



FINANCIAL STATEMENTS  
Year Ended December 31, 2023

# LIVE AND LEARN PROGRAM

Year Ended December 31, 2023

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**Audit, Tax, Management Advisory,  
Forensic and Internal Control Consulting**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of *Live and Learn Program*:

### **Opinion**

I have audited the accompanying consolidated financial statements of Live and Learn Program (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Live and Learn Program as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Live and Learn Program and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **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 Live and Learn Program'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**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Live and Learn Program'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 consolidated financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Live and Learn Program's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

*Gregory Michael Coy, CPA, PLLC*

Gregory Michael Coy, CPA, PLLC  
Phoenix, AZ

July 24, 2024

## LIVE AND LEARN PROGRAM

Statement of Financial Position  
December 31, 2023

### ASSETS

	<u>2023</u>
CURRENT ASSETS	
Cash	\$ 854,639
Government grants receivable	164,596
Contributions receivable	47,000
Other receivables	1,059
Prepaid expenses	<u>23,961</u>
TOTAL CURRENT ASSETS	1,091,255
CONTRIBUTIONS RECEIVABLE, NET OF DISCOUNT OF \$5,020	30,980
OPERATING LEASE RIGHT-OF-USE ASSETS	31,979
PROPERTY AND EQUIPMENT, net	<u>16,069</u>
TOTAL ASSETS	<u>\$ 1,170,283</u>

### LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable and accrued expenses	9,375
Current portion of operating lease liabilities	32,427
Current portion of long-term debt	<u>2,145</u>
TOTAL CURRENT LIABILITIES	43,947
OPERATING LEASE LIABILITIES, NET OF CURRENT PORTION	-
LONG-TERM DEBT, NET OF CURRENT PORTION	<u>148,206</u>
TOTAL LIABILITIES	<u>192,153</u>
NET ASSETS	
Net assets without donor restrictions	746,321
Net assets with donor restrictions	<u>231,809</u>
TOTAL NET ASSETS	<u>978,130</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,170,283</u>

See Accompanying Notes to Financial Statements

## LIVE AND LEARN PROGRAM

Statement of Activities  
For the Year Ended December 31, 2023

	Net assets without donor restrictions	Net assets with donor restrictions	2023
<b>SUPPORT AND REVENUE</b>			
Contributions	324,690	\$ 332,262	\$ 656,952
Governmental grant revenue	574,634	-	574,634
Donated materials and supplies	11,073	-	11,073
Donated services	3,690	-	3,690
Interest and dividend income	22,378	-	22,378
Other revenue	47	-	47
Total support and revenue before special events and net assets released from restrictions	936,512	332,262	1,268,774
Special events:			
Revenue from special events	32,362	-	32,362
Less costs of direct donor benefits	(10,582)	-	(10,582)
Donated auction items	10,102	-	10,102
Gain (loss) on auction	(2,121)	-	(2,121)
Gross profit (loss) on special events	29,761	-	29,761
Net assets released from restrictions	160,642	(160,642)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>1,126,915</b>	<b>171,620</b>	<b>1,298,535</b>
<b>EXPENSES</b>			
Program services	715,530	-	715,530
Supporting services:			
Management and general	101,355	-	101,355
Fundraising	148,308	-	148,308
Total supporting services	249,663	-	249,663
<b>TOTAL EXPENSES</b>	<b>965,193</b>	<b>-</b>	<b>965,193</b>
<b>CHANGE IN NET ASSETS</b>	<b>161,722</b>	<b>171,620</b>	<b>333,342</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>584,599</b>	<b>60,189</b>	<b>644,788</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 746,321</b>	<b>\$ 231,809</b>	<b>\$ 978,130</b>

See Accompanying Notes to Financial Statements

## LIVE AND LEARN PROGRAM

### Statement of Functional Expenses For the Year Ended December 31, 2023

	Total Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	2023
Personnel expenses:					
Salaries and wages	\$ 396,725	\$ 42,594	\$ 72,410	\$ 115,004	\$ 511,729
Payroll taxes and employee benefits	50,200	6,702	8,094	14,796	64,996
	<u>446,925</u>	<u>49,296</u>	<u>80,504</u>	<u>129,800</u>	<u>576,725</u>
Client welfare	153,176	-	-	-	153,176
Professional fees	37,729	40,225	39,625	79,850	117,579
Lease expense	25,193	2,709	4,605	7,314	32,507
Computer and technology	8,085	318	541	859	8,944
Telephone and internet	3,472	373	635	1,008	4,480
Dues and subscriptions	3,935	423	719	1,142	5,077
Bank and merchant fees	-	3,227	3,597	6,824	6,824
Small furniture & equipment	4,383	98	597	695	5,078
Supplies and materials	1,748	188	320	508	2,256
Fundraising	-	-	3,663	3,663	3,663
Staff development	15,121	543	75	618	15,739
Printing and postage	2,503	269	458	727	3,230
Insurance	1,455	156	266	422	1,877
Depreciation and amortization	5,088	547	930	1,477	6,565
Repairs and maintenance	842	91	154	245	1,087
Board expenses	-	1,974	-	1,974	1,974
Travel	591	323	54	377	968
Interest	3,246	349	593	942	4,188
Bad debt	-	-	10,000	10,000	10,000
Other expense	2,038	246	972	1,218	3,256
	<u>\$ 715,530</u>	<u>\$ 101,355</u>	<u>\$ 148,308</u>	<u>\$ 249,663</u>	<u>\$ 965,193</u>

See Accompanying Notes to Financial Statements

## LIVE AND LEARN PROGRAM

### Statement of Cash Flows For the Year Ended December 31, 2023

	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 333,342
Adjustment to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	6,565
Amortization of right-of-use assets for operating leases	31,036
Interest accrual on Economic Disaster Recovery Loan	4,189
Changes in operating assets and liabilities:	
Decrease (increase) in:	
Governmental grants receivable	7,983
Contributions receivable	(42,980)
Other receivables	1,639
Prepaid expenses	(14,596)
Increase (decrease) in:	
Accounts payable and accrued expenses	(2,571)
Refundable advances	(5,000)
Operating lease liability	(31,486)
Net cash provided by operating activities	288,121
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payments on long-term debt	(7,800)
Net cash used in investing activities	(7,800)
 <b>NET CHANGE IN CASH</b>	280,321
<b>CASH, BEGINNING OF YEAR</b>	574,318
<b>CASH, END OF YEAR</b>	\$ 854,639
 <b>SUPPLEMENTAL DISCLOSURES:</b>	
Cash paid for interest	\$ 7,800
Cash paid for income taxes	\$ -
Non-cash financing activities:	
Donated property and equipment	\$ -
Interest accrual on Economic Disaster Recovery Loan	\$ 4,189

See Accompanying Notes to Financial Statements



# LIVE AND LEARN PROGRAM

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

### (1) Organization purpose and summary of significant accounting policies

**Organizational purpose** – Live and Learn Program (the Organization) is a not-for-profit organization incorporated in 2014 in Arizona. The Organization's primary purpose is to help women impacted by poverty and violence. The Organization fulfills this mission by providing clients with a structured pathway to economic independence through personalized career planning, education, training, mentoring and financial assistance. The Organization's support is generated primarily from contributions and governmental grant programs.

The significant accounting policies followed by the Organization are as follows:

*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 assets and liabilities.

*Basis of presentation* - The financial statement presentation reports information regarding its financial position and activities according to two classes of net assets:

*Net Assets Without Donor Restrictions* – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

*Net Assets With Donor Restrictions* – Assets subject to usage limitations based on donor imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity. At December 31, 2023, the Organization had no restrictions required to be maintained in perpetuity.

*Managements' use of estimates* - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Cash & equivalents* - Cash includes cash and, at times, cash equivalents consisting of highly liquid financial instruments purchased with original maturities of three months or less. Deposits at financial institutions are insured in limited amounts by the Federal Deposit Insurance Corporation (FDIC). From time to time, these deposits may exceed the insurance amounts provided by the FDIC.

*Governmental grants receivable* - Governmental grants receivable consists of unconditional contributions receivable from local government agencies under grant agreements. The grant agreements contain significant donor-imposed conditions and were initially conditional contributions. Governmental grants receivable are not recognized until the donor-imposed conditions are substantially met. Governmental grants receivable are considered by management to be collectible in full and, accordingly, an allowance for doubtful accounts is not considered necessary. At December 31, 2023, all governmental grants receivable were due within one year.

*Contributions receivable* - Unconditional promises to give (pledges) are recognized as revenues in the period the promise is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

# LIVE AND LEARN PROGRAM

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) **Organizational purpose and summary of significant accounting policies (continued)**

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and credit to contributions receivable. At December 31, 2023, all contributions receivable are deemed to be fully collectible by management. Accordingly, no allowance for uncollectible promises to give was recorded in the accompanying financial statements. At December 31, 2023, the Organization has \$47,000 of contributions receivable due in less than 1 year and has a gross contributions receivable of \$36,000 due in 1 to 5 years. The contributions receivable due in 1 to 5 years are related to single multi-year contribution receivable that is discounted at a rate of 4.57% for a present value discount of \$5,020 at December 31, 2023.

*Property and equipment and related depreciation* - Purchased property and equipment is valued at cost and donated property and equipment is recorded at the fair value at the date of the gift to the Organization. Maintenance and repairs are charged to operations when incurred. Betterments and renewals in excess of \$2,500 are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations. Depreciation of property and equipment is computed on a straight-line basis over the following estimated useful lives:

Furniture	5 years
Software	3 years

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of the donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions absent donor stipulations regarding how long those donated assets must be maintained. The Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

*Impairment of long-lived assets* – the Organization accounts for long-lived assets in accordance with the provisions of *Accounting for the Impairment of Long-Lived Assets*. This accounting standard requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future cash flows to be expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying value of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. Management believes that no long-lived assets have any impairment of value.

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

(1) **Organizational purpose and summary of significant accounting policies (continued)**

*Contributions* - Contributions received are recorded as support with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions or without donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions on unconditional contributions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

*Conditional contributions* – Conditional contributions contain a donor-imposed condition that represents a barrier that must be overcome before the Organization is entitled to the assets transferred or promised. Failure to overcome the barrier gives the donor a right of return of the assets it has transferred or gives the promisor a right of release from its obligation to transfer its assets. Conditional contributions are recognized as support, either with or without donor restrictions, when donor-imposed conditions are substantially met (i.e., barriers are overcome). Restrictions on conditional contributions that are met in the same reporting period as the revenue is recognized are reported in the statement of activities as support within net assets without donor restrictions.

*Governmental grant revenue* - Governmental grant revenue consists of donor restricted contributions received from local governmental agencies. The grant agreements contain substantial conditions that must be met prior to recognition of the support. The donor-imposed conditions primarily consist of qualifying expenditures that must be incurred by the Organization before the governmental agency will reimburse those expenditures. Conditional contributions are recognized as support, either with or without donor restrictions, when donor-imposed conditions are substantially met (i.e., barriers are overcome). These contributions are restricted by the agency to support certain programs. Donor restrictions are also satisfied when qualifying expenditures are incurred for the donor-specified program. Accordingly, governmental grant revenue is reported as support within net assets without donor restrictions.

*Special events 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. 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 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 accompanying consolidated statement of changes in net assets. All proceeds received in excess of the direct costs are recorded as special events contributions in the accompanying statement of changes in net assets.

*Exchange transaction revenue recognition* - Exchange transaction revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. For the year ended December 31, 2023, the Organization does not have any exchange transaction revenue.

*Fair value measurements* – The Organization utilizes a valuation framework that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value measurements. The Organization measures fair value based on a three-level hierarchy of inputs, of which the first two are considered observable and the last unobservable. For the years ended December 31, 2023, the Organization did not have any assets or liabilities subject to fair value measurement other than at initial recognition.

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

**(1) Organizational purpose and summary of significant accounting policies (continued)**

*Functional allocation of expenses* - The costs of providing programs and other activities have been presented on a functional basis in the statements of activities and functional expenses. Directly identifiable expenses are charged to programs and supporting services. Certain costs have been allocated among the program and supporting services benefited based on management's estimate of time and effort devoted to each activity.

*Income tax status* – The Organization is organized as an Arizona non-profit 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) and has been determined not to be a private foundation under Sections 509(a)(1) and 170(b)(1)(A)(vi). Accordingly, contributions to the Organization qualify for the charitable contribution deduction under Section 170. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is generally subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. Management has determined the Organization has no taxable unrelated business income related to the Organization's activities and it has not filed the Exempt Organization Business Income Tax Return (IRS Form 990-T), or its Arizona equivalent, Form 99-T. The tax years ended 2020, 2021, and 2022 are still open to audit for both federal and state purposes.

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

*Subsequent events* - the Organization evaluated subsequent events after the statement of financial position date of December 31, 2023 through July 24, 2024, which was the date the Organization's financial statements were available to be issued. No conditions were noted that did not exist as of December 31, 2023, but arose subsequent to that date.

- During April 2024, the Organization paid in full the loan made through the Small Business Association under the Economic Injury Disaster Loan Program.
- During 2024, the Executive Director left the Organization and the position is currently being filled by an Interim Executive Director.

**(2) Liquidity and availability of financial assets**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization has various sources of liquidity at its disposal, including cash & cash equivalents and current contributions receivable. The Organization structures its financial assets to be available to meet general expenditures, liabilities and other obligations as they come due. The Organization manages its liquid resources by depositing cash in interest-bearing bank accounts.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization prepares and operates within an annual budget.

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS Year Ended December 31, 2023

**(2) Liquidity and availability of financial assets (continued)**

Financial assets available to meet general expenditures within one year:

	2023
Cash and cash equivalents	\$ 854,639
Receivables due in the next 12 months	212,655
	1,067,294
Donor imposed time and purpose restrictions	(231,809)
Financial assets available to meet general expenditures	\$ 835,485

**(3) Property and equipment**

Property and equipment consist of:

	2023
Cost or donated value:	
Furniture	\$ 14,310
Software	11,109
Total cost or donated value	25,419
Accumulated depreciation	(9,350)
Net property and equipment	16,069

Depreciation expense charged to operations is \$6,565 for the year ended December 31, 2023.

**(4) Long-term debt**

The Organization entered into a promissory note (loan) with a financial institution dated March 19, 2021. The loan is through the Small Business Association under the Economic Injury Disaster Loan Program. The loan was in the amount of \$150,000 and bears interest at a fixed rate of 2.75%. The loan is to be repaid in 342 monthly payments of principal and interest of \$641, which will begin 18 months from the date of the note (the “deferral period”). The note matures and all outstanding principal and accrued interest are due March 19, 2051. Interest will continue to accrue during the deferral period. The note is secured by all tangible and intangible assets of the Organization and the loan proceeds must be used for working capital. The outstanding balance of the note at December 31, 2023 is \$150,351. During April 2024, the Organization paid in full the loan made through the Small Business Association under the Economic Injury Disaster Loan Program.

Future maturities of long-term debt are as follows:

Years Ending December 31,		
2024	\$	7,692
2025		7,692
2026		7,692
2027		7,692
2028		7,692
Thereafter		180,442
Total future payments on long-term debt		218,902
Less: Amount representing interest		(68,551)
Total outstanding long-term debt	\$	150,351

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

**(5) Leases**

The Organization has entered into a lease for its facility which is classified as an operating lease, in accordance with ASC 842. The lease renewed as of January 1, 2022 and is treated as an operating lease. The lease agreement expires in December 2024. The lease does not contain any renewal or extension options. The Organization has elected the practical expedient in ASC 842-20-50-10, and has used risk-free rates as the discount rates on these leases. Minimum future lease payments under operating leases having remaining terms in excess of one year at December 31, 2023, are as follows:

<u>Years Ending December 31,</u>	
2024	\$ 32,948
Total minimum future lease payments	<u>\$ 32,948</u>

Lease cost and other information for the year ended December 31, 2023, is as follows:

<u>Lease cost</u>	<u>2023</u>
Operating lease cost	\$ 32,507
Total lease cost	<u>\$ 32,507</u>
 <u>Other information</u>	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows on operating leases	\$ 32,948
Weighted average remaining lease term - operating leases	1 Year
Weighted average discount rate - operating leases	3.04%

**(6) Net assets with donor restrictions and release of restrictions**

Net assets with donor restrictions consist of the following:

	<u>2023</u>
Purpose restrictions:	
Economic Empowerment for Women	\$ 111,792
Empowerment Center	25,000
Empowerment events	8,255
Women Building Resiliency	8,782
Time restrictions:	
Contributions receivable	77,980
Total restricted net assets	<u>\$ 231,809</u>

Net assets released from restrictions consist of the following:

	<u>2023</u>
Purpose restrictions:	
Economic Empowerment for Women	\$ 96,708
Client coordinator salary	15,667
Empowerment events	3,745
Dental care	9,522
Time restrictions:	
Contributions receivable	35,000
Total released from restrictions	<u>\$ 160,642</u>

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

#### (7) **Contributed nonfinancial assets**

Donated rent and facilities, material, supplies, and services (also known as contributed nonfinancial assets) are recorded at their estimated values if they enhance the Organization's nonfinancial assets or require specialized skills that the Organization would normally purchase, if not provided by donation.

The Organization utilizes and depends on the services of volunteers to perform a variety of tasks that assist the Organization with specific programs and fundraising. No amounts have been reflected in the financial statements for these services, since they did not meet the recognition requirements under generally accepted accounting standards.

Support from contributed nonfinancial assets for the year ended December 31, 2021 are as follows:

	<u>Revenue Recognized</u>	<u>Utilization in Programs/Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Special event auction items	\$ 10,102	Monetized during event auction	No associated donor restrictions	Contributed special event auction items are valued at the estimated retail values that would be received from selling similar products in the United States.
Accounting services	\$ 3,000	Management and general activities	No associated donor restrictions	Contributed accounting services are valued at the estimated fair value based upon current rates for similar services.
Program supplies	\$ 9,352	All program services	No associated donor restrictions	Contributed program supplies are valued at the estimated retail values that would be received from selling similar products in the United States.
Toiletries	\$ 1,621	All program services	No associated donor restrictions	Contributed toiletries are valued at the estimated retail values that would be received from selling similar products in the United States.
Printing services	\$ 690	All program services	No associated donor restrictions	Contributed printing services are valued at the estimated fair value based upon current rates for similar services.
Clothing	\$ 50	All program services	No associated donor restrictions	Contributed clothing is valued at the estimated "Thrift shop value", along with estimated retail values that would be received from selling similar clothing items in the United States.
Furniture	\$ 50	All program services, management and general and fundraising activities	No associated donor restrictions	Contributed furniture is valued at the estimated retail values that would be received from selling similar products in the United States.

#### (8) **Concentrations**

Cash at depository financial institutions is insured in limited amounts by the Federal Deposit Insurance Corporation (FDIC). Typically, the Organization's depository accounts at financial institutions do not exceed the FDIC insurance amount.

At December 31, 2023, the loan through the Small Business Association Federal under the Economic Injury Disaster Loan Program, and the related accrued interest, is approximately 78% of total liabilities.

During the year ended December 31, 2023, the Organization recognized revenue related to a grant from the Arizona Department of Economic Security that is approximately 20% of total revenue and support.

## LIVE AND LEARN PROGRAM

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2023

**(8) Concentrations (continued)**

During the year ended December 31, 2023, the Organization recognized revenue related to a grant from the Arizona Coalition to End Sexual and Domestic Violence that is approximately 21% of total revenue and support.

**(9) Related party transactions**

The Board members and key employees periodically make contributions to the Organization. Contributions of approximately \$8,700 were made by Board members during the year ended December 31, 2023.

**(10) Retirement plan**

The Organization has a retirement plan under section 401(k) of the internal revenue code. Employees who meet specified age and length of service requirements are eligible to participate in the plan. Employees may contribute up to the maximum amount allowable under IRS guidelines for each year. The Organization is allowed to make annual discretionary contributions. Participants are fully vested for employer matching and discretionary contributions after they meet the specified age and length of service requirements and become participants in the plan. The Organization made a contribution to the plan in the amount of \$5,527 for the year ended December 31, 2023.