December 31, 2021:

ELLA Program	<u>5,000</u>
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NOTE 6. CONCENTRATION OF CREDIT RISK

The Organization had deposits in one financial institution in excess of the \$250,000 federally insured limit by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2021 and 2020, the amount of deposits not covered was \$130,764 and \$98,494, respectively.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist primarily of trade receivables with a variety of grantors. The Organization generally does not require collateral from its grantors. Such credit risk is considered by management to be limited due to the Organization's broad grantor base and its grantors' financial resources.

NOTE 7. INVESTMENTS

The Organization utilizes FASB ASC 820-10, *Fair Value Measurements*, which provides a framework for measuring fair value under generally accepted accounting principles. FASB ASC 820-10 applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in FASB ASC 820-10, fair value is 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 determining fair value, the Organization uses various methods including market, income, and cost approaches. Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 7. INVESTMENTS (Continued)

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

For the fiscal years ended December 31, 2021 and 2020, the application of valuation techniques applied to similar assets has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

Marketable Equity Securities

The fair value of marketable equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

Recurring Fair Value Measurements

The table below presents the balances of assets measured at December 31, 2021 and 2020, at fair value on a recurring basis.

		2021			
		Total	Level 1	Level 2	Level 3
Mutual Funds					
Money market		22,623	22,623		
Bond funds		80,555	80,555		
Corporate equity funds		210,379	210,379		
Total		<u>313,557</u>	<u>313,557</u>		
		2020			
		Total	Level 1	Level 2	Level 3
Mutual Funds					
Money market		22,619	22,619		
Bond funds		81,691	81,691		
Corporate equity fund		173,249	173,249		
Total		<u>277,559</u>	<u>277,559</u>		

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 7. INVESTMENTS (Continued)

The carrying amounts, market value, unrealized gains, and unrealized losses of the level 1 marketable securities at December 31, 2021 and 2020, are as follows:

	2021		
	Cost	Unrealized Gain	Market Value
Mutual funds	<u>253,963</u>	<u>59,594</u>	<u>313,557</u>
	2020		
	Cost	Unrealized Gain	Market Value
Mutual funds	<u>222,631</u>	<u>54,928</u>	<u>277,559</u>

Management evaluates securities for other than temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial conditions and near-term prospects of the issuer, and (3) the intent and ability of the Organization to retain its investments in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. As management has the ability to hold securities for the foreseeable future, no declines are deemed to be other than temporary.

The following schedule summarized the investment return and its classification in the statements of activities for the years ended December 31, 2021 and 2020:

	2021	2020
	Total Unrestricted	Total Unrestricted
Net investment income	5,326	6,125
Realized gains	194	2,254
Unrealized gains	<u>31,168</u>	<u>31,380</u>
	<u>36,688</u>	<u>39,759</u>

LINCOLN LITERACY COUNCIL
NOTES TO FINANCIAL STATEMENTS

NOTE 8. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2021	2020
Cash and cash equivalents	399,587	352,776
Investments	313,557	277,559
Accounts receivable	<u>30,658</u>	<u>34,524</u>
Total financial assets available within one year	743,802	664,859
Less amounts restricted by donors	5,000	110,000
Less amounts unavailable to management without Board of Directors approval	<u>313,557</u>	<u>277,559</u>
Total financial assets available to management for general expenditure within one year	<u><u>425,245</u></u>	<u><u>277,300</u></u>

NOTE 9. PPP LOAN

In April 2020 the Organization received a \$93,000 loan from the SBA's Payroll Protection Program. This program provides loans to business that may be forgiven, provided certain criteria are met. The Organization completed the forgiveness process during 2020. Of the \$93,000 received, \$2,364 was repaid and the remaining \$90,636 is included in grant income.

NOTE 10. SUBSEQUENT EVENTS

Subsequent to year end, the Organization was awarded a \$700,00 American Rescue Plan Act Grant to be used for the purchase of a building. Grant funds will not be paid until a contract for purchase and/or renovation is approved.

Subsequent to year end, the Organization received a \$250,000 capstone gift. It is quasi-endowed, and the board intends to spend it over the next ten years.

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 18, 2022, the date the financial statements were available to be issued.