



IMPACT100 OAKLAND COUNTY

FINANCIAL STATEMENTS

*For the Year Ended December 31, 2019
(with comparative totals for December 31, 2018)*

IMPACT100 OAKLAND COUNTY

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Independent Accountant's Review Report

To the Board of Directors of
Impact100 Oakland County
Birmingham, Michigan

We have reviewed the accompanying financial statements of Impact100 Oakland County (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2019 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We previously reviewed Impact100's 2018 financial statements and in our conclusion dated July 19, 2019, stated that based on our review, we were not aware of any material modifications that should be made to the 2018 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2018, for it to be consistent with the reviewed financial statements from which it has been derived.

Schlaupitz Madhavan, P.C.

April 6, 2020

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

ASSETS		<u>2019</u>	<u>2018</u>
Current assets			
Cash		<u>\$ 377,735</u>	<u>\$ 318,453</u>
 LIABILITIES AND NET ASSETS			
Current liabilities			
Grants payable		\$ 281,200	\$ 220,334
Unearned revenue - 2020 Women's Event		120	-
Other current liabilities		<u>-</u>	<u>1,600</u>
		281,320	221,934
Net assets			
Without donor restrictions		21,415	18,319
With donor restrictions		<u>75,000</u>	<u>78,200</u>
Total net assets		<u>96,415</u>	<u>96,519</u>
Total liabilities and net assets		<u>\$ 377,735</u>	<u>\$ 318,453</u>

STATEMENTS OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2019
 (with comparative totals for the year ended December 31, 2018)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
Membership dues	\$ -	\$ 304,500	\$ 304,500	\$ 258,500
In-kind donations	280	-	280	6,334
Administration	21,189	-	21,189	21,994
Donations	<u>17,428</u>	<u>-</u>	<u>17,428</u>	<u>2,259</u>
Total support and revenue before releases	38,897	304,500	343,397	289,087
Net assets released from restrictions	<u>307,700</u>	<u>(307,700)</u>	<u>-</u>	<u>-</u>
Total support and revenue	346,597	(3,200)	343,397	289,087
Expenses				
Program services	310,730	-	310,730	274,180
Management and general	7,230	-	7,230	7,401
Fundraising	<u>25,541</u>	<u>-</u>	<u>25,541</u>	<u>16,373</u>
Total expenses	<u>343,501</u>	<u>-</u>	<u>343,501</u>	<u>297,954</u>
Changes in net assets from operating activities	3,096	(3,200)	(104)	(8,867)
Net assets, beginning of year	<u>18,319</u>	<u>78,200</u>	<u>96,519</u>	<u>105,386</u>
Net assets, end of year	<u>\$ 21,415</u>	<u>\$ 75,000</u>	<u>\$ 96,415</u>	<u>\$ 96,519</u>

See independent accountant's review report and notes to financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

(with comparative totals for the year ended December 31, 2018)

	2019			2018	
	Program Services	Management and General	Fundraising	Total Functional Expenses	Total Functional Expenses
Accounting	\$ -	\$ 3,000	\$ -	\$ 3,000	\$ 915
Advertising	-	-	1,130	1,130	979
Grants awarded	306,000	-	-	306,000	271,600
Information technology	1,080	1,790	2,070	4,940	9,103
In-kind donation	-	-	280	280	6,334
Insurance	-	1,362	-	1,362	1,362
Member events	3,650	-	22,061	25,711	7,060
Office and management expenses	-	1,078	-	1,078	601
Total functional expenses	<u>\$ 310,730</u>	<u>\$ 7,230</u>	<u>\$ 25,541</u>	<u>\$ 343,501</u>	<u>\$ 297,954</u>

STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ (104)	\$ (8,867)
Changes in operating assets and liabilities		
Increase (decrease) in		
Grants payable	60,866	19,500
Unearned revenue	120	-
Accrued expenses	<u>(1,600)</u>	<u>1,600</u>
Net cash provided by operating activities	59,282	12,233
Cash, beginning of year	<u>318,453</u>	<u>306,220</u>
Cash, end of year	<u><u>\$ 377,735</u></u>	<u><u>\$ 318,453</u></u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019 AND 2018**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Impact100 Oakland County (“Impact100”) is a not-for-profit organization that receives its revenue principally from membership dues. Impact100 is a community of women engaging in impactful, largescale giving to support not-for-profits serving Oakland County in the areas of art and culture, education, environment and recreation, family and health and wellness. Impact100 is open to women over the age of 18 who share its mission and the organization is run entirely by member volunteers.

Basis of Presentation – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) to focus on the Organization as a whole and to present transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of transactions into two classes of net assets – net assets without donor restrictions and net assets with donor restrictions.

Net assets, revenues, support, expenses and gains or losses are classified based on the existence or absence of donor or grantor 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) imposed restrictions. Some donor-imposed 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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless restricted by the donor or law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as support in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as support in the net assets without donor restrictions class.

The Organization’s operating revenue in excess of operating expense includes all operating revenues and expenses that are an integral part of its programs and supporting activities and the assets released from donor restrictions to support operating expenditures.

Cash - Cash consists of demand deposits in banks. Impact100 maintains its deposits, generally in a large financial institution, which at times may exceed the federally insured limits. Management does not believe Impact100 is exposed to any significant interest rate or other financial risk as a result of these deposits.

Grants Payable – Grants specifically committed to designated grantees but not yet paid are accrued as grants payable

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019 AND 2018**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Functional Expense – Impact100 accumulates and reports its expenses by function as for program services, management and general activities, or fundraising purposes. Program services are activities that fulfill the purposes or mission of the Organization. Management and general activities include governance recordkeeping, budgeting and administration other than for direct conduct of program services.

Income Taxes – The Organization is recognized by the Internal Revenue Service as an organization described in the Internal Revenue Code (IRC) section 501(c)(3) and is exempt from federal income tax under IRC Section 509(a). Although the Organization was granted an income tax exemption by the Internal Revenue Service, such exemption does not apply to “unrelated business taxable income.” Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income such as interest received from sources other than directly from contributors. The Organization is not a private foundation. There were no temporary timing differences at December 31, 2019 and as such no deferred taxes have been recorded.

Accounting Standards Codification (“ASC”) Topic 740 “Accounting for Uncertainty in Income Taxes” seeks to reduce the significant diversity in practice associated with financial statement recognition and measurement in accounting for income taxes and prescribes the recognition threshold and measurement attribute for disclosures of tax positions previously taken or expected to be taken on an income tax return. The Organization analyzed its filing positions in the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. The Organization has also elected to retain its existing accounting policy with respect to the treatment of interest and penalties attributable to income taxes, and continues to reflect any changes for such, to the extent they arise, as a component of its expenses. The continued application adoption of ASC Topic 740 has had no significant impact on the Organization’s financial statements.

The Organization has evaluated the provisions of ASC Topic 740, Accounting for Uncertainty in Income Taxes. The evaluation was performed for the tax years December 31, 2016 through December 31, 2019, the years which remain subject to examination by major tax jurisdiction as of December 31, 2019. The Organization concluded that there are no significant uncertain tax positions requiring recognition in the financial statements.

The Organization does not expect the total amount of unrecognized tax benefits (“UTB”) (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at December 31, 2019, and it is not aware of any claims for such amounts by federal or state income tax authorities.

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

Recent Accounting Guidance – On August 18, 2016 FASB issued Accounting Standards Update (ASU) 2016-4, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-For-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2019 AND 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events - In preparing the accompanying financial statements, Impact100 has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2019, the most recent statement of financial position presented herein, through April 6, 2020, the date the accompanying financial statements were available to be issued.

In recent days, the COVID-19 outbreak in the United States has resulted in orders for businesses to be shut down and jobs to be lost, in part due to mandates by the government. The extent of the impact of COVID-19 on the operational and financial performance of the Organization will depend on certain developments, including the duration and spread of the outbreak, impact on our members and economy; all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain.

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 balance sheet date, comprise the following:

Financial assets	
Cash and cash equivalents	\$ 377,735
Less amounts with limits on usage	
Grants awarded and payable	281,200
Spendable net assets with donor purpose restrictions	<u>75,000</u>
Total financial assets available for general use within one year	<u>\$ 21,535</u>

NOTE 3 – NET ASSETS – WITH DONOR RESTRICTIONS

The Organization had assets subject to donor restrictions as listed below, for the year ended December 31, 2019.

Subject to expenditure for specified purpose	
2020 Grant Recipients	\$ 74,000
2021 Grant Recipients	<u>1,000</u>
	<u>\$ 75,000</u>