



IMPACT100 OAKLAND COUNTY

FINANCIAL STATEMENTS

*Year Ended December 31, 2022
(with comparative totals for December 31, 2021)*

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, 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. 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.

We are required to be independent of Impact100 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 2021 financial statements and in our conclusion dated April 4, 2022, stated that based on our review, we were not aware of any material modifications that should be made to the 2021 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, 2021, for it to be consistent with the reviewed financial statements from which it has been derived.

Schlaupitz Madhavan, P.C.

April 4, 2023

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets		
Cash	<u>\$ 514,251</u>	<u>\$ 446,700</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Grants payable, current portion	<u>\$ 264,150</u>	<u>\$ 273,000</u>
Noncurrent liabilities		
Grants payable, net of current portion	<u>81,350</u>	<u>-</u>
Net assets		
Without donor restrictions	79,151	100,700
With donor restrictions	<u>89,600</u>	<u>73,000</u>
Total net assets	<u>168,751</u>	<u>173,700</u>
Total liabilities and net assets	<u>\$ 514,251</u>	<u>\$ 446,700</u>

STATEMENT OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2022
 (with comparative totals for the year ended December 31, 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
Membership dues, net	\$ -	\$ 296,498	\$ 296,498	\$ 362,400
Administration, net	16,196	-	16,196	14,840
Event revenues	5,791	-	5,791	5,370
Contributions	4,076	-	4,076	1,885
Contributions of nonfinancial assets	-	-	-	3,815
Interest income	120	-	120	-
Total support and revenue before releases	26,183	296,498	322,681	388,310
Net assets released from restrictions	279,898	(279,898)	-	-
Total support and revenue	306,081	16,600	322,681	388,310
Expenses				
Program services	308,365	-	308,365	279,291
Management and general	13,796	-	13,796	15,267
Fundraising	5,469	-	5,469	9,473
Total expenses	327,630	-	327,630	304,031
Changes in net assets	(21,549)	16,600	(4,949)	84,279
Net assets, beginning of year	100,700	73,000	173,700	89,421
Net assets, end of year	<u>\$ 79,151</u>	<u>\$ 89,600</u>	<u>\$ 168,751</u>	<u>\$ 173,700</u>

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

(with comparative totals for the year ended December 31, 2021)

	2022			2021	
	Program Services	Management and General	Fundraising	Total Functional Expenses	Total Functional Expenses
Accounting	\$ -	\$ 5,550	\$ -	\$ 5,550	\$ 5,255
Advertising	-	-	725	725	1,205
Grant expense	300,000	-	-	300,000	273,000
Information technology	-	3,279	2,345	5,624	7,826
Insurance	-	1,360	-	1,360	1,362
Member events	8,365	-	2,399	10,764	14,841
Office and management expenses	-	3,607	-	3,607	542
Total functional expenses	<u>\$ 308,365</u>	<u>\$ 13,796</u>	<u>\$ 5,469</u>	<u>\$ 327,630</u>	<u>\$ 304,031</u>

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ (4,949)	\$ 84,279
Changes in operating assets and liabilities		
Increase (decrease) in		
Grants payable	<u>72,500</u>	<u>94,500</u>
Net cash provided by operating activities	67,551	178,779
Cash, beginning of year	<u>446,700</u>	<u>267,921</u>
Cash, end of year	<u><u>\$ 514,251</u></u>	<u><u>\$ 446,700</u></u>

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**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. The Board does not believe Impact100 is exposed to any significant interest rate or other financial risk as a result of these deposits.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Grant Expense – Grant expense for commitments to designated grantees, and related grant payables, are recognized in the period the grant is awarded. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments. On December 31, 2022 and 2021, the discount of grants payable in future years was calculated using the year-end risk-free rate for each year, which ranged from 0.2% to 4.7%.

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, 2022 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, 2019 through December 31, 2022, the years which remain subject to examination by major tax jurisdiction as of December 31, 2022. 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, 2022, 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.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of New Accounting Principles - During the year ended December 31, 2022, the Organization adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2020-07, Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The ASU requires the Organization to present gifts-in-kind as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. The ASU also requires additional disclosures related to contributed nonfinancial assets. The additional disclosure requirements include disclosing the Organization's policy about monetizing rather than utilizing contributed nonfinancial assets, description of any donor-imposed restrictions associated with the contributed nonfinancial asset, description of the valuation techniques and inputs used to arrive at a fair value measure of contributed nonfinancial assets, and to disclose the principal market (or most advantageous market) used to arrive at a fair value measure if it is a market in which the recipient organization is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets.

Management's Review of Subsequent Events - Events or transactions occurring after year-end through April 4, 2023, which is the date the financial statements were available to be issued, have been evaluated by management in the preparation of the financial statements.

NOTE 2 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

Contributed nonfinancial assets recognized within the statement of activities included the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Event gifts and prizes	<u>\$ -</u>	<u>\$ 3,815</u>

The Organization reported donated event gifts and prizes at their estimated fair market value.

NOTE 3 - 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	\$ 514,251
Less amounts with limits on usage	
Grants awarded and payable	264,150
Spendable net assets with donor purpose restrictions	<u>89,600</u>
Total financial assets available for general use within one year	<u>\$ 160,501</u>

See independent accountant's review report.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 4 - NET ASSETS - WITH DONOR RESTRICTIONS

The Organization had assets subject to donor restrictions as listed below, for the year ended December 31, 2022.

Subject to expenditure for specified purpose	
2023 grant recipients	<u>\$ 89,600</u>