



Financial Statements
May 31, 2022 and 2021

Assistance League[®] of Salt Lake City

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Independent Auditor's Report

To the Board of Directors
Assistance League of Salt Lake City
Salt Lake City, UT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Assistance League of Salt Lake City, which comprise the statements of financial position as of May 31, 2022 and 2021, 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of Assistance League of Salt Lake City as of May 31, 2022 and 2021, and 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of Assistance League of Salt Lake City 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; 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 Assistance League of Salt Lake City's ability to continue as a going concern for 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 GAAS 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 GAAS, 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 Assistance League of Salt Lake City'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 Assistance League of Salt Lake City'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.



Salt Lake City, Utah
August 26, 2022

Assistance League of Salt Lake City
 Statements of Financial Position
 May 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents (Note 3)	\$ 1,161,606	\$ 974,519
Promises to give, net	-	11,115
Investments (Note 4)	495,821	528,203
Prepaid expenses and other assets	35,300	11,651
Inventories (Note 6)	148,209	92,818
Property and equipment, net (Note 7)	919,479	956,845
Total assets	\$ 2,760,415	\$ 2,575,151
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 12,438	\$ 18,730
Accrued liabilities	11,257	10,719
Capital lease obligation	9,967	12,261
Total liabilities	33,662	41,710
Net Assets		
Without donor restrictions	2,726,753	2,533,441
Total net assets	2,726,753	2,533,441
Total liabilities and net assets	\$ 2,760,415	\$ 2,575,151

Assistance League of Salt Lake City
Statements of Activities
For the Years Ended May 31, 2022 and 2021

	2022	2021
Unrestricted Revenue, Support and Gains		
Fundraising		
Thrift shop revenue		
Contributions of merchandise	\$ 786,297	\$ 544,785
Sales of donated merchandise	756,738	536,890
Less value of merchandise sold	(756,738)	(536,890)
Net revenue from thrift shop	786,297	544,785
Special events and other fundraising activities revenue		
Revenue	74,105	42,713
In-kind contributions	2,438	8,404
Less direct costs	(4,866)	(6,637)
Net revenue from special events	71,677	44,480
Contributions and grants	296,083	402,610
In-kind contributions	5,876	1,169
Membership dues	18,225	19,547
Net investment return (loss)	(32,382)	122,328
Interest income	475	651
Other	2,872	521
Total unrestricted revenue, support, and gains	1,149,123	1,136,091
Expenses		
Program services		
Operation School Bell	428,491	348,902
Operation Healthy Teeth	193,923	170,119
Baby Bundles	67,646	57,598
Eye on Community	11,793	-
Brighter Tomorrows	18,516	10,676
Book Bank	52,615	25,383
Assault Survivor Kits	26,461	21,632
Assisteens® Community Service	14,102	8,707
Total program services expenses	813,547	643,017
Supporting services		
Fundraising		
Thrift shop	90,951	80,969
Special events and other fundraising activities - indirect costs	3,966	2,380
Management and general	37,462	29,045
Membership development	9,885	9,725
Total supporting services expenses	142,264	122,119
Total expenses	955,811	765,136
Change in Net Assets	193,312	370,955
Net Assets - Beginning of Year	2,533,441	2,162,486
Net Assets - End of Year	\$ 2,726,753	\$ 2,533,441

See Notes to Financial Statements

Assistance League of Salt Lake City
Statement of Functional Expenses
Year Ended May 31, 2022

	Program Services								Supporting Services						
	Operation School Bell®	Operation Healthy Teeth	Baby Bundles	Brighter Tomorrows	Book Bank	Assault Survivor Kits®	Eye on Community	Assistees® Community Service	Total Program Services	Thrift Shop	Special Events	Management and General	Membership Development	Total Supporting Services	Total Expenses
Program supplies	\$ 347,590	\$ 170,364	\$ 58,507	\$ 16,553	\$ 46,138	\$ 23,205	\$ 10,759	\$ 11,940	\$ 685,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 685,056
Occupancy															
Utilities	7,105	3,229	1,033	545	775	388	129	258	13,462	10,359	-	352	-	10,711	24,173
Maintenance and repairs	16,372	7,442	2,381	279	1,786	893	298	595	30,046	33,591	-	1,860	-	35,451	65,497
Insurance	5,096	2,316	741	515	556	278	93	185	9,780	9,779	-	3,266	-	13,045	22,825
Depreciation	18,954	8,616	2,757	323	2,068	1,034	345	689	34,786	6,139	-	2,153	-	8,292	43,078
Postage and delivery	28,703	141	1,607	226	103	297	96	106	31,279	31	182	35	-	248	31,527
Printing and reproduction	510	214	69	8	731	26	9	17	1,584	843	2,438	54	-	3,335	4,919
Professional services	-	-	-	-	-	-	-	-	-	-	-	16,019	-	16,019	16,019
Public relations and advertising	608	276	88	10	66	33	11	22	1,114	197	-	792	-	989	2,103
Supplies	3,076	1,108	355	42	340	133	44	268	5,366	15,694	-	496	-	16,190	21,556
National dues	-	-	-	-	-	-	-	-	-	-	-	-	9,885	9,885	9,885
AL Circle Fund	-	-	-	-	-	-	-	-	-	-	-	500	-	500	500
National conference and meetings	103	47	15	9	11	6	2	4	197	166	-	882	-	1,048	1,245
Education	-	-	-	-	-	-	-	-	-	-	-	1,655	-	1,655	1,655
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	-	756,738	-	-	-	756,738	756,738
Bank service charges	-	-	39	-	-	148	-	4	191	12,412	183	490	-	13,085	13,276
Other	374	170	54	6	41	20	7	14	686	1,740	6,029	8,908	-	16,677	17,363
Total expenses	428,491	193,923	67,646	18,516	52,615	26,461	11,793	14,102	813,547	847,689	8,832	37,462	9,885	903,868	1,717,415
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	(756,738)	(4,866)	-	-	(761,604)	(761,604)
Total expenses included in the expenses section of the statement of activities	\$ 428,491	\$ 193,923	\$ 67,646	\$ 18,516	\$ 52,615	\$ 26,461	11,793	\$ 14,102	\$ 813,547	\$ 90,951	\$ 3,966	\$ 37,462	\$ 9,885	\$ 142,264	\$ 955,811

Assistance League of Salt Lake City
Statement of Functional Expenses
Year Ended May 31, 2021

	Program Services							Supporting Services						
	Operation School Bell®	Operation Healthy Teeth	Baby Bundles	Brighter Tomorrows	Book Bank	Assault Survivor Kits®	Assisteens® Community Service	Total Program Services	Thrift Shop	Special Events	Management and General	Membership Development	Total Supporting Services	Total Expenses
Program supplies	\$ 269,621	\$ 147,189	\$ 49,529	\$ 8,837	\$ 21,013	\$ 18,550	\$ 7,301	\$ 522,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 522,040
Occupancy														
Utilities	6,585	3,120	925	493	462	347	116	12,048	9,363	-	339	-	9,702	21,750
Maintenance and repairs	12,948	6,133	1,817	213	909	681	227	22,928	33,123	-	1,420	-	34,543	57,471
Insurance	5,073	2,403	712	494	356	267	89	9,394	9,394	-	3,413	-	12,807	22,201
Depreciation	18,575	8,799	2,607	306	1,304	978	326	32,895	5,805	-	2,035	-	7,840	40,735
Postage and delivery	30,094	131	1,313	253	179	440	24	32,434	404	535	63	-	1,002	33,436
Printing and reproduction	1,657	785	233	27	929	87	329	4,047	618	1,233	180	-	2,031	6,078
Professional services	-	-	-	-	-	-	-	-	-	-	15,550	-	15,550	15,550
Public relations and advertising	630	298	88	10	44	33	11	1,114	197	444	1,312	-	1,953	3,067
Supplies	3,265	1,046	310	36	155	116	276	5,204	11,445	-	427	-	11,872	17,076
National dues	-	-	-	-	-	-	-	-	-	-	-	9,725	9,725	9,725
AL Circle Fund	-	-	-	-	-	-	-	-	-	-	500	-	500	500
Education	-	-	-	-	-	-	-	-	-	-	776	-	776	776
Food and entertainment	-	-	-	-	-	-	-	-	-	6,637	-	-	6,637	6,637
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	536,890	-	-	-	536,890	536,890
Bank service charges	-	-	-	-	-	109	-	109	8,993	168	205	-	9,366	9,475
Other	454	215	64	7	32	24	8	804	1,627	-	2,825	-	4,452	5,256
Total expenses	348,902	170,119	57,598	10,676	25,383	21,632	8,707	643,017	617,859	9,017	29,045	9,725	665,646	1,308,663
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	(536,890)	(6,637)	-	-	(543,527)	(543,527)
Total expenses included in the expenses section of the statement of activities	\$ 348,902	\$ 170,119	\$ 57,598	\$ 10,676	\$ 25,383	\$ 21,632	\$ 8,707	\$ 643,017	\$ 80,969	\$ 2,380	\$ 29,045	\$ 9,725	\$ 122,119	\$ 765,136

Assistance League of Salt Lake City
 Statements of Cash Flows
 Years Ended May 31, 2022 and 2021

	2022	2021
Operating Activities		
Change in net assets	\$ 193,312	\$ 370,955
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	43,078	40,735
Net investment (return) loss	32,382	(122,328)
Changes in operating assets and liabilities		
Promises to give	11,115	(11,115)
Prepaid expenses and other assets	(23,649)	10,232
Inventories	(55,391)	(35,921)
Accounts payable	(6,292)	16,576
Accrued liabilities	538	10,294
	195,093	279,428
Net Cash from Operating Activities		
Investing Activities		
Purchase of property and equipment	(5,712)	(8,250)
Purchase of investments	(21,572)	(35,990)
Proceeds from the sale of investments	21,572	35,989
	(5,712)	(8,251)
Net Cash used for Investing Activities		
Financing Activities		
Principal payments on capital lease obligation	(2,294)	-
	(2,294)	-
Net Change in Cash and Cash Equivalents	187,087	271,177
Cash and Cash Equivalents, Beginning of Year	974,519	703,342
Cash and Cash Equivalents, End of Year	\$ 1,161,606	\$ 974,519
Supplemental Disclosure of Non-Cash Investing and Financing Activity		
Equipment financed through capital lease arrangement	\$ -	\$ 12,261

Note 1 - Principal Activities and Significant Accounting Policies

Nature of Activities

Assistance League of Salt Lake City was organized under the laws of the State of Utah as a nonprofit corporation established to provide philanthropic service to the community. It is a chartered chapter of National Assistance League. The accompanying financial statements include the activities of the Chapter and its auxiliaries, Consociates Auxiliary of Assistance League of Salt Lake City and Assisteens® (collectively the Chapter). The Chapter provides the following philanthropic programs in the community:

Operation School Bell®

Purchases and distributes new clothing to school children in need referred by school personnel.

Operation Healthy Teeth

Facilitates the provision of urgent dental treatment for qualified uninsured children.

Baby Bundles

Purchases and provides newborn layette items to selected agencies and hospitals for distribution to mothers in need.

Brighter Tomorrows

Provides appropriate clothing for referred individuals returning to the work force or school.

Book Bank

Plans and implements a literacy program for children and purchases appropriate books.

Assault Survivor Kits®

Purchases and provides clothing and hygiene articles to selected agencies for victims of sexual assault.

Eye on the Community

Provides aid in response to identified and emerging community needs that are not met by the other programs.

Assisteens® Community Service

Provides programs and services to youth, seniors, and others in need.

The operation of the Chapter's thrift shop, private donations, foundation grants and other fundraising efforts provide a significant portion of the Chapter's support and revenues.

Cash and Cash Equivalents

The Chapter considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Inventories

The Chapter maintains an inventory of new clothing for use in its various programs, including Operation School Bell®, which is stated at the lower of cost or net realizable value determined by first-in, first-out method. The Chapter also maintains an inventory of donated used clothing, furniture and household items for resale in the Chapter's thrift shop. Donated inventory is valued at its estimated fair market value.

Property and Equipment

Property and equipment additions are recorded at cost or, if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from five to forty years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended May 31, 2022 and 2021.

Investments

The Chapter records investment purchases at cost or, if donated, at fair value on the date of donation. Thereafter, investments are reported at fair value in the statements of financial position. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Net Assets

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 available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) 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 be maintained in perpetuity. The Chapter reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. At May 31, 2022 and 2021, the Chapter has no restricted net assets.

Revenue and Revenue Recognition

Revenues from the sale of donated used clothing and household items from the Chapter's thrift shop are recognized when the sale occurs, and all performance obligations have been fulfilled.

The Chapter recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Membership dues, which are nonrefundable, do not have a material exchange element and are therefore recorded as a contribution when received.

The Chapter records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

During the years ended May 31, 2022 and 2021, all revenue was recognized at a point in time.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to the Chapter's program services, administration, and fundraising and development activities. A significant portion of the Chapter's functions and programs are conducted by unpaid member volunteers. However, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. During the year ended May 31, 2022, these volunteers donated approximately 31,203 hours with an estimated value of \$927,353. This value was computed using an estimated hourly rate of \$29.72, based upon the average hourly earnings of nonagricultural workers for the year ended December 31, 2021, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, which includes 15% for estimated fringe benefits. During the year ended May 31, 2021, these volunteers donated approximately 31,939 hours with an estimated value of \$896,208. This value was computed using an estimated hourly rate of \$28.06, based upon the average hourly earnings of nonagricultural workers for the year ended May 31, 2021, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, which includes 12% for estimated fringe benefits.

Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received.

Advertising Costs

Advertising costs are expensed as incurred and approximated \$2,100 and \$3,000 during the years ended May 31, 2022 and 2021, respectively.

Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, supplies, postage and delivery, printing and reproduction and other, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Chapter is organized as a Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contribution, and has been determined not to be a private foundation. Exempt status is also recognized by the State of Utah under the same IRC section. The Chapter is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Chapter is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Chapter has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Chapter believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Chapter would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 and those differences could be material.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At May 31, 2022 and 2021, the Chapter had no uninsured deposits at these institutions. To date, the Chapter has not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by management and the Finance Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Investment Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Chapter.

Subsequent Events

Management has evaluated subsequent events through August 26, 2022, the date the financial statements were available to be issued.

Note 2 - 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, comprise the following at May 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,161,606	\$ 974,519
Promises to give, net	-	11,115
Investments	<u>495,821</u>	<u>528,203</u>
	<u>\$ 1,657,427</u>	<u>\$ 1,513,837</u>

To build upon past achievements and ensure future sustainability, the Chapter has a policy that requires the board to maintain net assets without donor restrictions sufficient for one year's operating expenses. In addition to the financial assets noted above, the Chapter has thrift shop inventory that will likely be converted to cash or available for general expenditure during the course of the next year's operations.

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consist of the following at May 31, 2022 and 2021:

	2022	2021
Checking Accounts		
Wells Fargo	\$ 50,689	\$ 95,076
Zions Bank	26,571	86,078
Chase	160,948	161,322
Bank of America	94,939	-
Total checking accounts	333,147	342,476
Savings Accounts		
Wells Fargo	170,238	140,221
Chase	58,246	85,277
Zions Bank	201,170	158,115
TIAA	248,793	248,430
Bank of America	150,012	-
Total savings accounts	828,459	632,043
Total cash and cash equivalents	\$ 1,161,606	\$ 974,519

Note 4 - Investments

Investments as of May 31, 2022 and 2021, are stated at fair value and consist of mutual funds. For the years ended May 31, 2022 and 2021, net realized and unrealized gains (losses) were (\$51,114) and \$106,661, respectively, and interest income and dividends were \$18,732 and \$15,667, respectively.

Note 5 - Fair Value Measurements

The Chapter reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting Chapter. Unobservable inputs are inputs that reflect the reporting Chapter's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset or liability.

The Chapter's investments are reported at fair value as determined using Level 1 inputs under the fair value hierarchy because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. The following table presents assets and liabilities measured at fair value on a recurring basis, at May 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Mutual funds (level 1)		
Equity funds	\$ 303,358	\$ 327,019
Fixed income	<u>192,463</u>	<u>201,184</u>
Total	<u>\$ 495,821</u>	<u>\$ 528,203</u>

Note 6 - Inventories

Inventories at May 31, 2022 and 2021, consist of the following:

	<u>2022</u>	<u>2021</u>
Thrift shop (used clothing, furniture and household items)	\$ 69,813	\$ 44,157
Operation School Bell® (new clothing)	66,368	37,917
Other program inventories	<u>12,028</u>	<u>10,744</u>
Total inventories	<u>\$ 148,209</u>	<u>\$ 92,818</u>

Note 7 - Property and Equipment

Property and equipment consists of the following at May 31, 2022 and 2021:

	2022	2021
Buildings and improvements	\$ 1,317,079	\$ 1,312,979
Land	464,490	464,490
Parking lot improvements	53,202	53,202
Equipment	50,650	49,039
Fence	3,061	3,061
	1,888,482	1,882,771
Less accumulated depreciation and amortization	(969,003)	(925,926)
Total property and equipment, net	\$ 919,479	\$ 956,845

Note 8 - Leases

The Company leases office equipment under a capital lease that expires in August 2026.

Future minimum lease payments are as follows:

	Years Ending May 31,
2023	\$ 2,388
2024	2,388
2024	2,388
2026	2,388
2027	597
	10,149
Total minimum lease payments	10,149
Less amount representing interest	(182)
Capital lease obligation	\$ 9,967

Assistance League of Salt Lake City

Notes to Financial Statements

May 31, 2022 and 2021

Leased property under the capital lease at May 31, 2022 and 2021 includes the following:

	2022	2021
Equipment	\$ 12,261	\$ 12,261
Less accumulated amortization	(2,530)	(195)
	\$ 9,731	\$ 12,066

Note 9 - Special Events

The Chapter has various fundraising events to help fund operations. The revenue and related expenses from such events for the years ended May 31, 2022 and 2021, are as follows:

2022				
	Revenue	Direct Costs	Other Event Costs	Net Revenue
Annual Appeal 2021 - 2022	\$ 46,188	\$ -	\$ (2,792)	\$ 43,396
Women of Distinction Luncheon	30,155	(4,866)	(1,163)	24,126
Giving Tuesday	200	-	(11)	189
	\$ 76,543	\$ (4,866)	\$ (3,966)	\$ 67,711
2021				
	Revenue	Direct Costs	Other Event Costs	Net Revenue
Annual Appeal 2020 - 2021	\$ 32,531	\$ -	\$ (1,931)	\$ 30,600
Women of Distinction Luncheon	1,000	-	(444)	556
Donor Sponsored Event	17,586	(6,637)	(5)	10,944
	\$ 51,117	\$ (6,637)	\$ (2,380)	\$ 42,100

Note 10 - Noncash Contributions

During the years ended May 31, 2022 and 2021, the Chapter received contributions of merchandise totaling \$786,297 and \$544,785, respectively, for the Chapter's thrift shop. In addition, the Chapter received other noncash contributions that have been reflected in the accompanying financial statements as follows:

	<u>2022</u>	<u>2021</u>
Fundraising supplies	\$ 2,438	\$ 8,404
Program supplies	<u>5,876</u>	<u>1,169</u>
Total	<u><u>\$ 8,314</u></u>	<u><u>\$ 9,573</u></u>