

Friends World Committee for Consultation, Section of the Americas

Financial Statements
Year Ended April 30, 2022



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FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

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INDEPENDENT AUDITOR'S REPORT

**Executive Committee
Friends World Committee for Consultation,
Section of the Americas
Philadelphia, Pennsylvania**

Opinion

We have audited the accompanying financial statements of Friends World Committee for Consultation, Section of the Americas (a nonprofit organization), which comprise the statement of financial position as of April 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends World Committee for Consultation, Section of the Americas, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards. 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 Friends World Committee for Consultation, Section of the Americas 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 Friends World Committee for Consultation, Section of the Americas ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Friends World Committee for Consultation, Section of the Americas' 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 Friends World Committee for Consultation, Section of the Americas' 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.

BBD LLP

Philadelphia, Pennsylvania
September 15, 2022

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

STATEMENT OF FINANCIAL POSITION

April 30, 2022

ASSETS

Cash	\$ 259,280
Contributions receivable	47,634
Prepaid expenses and other assets	29,817
Investments	1,024,278
Beneficial interest in charitable remainder trusts	99,900
Beneficial interest in perpetual trusts	<u>707,716</u>
Total assets	<u>\$ 2,168,625</u>

LIABILITIES

Accounts payable and accrued expenses	\$ 31,599
Contributions payable to the World Office	112,531
Funds held for others	<u>54,300</u>
Total liabilities	<u>198,430</u>

NET ASSETS

Without donor restrictions	
Operating	16,537
Board designated	<u>568,679</u>
Total without donor restrictions	585,216
With donor restrictions	<u>1,384,979</u>
Total net assets	<u>1,970,195</u>
Total liabilities and net assets	<u>\$ 2,168,625</u>

See accompanying notes

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

STATEMENT OF ACTIVITIES

Year ended April 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Support from meetings and members	\$ 455,904	\$ 106,538	\$ 562,442
Events and other income	14,637	-	14,637
Income distributions from investments and from beneficial interest in perpetual trusts	24,378	37,649	62,027
Net assets released from restrictions	<u>35,017</u>	<u>(35,017)</u>	<u>-</u>
Total revenue and support	<u>529,936</u>	<u>109,170</u>	<u>639,106</u>
EXPENSES			
Program services			
Section programs	241,549	-	241,549
Supporting services			
Management and general	97,310	-	97,310
Fundraising	<u>100,450</u>	<u>-</u>	<u>100,450</u>
Total expenses	<u>439,309</u>	<u>-</u>	<u>439,309</u>
CHANGE IN NET ASSETS BEFORE OTHER CHANGES	<u>90,627</u>	<u>109,170</u>	<u>199,797</u>
OTHER CHANGES			
Net realized and unrealized loss on investments	(45,412)	(59,233)	(104,645)
Change in value of beneficial interest in charitable remainder trusts	-	(10,800)	(10,800)
Change in value of beneficial interest in perpetual trusts	<u>-</u>	<u>(76,166)</u>	<u>(76,166)</u>
Total other changes	<u>(45,412)</u>	<u>(146,199)</u>	<u>(191,611)</u>
CHANGE IN NET ASSETS	45,215	(37,029)	8,186
NET ASSETS			
Beginning of year	<u>540,001</u>	<u>1,422,008</u>	<u>1,962,009</u>
End of year	<u>\$ 585,216</u>	<u>\$ 1,384,979</u>	<u>\$ 1,970,195</u>

See accompanying notes

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

STATEMENT OF FUNCTIONAL EXPENSES

Year ended April 30, 2022

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and fringe benefits	\$ 90,199	\$ 35,486	\$ 65,087	\$ 190,772
Contracted services	37,226	27,437	15,767	80,430
Event costs	7,956	2,233	-	10,189
Grants and contributions				
World Office	88,678	-	-	88,678
Other	3,000	-	-	3,000
Office expenses	3,784	6,197	14,537	24,518
Rent	7,175	2,554	2,432	12,161
Telephone	1,568	502	478	2,548
Travel	1,031	16,731	2,149	19,911
Miscellaneous	932	6,170	-	7,102
Total expenses	<u>\$ 241,549</u>	<u>\$ 97,310</u>	<u>\$ 100,450</u>	<u>\$ 439,309</u>

See accompanying notes

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

STATEMENT OF CASH FLOWS

Year ended April 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

<i>Change in net assets</i>	\$ 8,186
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>	
Net realized and unrealized loss on investments	104,645
Change in value of split interest agreements	86,966
Change in discount on contributions payable to the World Office	2,000
Forgiveness of Paycheck Protection Program loan	(67,637)
(Increase) decrease in	
Contributions receivable	(37,634)
Prepaid expenses and other assets	(2,107)
Increase (decrease) in	
Accounts payable and accrued expenses	(15,229)
Contributions payable to the World Office	<u>7,075</u>
Net cash provided by operating activities	<u>86,265</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments	(201,599)
Proceeds from sale of investments	<u>85,786</u>
Net cash used for investing activities	<u>(115,813)</u>

Net decrease in cash (29,548)

CASH

Beginning of year	<u>288,828</u>
End of year	<u>\$ 259,280</u>

See accompanying notes

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

(1) NATURE OF OPERATIONS

Friends World Committee for Consultation, Section of the Americas ("**FWCC**"), a nonprofit organization, was formed in 1937 to encourage fellowship among all the branches of the Religious Society of Friends. In the Americas, the Quaker community extends from the Arctic to the Andes, spanning a rich diversity of regional cultures, beliefs and styles of worship. FWCC offers programs that unite Friends across the hemisphere through Spirit-led fellowship.

(2) SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

FWCC reports information regarding its financial position and activities according to the following classes of net assets:

Without donor restrictions

Net assets that are not subject to donor-imposed restrictions.

With donor restrictions

Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of FWCC and/or the passage of time. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Also included in this category are net assets subject to donor-imposed restrictions that require the net assets to be maintained indefinitely while permitting FWCC to expend the income generated in accordance with the provisions of the contribution.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Fair Value Measurements of Assets and Liabilities

Generally accepted accounting principles ("**GAAP**") define fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of FWCC. Unobservable inputs reflect FWCC's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that FWCC has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these assets and liabilities does not entail a significant degree of judgment.

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable, that is, inputs that reflect FWCC's own assumptions.

Contributions Receivable

Contributions receivables are expected to be received during the fiscal year ended April 30, 2023 except for \$5,000 which is expected to be received in fiscal 2024 and 2025. Management has not recorded a discount as the amount is deemed immaterial.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, as determined by quoted market prices, with gains and losses included in the statement of activities. Interest and dividends are recorded as earned.

FWCC invests in a professionally managed portfolio that contains various types of securities (**See Note 3**). Such investments are exposed to various risks such as market and credit. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

Beneficial Interest in Charitable Remainder Trusts

The beneficial interest in charitable remainder trusts is reported at the fair value of the related assets less the present value of the payments expected to be made to other beneficiaries.

Beneficial Interest in Perpetual Trusts

The beneficial interest in perpetual trusts is reported at fair market value and is equal to FWCC's share of the assets in the trusts.

Support from Meetings and Members

Support from meetings and members received is recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Donor-restricted support from meetings and members whose restrictions are satisfied in the same period are reported as net assets without donor restrictions.

Unconditional support from meetings and members is recognized as revenue when the related promise to give is received. Conditional support from meetings and members is recognized as revenue when the conditions are satisfied.

Income Tax Status

FWCC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their tax returns. GAAP prescribes a minimum recognition threshold that a tax position is required to meet in order to be recognized in the financial statements. FWCC believes that it had no uncertain tax positions as defined in GAAP.

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

Functional Allocation of Expenses

The costs of providing various program and supporting services have been presented on a functional basis in the statements of activities and functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and fringe benefits which are allocated based on estimates of time and effort.

Concentrations of Credit Risk

Financial instruments which potentially subject FWCC to concentrations of credit risk are cash and contributions receivable. FWCC maintains cash deposits at various high-quality banks and financial institutions. At times, such deposits may exceed federally-insured limits.

(3) INVESTMENTS

Investments at April 30, 2022, consisted of the following:

Accrued income	\$ 11,405
Units in The Quaker Growth and Income Fund of Friends Fiduciary Corporation	894,360
Units in The Short Term Investment Fund of Friends Fiduciary Corporation	<u>118,513</u>
	<u>\$1,024,278</u>

The Quaker Growth and Income Fund and The Short Term Investment Fund are co-mingled investment funds sponsored by Friends Fiduciary Corporation ("**Friends Fiduciary**"). Friends Fiduciary is a Quaker nonprofit corporation which qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Friends Fiduciary's mission is to provide investment and trusteeship services for Friends meetings, schools and other nonprofit, tax-exempt organizations.

The Quaker Growth and Income Fund's investment objective is to provide long-term total returns by investing its assets in a balanced portfolio of common stocks and fixed income investments. The Short-Term Investment Fund's investment objective is to provide consistent, low volatility performance with an emphasis on high credit quality, low risk and liquidity.

(4) BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS

FWCC has been named as the remaining beneficiary of several irrevocable charitable remainder trusts. The agreements provide for the lead beneficiaries to receive annual distributions until their death, and that, upon their death, FWCC is to receive the remainder. The amounts of the remainder and payments to be made to the lead beneficiaries are estimated and have been reduced to present value. FWCC has recorded a liability for one charitable remainder trust for payments due to a related party upon distribution of the trust which is shown as funds due to others on the statement of financial position as April 30, 2022.

(5) BENEFICIAL INTEREST IN PERPETUAL TRUSTS

FWCC is the income beneficiary of two perpetual trusts. Friends Fiduciary serves as trustee of these trusts. The principal portions of the trusts are restricted in perpetuity and the income distributions are both unrestricted and restricted for various programs (**See Note 8**).

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

(6) LOAN FORGIVENESS - PAYCHECK PROTECTION PROGRAM

During the fiscal year ended April 30, 2021, FWCC received loan proceeds in the amount of \$67,637, respectively, under the Paycheck Protection Program ("**PPP**"). Established as part of the Coronavirus Aid, Relief and Economic Security Act (Cares Act), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business's average monthly payroll expenses.

During the year ended April 30, 2022, the Small Business Administration forgave the full amount of the PPP loan. FWCC recorded the forgiveness as contributions in the accompanying Statement of Activities for the year ended April 30, 2022.

(7) NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED

Net assets without donor restrictions are board designated for the following purposes:

Elkinton Fund	\$118,811
Founders Fund	178,017
Susan Bax Fund-support for women in ministry	70,692
Committee travel Fund	53,980
Green Fund	35,207
Personnel-support staff dedicated to advancement and fundraising	61,949
Mertic Fund	<u>50,023</u>
	<u>\$568,679</u>

(8) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at April 30, 2022:

	<u>Balance</u> <u>April 30, 2021</u>	<u>Additions/</u> <u>(Change in</u> <u>(Market Value)</u>	<u>Releases</u>	<u>Balance</u> <u>April 30, 2022</u>
<u>Purpose restrictions</u>				
Personnel support	\$ 39,317	\$ -	\$ (7,500)	\$ 31,817
Scholarly explorations of Christian mysticism	200,994	(14,851)	(4,678)	181,465
Latin America Projects	-	95,975	(4,000)	91,975
Travel	<u>277,443</u>	<u>2,535</u>	<u>(16,339)</u>	<u>263,639</u>
	<u>517,754</u>	<u>83,659</u>	<u>(32,517)</u>	<u>568,896</u>
<u>Time restrictions</u>				
Contributions receivable	10,000	6,538	(2,500)	14,038
Beneficial interest in charitable remainder trusts	<u>56,400</u>	<u>(10,800)</u>	<u>-</u>	<u>45,600</u>
	<u>66,400</u>	<u>(4,262)</u>	<u>(2,500)</u>	<u>59,638</u>
<u>To be maintained indefinitely</u>				
Endowment fund				
A. Ward Applegate Visitation Fund	53,972	(5,243)	-	48,729
Beneficial interest in perpetual trusts				
Anna G. Elkinton Trust	779,687	(75,759)	-	703,928
Laura & Augustus Cadwallader Fund	<u>4,195</u>	<u>(407)</u>	<u>-</u>	<u>3,788</u>
	<u>837,854</u>	<u>(81,409)</u>	<u>-</u>	<u>756,445</u>
	<u>\$1,422,008</u>	<u>\$ (2,012)</u>	<u>\$(35,017)</u>	<u>\$1,384,979</u>

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

Net assets to be maintained indefinitely consist of an endowment fund and beneficial interest in perpetual trusts. Income from the A. Ward Applegate Visitation Fund is restricted for visitation and travel to overseas Yearly meetings. Income from the Anna G. Elkinton Trust is restricted for travel and scholarships. Income from the Laura and Augustus Cadwallader Fund is unrestricted.

(9) ENDOWMENT FUND

An accounting standard was issued which provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("**UPMIFA**"). FWCC is not subject to this guidance since Pennsylvania has not enacted a version of UPMIFA. The standard also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

In accordance with Pennsylvania statutes, FWCC has adopted investment and spending policies for its endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. FWCC's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

The spending policy calculates the amount of money annually distributed from the permanently restricted endowment fund to support various programs. The current spending policy is to distribute an amount equal to Interest and dividends up to 4.0% of a moving three-year average of the fair value of the endowment fund.

Changes in the endowment assets for the year ended April 30, 2022 is as follows:

	<u>With Donor Restrictions</u>
Endowment assets, April 30, 2021	\$53,972
Interest and dividends	1,759
Spending policy distribution	(1,759)
Realized and unrealized loss	<u>(5,243)</u>
Endowment assets, April 30, 2022	<u>\$48,729</u>

(10) CONTRIBUTIONS PAYABLE TO THE WORLD OFFICE

FWCC contributes 25% of its unrestricted support from meetings and members from the previous fiscal year to the World Office so it can carry out FWCC's mission on a global scale. For the year ended April 30, 2022, FWCC made an unconditional promise of \$112,531 to the World Office. This amount is expected to be paid during the year ended April 30, 2023.

In March 2012, FWCC and the World Office came to an agreement to pay \$115,803 to the World Office over the next eleven years. This contribution payable is recorded net of a discount of \$3,600 using a discount rate of 5%.

Below is a summary of contributions and other payables to the World Office at April 30, 2022:

Fiscal year ended April 30, 2022 support	\$ 96,728
2012 agreement	<u>15,803</u>
	<u>\$112,531</u>

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

(11) RETIREMENT PLAN

FWCC participates in a defined benefit retirement plan, Friends Pension Plan, with other unrelated tax-exempt Quaker organizations. FWCC's contribution to the plan was \$8,529 for the year ended April 30, 2022. FWCC's relative position in this plan is not readily determinable.

FWCC also participates in a 403(b) defined contribution pension plan with other unrelated tax-exempt Quaker organizations covering all eligible employees. FWCC makes discretionary matching contributions for eligible employees. Employer contributions to the plan during the year ended April 30, 2022 were \$9,634.

(12) LEASE COMMITMENTS

FWCC leases its office space from another unrelated tax-exempt Quaker organization under an agreement that expires on June 30, 2027. Rent expense was \$ 11,404 under the agreement for the years ended April 30, 2022.

Minimum annual lease commitments in excess of one year are as follows:

Years ending April 30,

2023	\$10,200
2024	12,500
2025	12,812
2026	13,134
2027	13,458
Thereafter	<u>2,252</u>
	<u>\$64,356</u>

(13) ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The following is a summary of assets and liabilities measured at fair value on a recurring basis and the valuation inputs used to value them:

<u>Description</u>	<u>Balance April 30, 2022</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets				
Investments (a)	\$1,024,278	\$ -	\$ -	\$ -
Beneficial interest in charitable remainder trusts	99,900	-	-	99,900
Beneficial interest in perpetual trusts	<u>707,716</u>	<u>-</u>	<u>-</u>	<u>707,716</u>
Total assets	<u>\$1,879,528</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$807,616</u>

(a) Investments that are measured at fair value using the net asset value practical expedient have not been classified in the fair value hierarchy. These investments have been included in this table to permit reconciliation to the amounts presented in the statement of financial position.

Level 3 assets (beneficial interests in charitable remainder trusts and perpetual trusts) had losses of \$86,966 in the statement of activities in 2022.

FRIENDS WORLD COMMITTEE FOR CONSULTATION, SECTION OF THE AMERICAS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

Contributions receivables, contributions payable to the World Office and Funds held for others are recorded on a non-recurring basis based upon level 2 inputs.

(14) LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects FWCC's financial assets as of the statement of financial position date, which has been reduced by financial assets not available within one year.

Cash	\$ 259,280
Contributions receivable	47,634
Investments	<u>1,024,278</u>
Total financial assets	1,331,192
Less: financial assets not available for general operations within one year	
Board designated	(568,679)
Restricted by donor for specific purposes or periods	(568,896)
Restricted by donor to be maintained indefinitely	<u>(48,729)</u>
Total financial assets available within one year	<u>\$ 144,888</u>

Liquidity Management

As part of FWCC's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically the Short Term Investment Fund of Friends Fiduciary Corporation. At any time, the Board of Directors can designate the board restricted assets to be used for operations.

(15) RISKS AND UNCERTAINTIES

FWCC continues to evaluate the impact of the COVID-19 virus and has concluded that while it is reasonably possible that the virus could have a negative effect on FWCC's revenues and support, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

(16) SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 15, 2022, the date on which the financial statements were available to be issued. No material subsequent events have occurred since April 30, 2022 that require recognition or disclosure in the financial statements.