

**CASA OF ST. LOUIS**  
**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEARS ENDED**  
**JUNE 30, 2022 AND 2021**

CASA of St. Louis

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT .....	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position.....	3
Statements of Activities .....	4
Statements of Functional Expenses .....	5 - 6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8 - 18



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
CASA of St. Louis  
St. Louis, Missouri

### **Opinion**

We have audited the accompanying financial statements of CASA of St. Louis (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASA of St. Louis as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 CASA of St. Louis and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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 CASA of St. Louis'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**

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 CASA of St. Louis's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CASA of St. Louis's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Schmersahl Treloar & Co.*

St. Louis, Missouri  
November 2, 2022

**FINANCIAL STATEMENTS**

CASA of St Louis  
STATEMENTS OF FINANCIAL POSITION

ASSETS	June 30,	
	2022	2021
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,696,621	\$ 1,320,869
Grants receivable	339,594	449,608
Prepaid expenses and other assets	6,381	6,953
Total Current Assets	2,042,596	1,777,430
GRANTS RECEIVABLE, NONCURRENT	50,000	73,791
INVESTMENTS	6,944	137,966
PROPERTY AND EQUIPMENT, NET	29,712	22,505
TOTAL ASSETS	\$ 2,129,252	\$ 2,011,692
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 17,672	\$ 14,946
Accrued expenses	141,488	146,684
Total Current Liabilities	159,160	161,630
NOTE PAYABLE (Note E)	-	326,045
Total Liabilities	159,160	487,675
<b>NET ASSETS</b>		
Without donor restrictions		
Board designated	1,000,000	-
Undesignated	745,692	1,091,176
Total Net Assets without Donor Restrictions	1,745,692	1,091,176
With donor restrictions		
Time restricted for future periods	199,709	355,955
Purpose restrictions	24,691	76,886
Total Net Assets with Donor Restrictions	224,400	432,841
Total Net Assets	1,970,092	1,524,017
TOTAL LIABILITIES AND NET ASSETS	\$ 2,129,252	\$ 2,011,692

See accompanying notes to financial statements

CASA of St. Louis  
STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2022			Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
	<b>SUPPORT AND REVENUE</b>					
Contributions	\$ 683,034	\$ 16,500	\$ 699,534	\$ 627,843	\$ 137,261	\$ 765,104
Grants	867,225	84,109	951,334	864,275	63,709	927,984
Paycheck Protection Program Grant (Note E)	326,045	-	326,045	326,000	-	326,000
Program income	10,771	-	10,771	13,007	-	13,007
Special events, net cost of direct benefits to donors of \$3,951 and \$4,643 for the years ended June 30, 2022 and 2021, respectively	32,007	-	32,007	21,653	-	21,653
In-kind contributions	90,000	-	90,000	91,202	-	91,202
Investment return, net of fees	22,022	-	22,022	6,465	-	6,465
Miscellaneous revenue	2,835	-	2,835	-	-	-
Net assets released from program and time restrictions	<u>309,050</u>	<u>( 309,050)</u>	<u>-</u>	<u>308,631</u>	<u>( 308,631)</u>	<u>-</u>
Total Support and Revenue	<u>2,342,989</u>	<u>( 208,441)</u>	<u>2,134,548</u>	<u>2,259,076</u>	<u>( 107,661)</u>	<u>2,151,415</u>
<b>EXPENSES</b>						
Program	1,252,536	-	1,252,536	1,253,626	-	1,253,626
Management and general	214,644	-	214,644	239,600	-	239,600
Fundraising	<u>221,293</u>	<u>-</u>	<u>221,293</u>	<u>203,204</u>	<u>-</u>	<u>203,204</u>
Total Expenses	<u>1,688,473</u>	<u>-</u>	<u>1,688,473</u>	<u>1,696,430</u>	<u>-</u>	<u>1,696,430</u>
CHANGE IN NET ASSETS	654,516	( 208,441)	446,075	562,646	( 107,661)	454,985
NET ASSETS, Beginning of year	<u>1,091,176</u>	<u>432,841</u>	<u>1,524,017</u>	<u>528,530</u>	<u>540,502</u>	<u>1,069,032</u>
NET ASSETS, End of year	<u>\$ 1,745,692</u>	<u>\$ 224,400</u>	<u>\$ 1,970,092</u>	<u>\$ 1,091,176</u>	<u>\$ 432,841</u>	<u>\$ 1,524,017</u>

See accompanying notes to financial statements

CASA of St Louis  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2022

EXPENSES	Program	Management and General	Fund- raising	Cost of Direct Benefits to Donors	Total
Salaries and wages	\$ 887,799	\$ 78,931	\$ 159,554	\$ -	\$ 1,126,284
Payroll taxes	73,817	6,563	13,266	-	93,646
Other employee benefits	<u>104,961</u>	<u>9,332</u>	<u>18,864</u>	-	<u>133,157</u>
 Total salaries and related expenses	 1,066,577	 94,826	 191,684	 -	 1,353,087
 Professional fees and contract services	 36,252	 101,217	 2,884	 -	 140,353
In-kind expenses	71,034	6,166	12,800	-	90,000
Supplies	20,278	8,426	3,399	-	32,103
Utilities and telephone	12,448	1,028	1,139	-	14,615
 Depreciation	 10,097	 877	 1,819	 -	 12,793
Insurance	8,895	772	1,603	-	11,270
Seminars and conferences	10,454	40	192	-	10,686
Rent	8,670	-	-	-	8,670
 Other	 2,239	 651	 2,844	 -	 5,734
Special events	-	-	-	3,951	3,951
Postage and shipping	933	124	2,585	-	3,642
Travel	2,972	90	204	-	3,266
 Advertising	 1,229	 -	 -	 -	 1,229
Publications and memberships	458	427	140	-	1,025
	<u>1,252,536</u>	<u>214,644</u>	<u>221,293</u>	<u>3,951</u>	<u>1,692,424</u>
Less expenses included with support and revenue on the Statements of Activities					
Cost of direct benefits to donors	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 3,951)</u>	<u>( 3,951)</u>
 Total Expenses	 <u>\$ 1,252,536</u>	 <u>\$ 214,644</u>	 <u>\$ 221,293</u>	 <u>\$ -</u>	 <u>\$ 1,688,473</u>
 Percentage of Total Expenses	 <u>74.1%</u>	 <u>12.8%</u>	 <u>13.1%</u>	 <u>0.0%</u>	 <u>100.0%</u>

See accompanying notes to financial statements



CASA of St Louis  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2021

EXPENSES	Program	Management and General	Fund- raising	Cost of Direct Benefits to Donors	Total
Salaries and wages	\$ 897,161	\$ 102,775	\$ 142,915	\$ -	\$ 1,142,851
Payroll taxes	70,465	8,147	11,324	-	89,936
Other employee benefits	<u>104,853</u>	<u>15,756</u>	<u>16,703</u>	-	<u>137,312</u>
 Total salaries and related expenses	 1,072,479	 126,678	 170,942	 -	 1,370,099
 Professional fees and contract services	 29,763	 98,360	 3,732	 -	 131,855
In-kind expenses	71,596	8,202	11,405	-	91,203
Supplies	21,160	1,246	7,382	-	29,788
Utilities and telephone	10,704	1,034	1,105	-	12,843
 Depreciation	 10,970	 1,257	 1,748	 -	 13,975
Insurance	12,719	988	1,359	-	15,066
Seminars and conferences	8,603	24	539	-	9,166
Rent	8,269	-	-	-	8,269
	-	-	-	-	-
Other	1,679	899	2,263	-	4,841
Special events	-	-	-	4,643	4,643
Postage and shipping	1,197	544	2,460	-	4,201
Travel	2,819	187	225	-	3,231
 Advertising	 383	 31	 44	 -	 458
Publications and memberships	<u>1,285</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>1,435</u>
	1,253,626	239,600	203,204	4,643	1,701,073
Less expenses included with support and revenue on the Statements of Activities					
Cost of direct benefits to donors	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 4,643)</u>	<u>( 4,643)</u>
 Total Expenses	 <u>\$ 1,253,626</u>	 <u>\$ 239,600</u>	 <u>\$ 203,204</u>	 <u>\$ -</u>	 <u>\$ 1,696,430</u>
 Percentage of Total Expenses	 <u>73.8%</u>	 <u>14.2%</u>	 <u>12.0%</u>	 <u>0.0%</u>	 <u>100.0%</u>

See accompanying notes to financial statements

CASA of St Louis  
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 446,075	\$ 454,985
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	12,793	13,975
Donated securities	( 74,608)	( 28,524)
Proceeds from sales of donated securities	74,608	26,527
Realized and unrealized gain on investments	( 22,004)	( 3,821)
Paycheck protection program grant	( 326,045)	( 326,000)
(Increase) decrease in assets:		
Grants receivable	133,805	86,433
Prepaid expenses and other assets	572	2,314
Increase (decrease) in liabilities:		
Accounts payable	2,726	( 2,145)
Accrued expenses	( 5,196)	14,989
 Net Change in Cash and Cash Equivalents from Operating Activities	 242,726	 238,733
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	( 20,000)	-
Redemption of investments	210,351	-
Purchase of investments	( 57,325)	( 28,184)
 Net Change in Cash and Cash Equivalents from Investing Activities	 133,026	 ( 28,184)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable	-	326,045
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 375,752	 536,594
CASH AND CASH EQUIVALENTS, Beginning of year	1,320,869	784,275
CASH AND CASH EQUIVALENTS, End of year	\$ 1,696,621	\$ 1,320,869

See accompanying notes to financial statements

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

CASA of St. Louis (the “Organization”), a nonprofit organization, advocates for abused and neglected children and youth in St. Louis, Missouri by representing their best interests in court and in the community. The Organization’s teams of child advocacy attorneys, social workers, and Court Appointed Special Advocates (CASA) volunteers provide legal and social advocacy to child victims. The Organization’s largest sources of support are grants, fundraising events, and donations from individuals. The Organization was incorporated in 1995.

**Basis of Presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

**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 such assets 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.

**Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

The Organization maintains a significant portion of its cash balances in a certain financial institution. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. In addition, the organization utilizes an insured cash sweep account, which effectively insures the entire balance over the FDIC limit.

During 2022 and 2021, for cash flow reporting purposes, no cash payments relating to interest or income tax were made.

**Grants Receivable**

Grants receivable are carried net of allowance for doubtful accounts. The allowance for doubtful accounts is increased by provisions charged to expense and reduced by amounts charged off, net of recoveries. The allowance is maintained at a level considered adequate to provide for potential account losses based on management's evaluation of the anticipated impact on the balance of current economic conditions, changes in the character and size of the balance, past and expected future loss experience and other pertinent factors. There was no allowance for doubtful accounts at June 30, 2022 and 2021.

**Property and Equipment**

Property and equipment is stated at cost less accumulated depreciation. Contributed property and equipment is recorded at fair value at the date of the donation. If the donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as donations without donor restriction.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets which range from three to seven years. Renewals and betterments that extend the life of property are capitalized for expenditures of \$1,000 or more. Maintenance costs and repairs are expensed as incurred.

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist principally of cash and investments. The Organization places its cash and investments with high credit quality financial institutions and, by policy, limits the amount of credit exposure to any one financial institution or investment type.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Investments**

Investments consist of equities, insured deposits and certificates of deposits and are reported at their fair values based on quoted prices in active markets in the Statements of Financial Position. Investment income is reported in the Statements of Activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Financial Position.

**Financial Instruments**

The carrying amount of cash and cash equivalents, grants receivable, prepaid expenses and other assets, accounts payable and accrued expenses reported in the Statements of Financial Position approximates fair value due to the short-term maturities of those instruments.

In addition, the Organization believes that the carrying amount of the note payable approximates fair value due to the relative similarity of the effective interest rate as compared to current market rate.

**Support and Revenue Recognition**

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

Contributions

Contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Restricted contributions which are received and expended in the same fiscal year are reported as increases in net assets without donor restrictions. Amounts received that are restricted by the donor for use in future periods or for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Support and Revenue Recognition** (Continued)

Grants

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contracts or grant provisions.

Program Income

Program income is derived from local contracts and is recorded as performance obligations are met. Payments received in advance are deferred until earned.

Special Event Revenue

The portion of ticket sales and sponsorship revenue that relates to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met.

**Donated Services**

The Organization's programs depend upon the extensive use of volunteer time to deliver direct services to child clients. For the years ended June 30, 2022 and 2021, 266 and 288 CASA volunteers donated 31,920 and 34,560 hours of advocacy services to abused and neglected children in St. Louis foster care, respectively. The value of these contributed services, described above, has not been reflected in the accompanying financial statements.

The Organization believes the value of the hours volunteered in the provision of direct service is important because:

- a) without CASA volunteers providing social advocacy to our children, the Organization would need to outsource this work, and
- b) while CASA volunteers do not have specialized skills, they are required to complete 30+ hours of pre-service training, receive regular supervision by paid professional staff and complete 12 hours of continuing education each year.

See Note J for In-kind Services and goods recorded on the financial statements.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Functional Allocation of Expenses**

The costs of providing for various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other costs have been allocated among the programs and supporting services benefited, based on estimates made by management. Salaries and related expenses, insurance and depreciation expenses are allocated based on estimates of time and effort. Advertising, supplies, travel, other, publication and memberships, postage and shipping and seminars and conferences expenses are allocated directly according to their natural expenditure classifications. Remaining expense categories are allocated based on a combination of estimates of time and effort and direct allocation.

**Income Taxes**

The Organization qualifies as a nonprofit organization and is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is provided for the years ending June 30, 2022 and 2021. The Organization files an informational return, the IRS Form 990. The Organization is unaware of any pending examination.

**Subsequent Events**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 2, 2022, the date the financial statements were available to be issued.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

**B. GRANTS RECEIVABLE**

Grants receivable are stated at the amount management expects to collect from balances outstanding at year end. Grants receivable are recognized as revenue in the period earned, per the grant terms, or when expenses are incurred. Based on management's assessment of the credit history of grantors having outstanding balances and current relationships with them, it has concluded losses on balances outstanding at year end would be immaterial. Grants receivable include the following for the years ended June 30:

	2022	2021
Foundations and individuals	\$151,070	\$356,473
State and local governments	188,724	118,380
United Way of Greater St. Louis	49,800	48,546
Total Grants Receivable	\$389,594	\$523,399

Grants receivable are expected to be realized in the following periods:

	2022	2021
Less than one year	\$339,594	\$449,608
One to three years	50,000	73,791
Total Grants Receivable	\$389,594	\$523,399



CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

C. **FAIR VALUE MEASUREMENTS**

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Financial assets valued using Level 3 inputs are based primarily on assumptions about the marketability of the assets.

Fair values of assets measured on a recurring basis for the years ended June 30 are as follows:

	Fair Value Measurements Using			
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments at June 30, 2022</u>				
Insured deposits	\$6,944	\$6,944	\$ -	\$ -
Equities	-	-	-	-
Total	<u>\$6,944</u>	<u>\$6,944</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Investments at June 30, 2021</u>				
Insured deposits	\$109,251	\$109,251	\$ -	\$ -
Equities	28,715	28,715	-	-
Total	<u>\$137,966</u>	<u>\$137,966</u>	<u>\$ -</u>	<u>\$ -</u>

Investment return, net of fees consists of the following for the years ended June 30:

	2022	2021
Interest income	\$ 18	\$2,644
Net realized and unrealized gain on investments	<u>22,004</u>	<u>3,821</u>
Total Investment Return, Net of Fees	<u>\$22,022</u>	<u>\$ 6,465</u>

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

**D. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at June 30:

	2022	2021
Computer equipment	\$194,617	\$174,617
Furniture and fixtures	13,033	13,033
	207,650	187,650
Less: accumulated depreciation	( 177,938)	( 165,145)
Property and Equipment, Net	\$ 29,712	\$ 22,505

Depreciation expense was \$12,793 and \$13,975 for the years ended June 30, 2022 and 2021, respectively.

**E. PAYCHECK PROTECTION PROGRAM GRANT**

On April 17, 2020, the Organization was granted a loan in the amount of \$326,000 from Carrollton Bank, pursuant to the Paycheck Protection Program (PPP), established as part of the Coronavirus Aid, Relief, and economic Security Act (CARES Act). As of December 1, 2020, the Organization had received confirmation from Carrollton Bank that the SBA had completely forgiven the loan. This is recorded as a Paycheck Protection Program Grant on the Statement of Activities.

On December 27, 2020, the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Economic Aid Act) became law. The Economic Aid Act provides the opportunity to obtain a forgivable “second draw” PPP loan. During the year ended June 30, 2022, the Organization submitted an application for SBA loan funding under the second draw PPP.

The Organization was granted a second draw PPP loan of \$326,045 from Carrollton Bank on February 5, 2021. Under certain circumstances, all or part of the loan may be forgiven. As of June 30, 2021, this loan was recorded as a note payable on the Statement of Financial Position. During the year ending June 30, 2022, the Organization spent the funds on eligible expenses and the loan was forgiven by the SBA on December 15, 2021 and is recorded as a Paycheck Protection Program Grant on the Statement of Activities.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

**F. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following periods or purposes for the years ended June 30:

	2022	2021
Subject to the passage of time:		
Foundations and individuals	\$116,500	\$274,000
State and local governments	33,409	33,409
United Way of Greater St. Louis	49,800	48,546
	199,709	355,955
Subject to expenditure for specific purpose:		
Development consulting	23,791	69,986
Performance measurement	900	6,900
	24,691	76,886
<b>Total Net Assets with Donor Restrictions</b>	<b>\$224,400</b>	<b>\$432,841</b>

Net assets with donor restrictions are reclassified to net assets without donor restrictions when the time restriction expires or the funds are utilized for the restricted purpose.

**G. NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets were released from donor restrictions by passage of time or by incurring expenses satisfying the restricted purpose as follows for the years ended June 30:

	2022	2021
Time restriction expired:		
Foundations and individuals	\$174,000	\$139,000
State and local government	33,409	66,818
United Way of Greater St. Louis	48,546	12,138
	255,955	217,956
Purpose restriction accomplished:		
Development consulting	46,195	67,275
Performance measurement	6,900	23,400
	53,095	90,675
<b>Total Net Assets Released from Restrictions</b>	<b>\$309,050</b>	<b>\$308,631</b>

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

**H. BOARD DESIGNATED NET ASSETS**

The Organization’s Board of Directors has designated portions of its net assets to be used only for certain purposes at June 30:

	2022	2021
Operating reserve	\$ 800,000	\$ -
Board designated fund	200,000	-
Total designated net assets	\$1,000,000	\$ -

**I. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization receives revenue from grants and contributions with and without donor restrictions and considers all grants and contributions, which are ongoing, major, and central to its operations to be available to meet cash needs for general expenditures. The Organization maintains financial assets, consisting of cash and investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary.

The Organization’s financial assets available within one year of the Statements of Financial Position date for general expenditures are as follows:

	2022	2021
Cash and cash equivalents	\$1,696,621	\$1,320,869
Grants receivable	389,594	523,399
Investments	6,944	137,966
Total financial assets	2,093,159	1,982,234
Less amounts not available to be used within one year:		
Board designated funds	1,000,000	-
Donor restricted for time	50,000	73,791
	1,050,000	73,791
Financial assets available to meet cash needs for general expenditures within one year	\$1,043,159	\$1,908,443

Although the Organization does not intend to spend from its board designated funds, these funds could be made available if the need arises for cash flow purposes.

CASA of St. Louis  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021  
(Continued)

**J. IN-KIND CONTRIBUTIONS**

In-kind contributions consist of facilities used as office space at the St. Louis County and St. Louis City courthouses as well as clothing and household items, which are valued at current rates for similar services and goods. In-kind facilities have been valued at \$90,000 for the years ended June 30, 2022 and 2021. Other in-kind contributions were \$- and \$1,202 for the years ended June 30, 2022 and 2021, respectively.

**K. RETIREMENT PLAN**

The Organization has a SIMPLE IRA retirement plan covering employees who meet the eligibility requirements. The Organization contributions 2% of gross wages to participating employee accounts. Contributions totaled \$18,300 and \$21,589 for the years ended June 30, 2022 and 2021, respectively.

**L. LEASE COMMITMENTS**

The Organization is obligated under various operating lease agreements for office equipment and storage space that expire at various dates through August 2027. Rent expense was \$8,670 and \$8,269 for the years ended June 30, 2022 and 2021, respectively.

Minimum future lease payments at June 30, 2022 are as follows:

Years Ending <u>June 30,</u>	
2023	\$ 5,434
2024	5,434
2025	5,434
2026	5,434
2027	5,434
Thereafter	<u>1,358</u>
	<u>\$28,528</u>

**M. ECONOMIC UNCERTAINTY**

The effects of the COVID-19 coronavirus pandemic continue to create economic uncertainties that have and are likely to continue to negatively impact the Organization's financial results. While management expects this impact to be temporary, the severity and duration of the impact is uncertain at this time.