Consolidated Financial Statements
December 31, 20X1 and 20X0

Save Our Charities

This publication provides illustrative financial statements and related disclosures and is organized to be used as a reference tool for nongovernmental, not-for-profit entities other than health care providers. The example contained herein is fictitious. Any resemblance or similarities to real entities is entirely coincidental and beyond the intent of the author and the AICPA. Further, the content is intended as nonauthoritative guidance only. For illustrative purposes, we have included changes resulting from FASB ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This publication includes relevant guidance effective on December 31, 2016; however, it is not a substitute for the authoritative pronouncements. Users of this publication are urged to refer directly to the applicable authoritative pronouncements for further guidance.

[1] [Note: All not-for-profit entities are required to report information about expenses in one location—on the face of the statement of activities, as a schedule in the notes to the financial statements, or in a separate financial statement—as discussed in FASB *Accounting Standards Codification* (ASC) 958-205-45-6 and 958-720-45-15. This requirement can be fulfilled by presenting a statement of functional expenses or providing the equivalent information in the notes to the financial statements. Presenting this information as supplementary information does not meet the requirement.]

Independent Auditor's Report

The Board of Directors
Save Our Charities
City, State

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Save Our Charities (SOC), which comprise the consolidated statements of financial position as of December 31, 20X1 and 20X0, and the related consolidated statements of activities, functional expenses [if presented], and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Save Our Charities as of December 31, 20X1 and 20X0, 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.

[Note: If, instead of presenting two-year full comparative financial statements, the entity chooses to present a single year with summarized comparative information, delete the reference to the prior year in both the immediately preceding paragraph and the opening paragraph and insert the following:]

Report on Summarized Comparative Information
We have previously audited Save Our Charities 20X0 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated Month Day, 20X1. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 20X0 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

[Note: When comparative information for a prior year or years is presented only in total, rather than by net asset class, a note to the financial statements must be added describing the summarized financial information; see the accounting policies section for example. Financial statement headings would be singular and indicate only the current year and include the following parenthetical notation below the current-year dating in the heading: "(with summarized financial information for the year ended December 31, 20X0);" footnote headings would include the current year-end date only. Example financial statement heading:

Save Our Charities
Consolidated Statement of Financial Position
December 31, 20X1
(with summarized financial information for December 31, 20X0)]

Audit Firm Signature

City, State
Month Day, 20X2

[NFPs also have the option to prepare a classified Statement of Financial Position]

Save Our Charities

Consolidated Statements of Financial Position
December 31, 20X1 and 20X0

	20X1	20X0
Assets		
Cash and cash equivalents	$ 5,821,340	$ 3,485,916
Operating investments	723,006	641,132
Accounts receivable, net	312,216	387,200
Promises to give, net	1,990,615	897,930
Gift shop inventory, net	21,672	14,517
Prepaid expenses and other assets	290,813	355,387
Cash restricted to building project	500,000	-
Property and equipment, net	30,810,802	30,265,057
Assets held under split-interest agreements	1,977,102	1,929,260
Beneficial interests in charitable trusts held by others	812,850	804,179
Beneficial interest in assets held by community foundation	1,094,842	1,090,505
Beneficial interests in perpetual trusts	2,595,059	2,515,201
Endowment		
Promises to give, net	336,999	372,553
Investments	47,027,131	43,378,704
Total assets	$ 94,314,447	$ 86,137,541
Liabilities and Net Assets		
Accounts payable	$ 670,603	$ 239,809
Accrued expenses and other liabilities	647,722	645,147
Deferred revenue	2,967,135	2,604,216
Line of credit	225,000	275,000
Liabilities under split-interest agreements	1,418,127	1,488,803
Capital lease obligations	69,214	86,459
Bonds and notes payable	9,571,777	9,759,768
Interest-rate swap	240,300	273,500
Total liabilities	15,809,878	15,372,702
Net Assets [The level of detail presented here is not required, however if the information presented on the face is not sufficiently detailed, it must be included in the notes.]		
Without donor restrictions		
Undesignated	3,057,607	1,370,401
Designated by the Board for operating reserve	300,000	250,000
Designated by the Board for endowment	15,511,186	14,912,222
Invested in property and equipment, net of related debt	21,150,885	20,193,878
	40,019,678	36,726,501
With donor restrictions		
Perpetual in nature	22,864,750	22,450,146
Purpose restrictions	14,228,316	10,351,233
Time-restricted for future periods	1,391,825	1,279,636
Underwater endowments	-	(42,677)
	38,484,891	34,038,338
Total net assets	78,504,569	70,764,839
Total liabilities and net assets	$ 94,314,447	$ 86,137,541

[NFPs have multiple presentation options, such as pancake and columnar. This NFP is preparing a columnar statement.]

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Program service fees	$ 12,972,526	$ -	$ 12,972,526
Exchange portion of membership dues	373,781	-	373,781
Gift shop sales	112,364	-	112,364
Less cost of goods sold	(59,621)	-	(59,621)
Net gift shop sales	52,743	-	52,743
Net investment return	1,131,149	3,412,392	4,543,541
Other revenue	101,275	-	101,275
Federal and state contracts and grants	256,663	-	256,663
Contributions	3,352,578	2,858,963	6,211,541
Donated professional services	23,555	-	23,555
In-kind contributions	36,280	-	36,280
Gross special events revenue	114,989	-	114,989
Less cost of direct benefits to donors	(12,601)	-	(12,601)
Net special events revenue	102,388	-	102,388
Change in value of split-interest agreements held by Save Our Charities	-	130,406	130,406
Distributions from and change in value of beneficial interests in assets held by others	145,649	105,404	251,053
Change in value of interest-rate swap	33,200	-	33,200
Net assets released from restriction pursuant to endowment spending-rate distribution formula	728,892	(728,892)	-
Net assets released from restrictions - other	1,331,720	(1,331,720)	-
Total revenue, support, and gains	20,642,399	4,446,553	25,088,952
Expenses and Losses			
Program services expense			
Advisory Program	13,340,967	-	13,340,967
Training Program	2,464,694	-	2,464,694
Total program expenses	15,805,661	-	15,805,661
Supporting services expense			
Management and general	883,593	-	883,593
Fundraising and development	592,859	-	592,859
Total supporting services expenses	1,476,452	-	1,476,452
Loss on uncollectable promises to give	7,109	-	7,109
Impairment loss on building	60,000	-	60,000
Total expenses and losses	17,349,222	-	17,349,222
Change in Net Assets	3,293,177	4,446,553	7,739,730
Net Assets, Beginning of Year	36,726,501	34,038,338	70,764,839
Net Assets, End of Year	$ 40,019,678	$ 38,484,891	$ 78,504,569

[NFPs have multiple presentation options, such as pancake and columnar. This NFP is preparing a columnar statement.]

Save Our Charities

Consolidated Statement of Activities

Year Ended December 31, 20X0

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Program service fees	$ 12,444,784	$ -	$ 12,444,784
Exchange portion of membership dues	355,044	-	355,044
Gift shop sales	107,677	-	107,677
Less cost of goods sold	(58,781)	-	(58,781)
Net gift shop sales	48,896	-	48,896
Net investment return	85,709	(36,523)	49,186
Other revenue	82,710	-	82,710
Federal and state contracts and grants	285,129	-	285,129
Contributions	1,644,438	2,084,555	3,728,993
Donated professional services	46,468	-	46,468
In-kind contributions	31,089	-	31,089
Donated equipment	53,000	-	53,000
Gross special events revenue	272,402	-	272,402
Less cost of direct benefits to donors	(36,939)	-	(36,939)
Net special events revenue	235,463	-	235,463
Change in value of split-interest agreements held by Save Our Charities	-	51,472	51,472
Distributions from and change in value of beneficial interests in assets held by others	135,950	95,637	231,587
Gain on sale of equipment	990	-	990
Change in value of interest-rate swap	37,900	-	37,900
Net assets released from restriction pursuant to endowment spending-rate distribution formula	960,117	(960,117)	-
Net assets released from restrictions - other	202,933	(202,933)	-
Total revenue, support, and gains	16,650,620	1,032,091	17,682,711
Expenses and Losses			
Program services expense			
Advisory Program	12,907,293	-	12,907,293
Training Program	2,225,205	-	2,225,205
Total program expenses	15,132,498	-	15,132,498
Supporting services expense			
Management and general	870,669	-	870,669
Fundraising and development	562,977	-	562,977
Total supporting services expenses	1,433,646	-	1,433,646
Loss on uncollectable promises to give	139,822	294,421	434,243
Total expenses and losses	16,705,966	294,421	17,000,387
Change in Net Assets	(55,346)	737,670	682,324
Net Assets, Beginning of Year	36,781,847	33,300,668	70,082,515
Net Assets, End of Year	$ 36,726,501	$ 34,038,338	$ 70,764,839

[All NFPs are required to report information about expenses in one location, either on the face of the statement of activities, as a schedule in the notes to the financial statements, or as a separate financial statement. Presenting this information as supplementary information does not meet the requirement.]

Save Our Charities

Consolidated Statement of Functional Expenses

Year Ended December 31, 20X1

	Program Services			Management and General	Fundraising and Development	Cost of Goods Sold	Total
	Advisory	Training	Total				
Grants and other assistance	$ 294,261	$ -	$ 294,261	$ -	$ -	$ -	$ 294,261
Salaries and wages	6,769,754	1,061,585	7,831,339	370,234	254,176	-	8,455,749
Employee benefits	1,398,503	310,865	1,709,368	99,963	26,222	-	1,835,553
Payroll taxes	541,580	84,927	626,507	29,619	19,823	-	675,949
Professional services	1,306,807	87,197	1,394,004	12,780	1,704	-	1,408,488
Accounting fees	-	-	-	40,073	-	-	40,073
Legal fees	-	7,939	7,939	-	-	-	7,939
Advertising and promotion	33,085	21,006	54,091	79,261	132,478	-	265,830
Office expenses	87,071	56,654	143,725	9,867	22,794	-	176,386
Information technology	37,858	606,535	644,393	12,399	14,653	-	671,445
Occupancy	446,601	29,799	476,400	14,918	55,427	-	546,745
Travel	170,957	18,283	189,240	149,292	-	-	338,532
Conferences, conventions and meetings	32,516	66,287	98,803	11,505	-	-	110,308
Interest	387,428	-	387,428	-	9,457	-	396,885
Insurance	198,174	12,556	210,730	5,443	1,022	-	217,195
Training and development	457,617	20,659	478,276	9,113	33,669	-	521,058
Gift shop cost of goods sold	59,621	-	59,621	-	-	-	59,621
Cost of direct benefits to donors	-	-	-	-	-	12,601	12,601
Depreciation and amortization	1,147,186	74,425	1,221,611	20,112	13,960	-	1,255,683
Bad debt expense	-	-	-	16,892	-	-	16,892
Other	31,569	5,977	37,546	2,122	7,474	-	47,142
Total expenses by function	13,400,588	2,464,694	15,865,282	883,593	592,859	12,601	17,354,335
Less expenses included with revenues on the statement of activities							
Gift shop cost of goods sold	(59,621)	-	(59,621)	-	-	-	(59,621)
Cost of direct benefits to donors	-	-	-	-	-	(12,601)	(12,601)
Total expenses included in the expense section on the statement of activities	$ 13,340,967	$ 2,464,694	$ 15,805,661	$ 883,593	$ 592,859	$ -	$ 17,282,113

[All NFPs are required to report information about expenses in one location, either on the face of the statement of activities, as a schedule in the notes to the financial statements, or as a separate financial statement. Presenting this information as supplementary information does not meet the requirement.]

Save Our Charities

Consolidated Statement of Functional Expenses

Year Ended December 31, 20X0

	Program Services			Management and General	Fundraising and Development	Cost of Goods Sold	Total
	Advisory	Training	Total				
Grants and other assistance	$ 288,376	$ -	$ 288,376	$ -	$ -	$ -	$ 288,376
Salaries and wages	6,634,358	1,040,354	7,674,712	362,830	249,092	-	8,286,634
Employee benefits	1,370,533	304,648	1,675,181	97,964	25,698	-	1,798,843
Payroll taxes	530,749	83,228	613,977	29,026	19,427	-	662,430
Professional services	1,028,671	85,453	1,114,124	24,469	1,670	-	1,140,263
Accounting fees	-	-	-	39,271	-	-	39,271
Legal fees	-	2,017	2,017	5,763	-	-	7,780
Advertising and promotion	50,823	18,755	69,578	68,476	122,918	-	260,972
Office expenses	86,193	55,521	141,714	9,669	22,338	-	173,721
Information technology	37,101	415,972	453,073	12,151	2,360	-	467,584
Occupancy	444,669	29,203	473,872	12,660	54,318	-	540,850
Travel	167,538	17,917	185,455	148,495	-	-	333,950
Conferences, conventions and meetings	31,865	64,961	96,826	11,275	-	-	108,101
Interest	449,561	-	449,561	-	10,085	-	459,646
Insurance	194,211	12,305	206,516	5,334	1,002	-	212,852
Training and development	465,125	20,246	485,371	8,931	33,763	-	528,065
Gift shop cost of goods sold	58,781	-	58,781	-	-	-	58,781
Cost of direct benefits to donors	-	-	-	-	-	36,939	36,939
Depreciation and amortization	1,096,582	68,768	1,165,350	19,721	12,981	-	1,198,052
Bad debt expense	-	-	-	12,554	-	-	12,554
Other	30,938	5,857	36,795	2,080	7,325	-	46,200
	12,966,074	2,225,205	15,191,279	870,669	562,977	36,939	16,661,864
Less expenses included with revenues on the statement of activities							
Gift shop cost of goods sold	(58,781)	-	(58,781)	-	-	-	(58,781)
Cost of direct benefits to donors	-	-	-	-	-	(36,939)	(36,939)
Total expenses included in the expense section on the statement of activities	$ 12,907,293	$ 2,225,205	$ 15,132,498	$ 870,669	$ 562,977	$ -	$ 16,566,144

[An NFP may choose to report cash flows from operating activities under either the direct or indirect method. If the direct method is used, a reconciliation of the change in net assets from operating activities may be reported but is not required.]

Save Our Charities

Consolidated Statements of Cash Flows

Years Ended December 31, 20X1 and 20X0

	20X1	20X0
Cash Flows from Operating Activities		
Program service payments received	$ 13,410,429	$ 12,458,235
Membership receipts	373,781	355,044
Gift shop sales receipts	112,364	107,677
Receipts from federal and state contracts and grants	256,663	285,129
Contributions received, net of amounts restricted for long-term purposes	4,264,113	2,647,976
Receipts from special events	114,989	272,402
Distributions from beneficial interests and assets held by others	182,521	155,717
Other cash receipts	101,275	82,710
Grants paid	(294,261)	(288,376)
Payments for salaries, benefits and payroll taxes	(10,964,676)	(10,734,090)
Payments to vendors	(3,935,150)	(4,086,056)
Interest paid	(441,514)	(493,767)
Net Cash from Operating Activities	3,180,534	762,601
Cash Flows from Investing Activities		
Purchases of operating investments	(275,000)	(150,000)
Proceeds from sales of operating investments	173,520	109,761
Purchases of property and equipment	(1,407,916)	(875,456)
Proceeds from sales of property and equipment	-	5,390
(Addition to) cash restricted to building project	(500,000)	-
(Addition to) withdrawal from assets held under split-interest agreements	88,476	(6,859)
(Addition to) withdrawal from endowment	541,671	(342,531)
Net Cash used for Investing Activities	(1,379,249)	(1,259,695)
Cash Flows from Financing Activities		
Collections of contributions restricted to building project	500,000	-
Collections of contributions restricted to endowment	365,963	1,891,105
Payments to beneficiaries of split-interest agreements	(76,588)	(87,219)
Proceeds from establishment of split-interest agreements	-	107,899
Net borrowings (repayments) under line of credit	(50,000)	275,000
Proceeds from issuance of bonds and notes	-	125,000
Principal payments on bonds, notes and capital leases	(205,236)	(423,568)
Net Cash from Financing Activities	534,139	1,888,217
Net Change in Cash and Cash Equivalents	2,335,424	1,391,123
Cash and Cash Equivalents, Beginning of Year	3,485,916	2,094,793
Cash and Cash Equivalents, End of Year	$ 5,821,340	$ 3,485,916

[An NFP may choose to report cash flows from operating activities under either the direct or indirect method. If the direct method is used, a reconciliation of the change in net assets from operating activities may be reported but is not required.]

Save Our Charities

Consolidated Statements of Cash Flows

Years Ended December 31, 20X1 and 20X0

	20X1	20X0
Reconciliation of Change in Net Assets to Net Cash from Operating Activities		
Change in net assets	$ 7,739,730	$ 682,324
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	1,247,540	1,189,909
Amortization of discount on promises to give	(6,889)	(7,924)
Realized and unrealized (gain) loss on operating investments	19,606	(490)
Impairment loss – building	60,000	-
(Gain) on sale of property and equipment	-	(990)
Contributed property and equipment capitalized	-	(53,000)
Loss on uncollectable promises to give	7,109	434,243
Contributions received under split-interest agreements	-	(28,486)
Contributions restricted to building project	(500,000)	-
Contributions restricted to endowment	(330,409)	(1,857,667)
Change in value of split-interest agreements held by SOC	(130,406)	(51,472)
Change in beneficial interests in assets held by others	(92,866)	(75,870)
Endowment net investment (return)	(4,556,061)	(43,269)
Change in value of interest rate swap	(33,200)	(37,900)
Changes in operating assets and liabilities		
Accounts receivable, net	74,984	(40,644)
Promises to give, net	(726,942)	716,652
Gift shop inventory, net	(7,155)	3,427
Prepaid expenses and other assets	64,574	(38,072)
Accounts payable	(14,575)	(96,082)
Accrued expenses and other liabilities	2,575	13,817
Deferred revenue	362,919	54,095
Net Cash from Operating Activities	$ 3,180,534	$ 762,601
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for		
Interest	$ 441,514	$ 493,767
Unrelated business income taxes [if any]	-	-
	$ 441,514	$ 493,767
Supplemental Disclosure of Non-cash Investing and Financing Activity		
Accounts payable for property and equipment	$ 445,369	$ -
Equipment financed through capital lease arrangement	-	94,700
	$ 445,369	$ 94,700

Note 1 - Principal Activity and Significant Accounting Policies

Organization

[These paragraphs should be tailored to each specific entity and include descriptions of each of the programs included in the statements of activities.]

Save Our Charities (SOC, we, us, our)[2] is a nonprofit organization established to provide a comprehensive source of support and training to public charities across America. Designed to assist charities throughout their entire life cycles, our experts can assist boards of directors, management, and staff in all areas of nonprofit formation, planning, financing, and operations. We fulfill our mission by focusing our efforts in two primary service areas.

Advisory

Our Advisory Services Program provides technical, advisory, and managerial services to charities facing something as small as an isolated challenge, all the way to developing strategies and tactics for organizations over entire life cycles. We help organizations adapt to an ever-changing world as they continually reinvent themselves to ensure relevance and effectiveness. Ultimately, we hope to enable many charities to “obsolete” themselves by achieving a cure, solution, or other means of permanently solving a societal need.

Training

Our specially trained educators and counseling staff members help board members, management, and staff alike develop and enhance the essential skills they need to thrive while focusing on the populations they serve. Through a variety of individual and group experiential workshops, webinars, and recreational leadership classes at our Leadership Effectiveness Retreat Center, participants become empowered with new levels of confidence and energy to continue their fulfilling work.

Save Our Charities Foundation (the Foundation) is a separate not-for-profit organization established solely to raise, hold, and administer funds for the benefit of Save Our Charities. The Foundation is governed by a separate Board of Directors, the majority of which are appointed by Save Our Charities’ Board of Directors. The Board of Directors of the Foundation authorizes supporting distributions to Save Our Charities.

[2] [Many organizations use first-person voice in their footnotes (for example, “we” “us” “our”), which reflects the fact that the financial statements are a product of management and the organization, not the auditors. First-person voice may help foster a more personal, direct connection to the entity’s constituents and funders.]

Principles of Consolidation

The consolidated financial statements include the accounts of Save Our Charities and Save Our Charities Foundation because Save Our Charities has both control and an economic interest in the Foundation. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as "Save Our Charities."

Comparative Financial Information

[When prior year summarized information is presented, this note must be included.]

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 20X0, from which the summarized information was derived.

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

[This example template assumes that Save Our Charities holds brokered certificates of deposit (CDs), which are "other investments" under GAAP. It also assumes that Save Our Charities has elected to report "other investments" at fair value; accordingly, the CDs are included in the Note 3 fair value disclosures. An entity may instead hold CDs with a local financial institution (that is, non-brokered/non-traded CDs). In such instances, Q&A section 2130.39, "Balance Sheet Classification of Certificates of Deposit" (AICPA, *Technical Questions and Answers*), indicates that CDs with original maturities of 90 days or less are commonly considered "cash and cash equivalents" under FASB *Accounting Standards Codification* (ASC) 305, *Cash and Cash Equivalents*. With rare exception, non-brokered CDs with original maturities over 90 days would be included in "other investments" because they are neither equity securities with readily determinable fair values nor debt securities. Per paragraph 4.37 of the AICPA Audit and Accounting Guide *Not-for-Profit Entities*, "other investments" may be carried at carrying value or fair value by institutions of higher education, voluntary health and welfare entities, or health care entities, and may be carried at fair value or the lower of cost or fair value by all other NFPs, unless the fair value election under FASB ASC 825-10 has been made.]

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for advisory services, educational, and training programs. We determine the allowance for uncollectable ["uncollectible" also is acceptable—be consistent throughout] accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At December 31, 20X1 and 20X0, the allowance was $15,800 and $18,100, respectively.

Promises to Give [or **Contributions Receivable**. Use of the term *pledges receivable* is discouraged because it is considered to be ambiguous.]

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At December 31, 20X1 and 20X0, the allowance was $112,994 and $83,128, respectively

[If the entity has elected to report promises to give at fair value, then replace the preceding paragraph with the following:

We initially record unconditional promises to give and subsequently carried at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. (Note: There would be no allowance for uncollectable promises to give because collectibility is one of many factors considered in determining fair value. Note 3 would be amended to incorporate the fair value disclosures for the promises to give, and Note 4 would display the promises to give expected to be collected over the three intervals required to be presented, with a separate line showing the adjustment to arrive at fair value. The fair values would agree to the statements of financial position.)]

Gift Shop Inventory

Our inventory comprises program-related merchandise held for sale in the gift shop and is stated at the lower of cost or market determined by the first-in first-out method. We have provided an allowance for inventory obsolescence of $2,000 and $2,400 at December 31, 20X1 and 20X0, respectively.

Property and Equipment

We record property and equipment additions over $5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. We have determined that certain long-lived assets were impaired during the year ended December 31, 20X1, and have recorded an impairment loss of $60,000 at December 31, 20X1 (Notes 3 and 5). There were no indicators of asset impairment during the year ended December 31, 20X0.

Assets Held and Liabilities Under Split-Interest Agreements

Charitable Trusts

We act as trustee for various revocable and irrevocable trusts. These trusts are governed by the respective trust agreements, which generally provide for either an income stream or a future distribution of cash or other assets to us, in whole or in part, for a specified period or upon the occurrence of a specific event, respectively. If a trust is revocable, or if the maker of the trust reserves the right to replace us as the beneficiary of the trust, we record the assets placed in trust at fair value, with an equal and offsetting liability until such time that we receive distributions from the trust in accordance with its terms. If the trust is irrevocable, the trust assets are recorded at fair value, and a related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions until such amount is received via trust distribution or is expended in satisfaction of the donor-restricted purpose stipulated by the trust agreement, or both, if any. At that time, net assets with donor-imposed time or purpose restrictions are released to net assets without restrictions, and net assets with donor restrictions that are perpetual in nature are transferred to the endowment. In subsequent years, the liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year. [If the fair value election has been made, this sentence would instead read: In subsequent years, the liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year.] Upon termination of the trust, the remaining liability is removed and recognized as income.

Charitable Gift Annuities

Under charitable gift annuity contracts, we receive immediate and unrestricted title to contributed assets and agree to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution without donor restrictions. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year. [If the fair value election has been made, this sentence would instead read: In subsequent years, the liability for future payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year.] Upon termination of the annuity contract, the remaining liability is removed and recognized as income.

Beneficial Interests in Charitable Trusts Held by Others

We have been named as an irrevocable beneficiary of several charitable trusts held and administered by independent trustees. These trusts were created independently by donors and are administered by outside agents designated by the donors. Therefore, we have neither possession nor control over the assets of the trusts. At the date we receive notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities, and a beneficial interest in charitable trusts held by others is recorded in the statements of financial position at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the expected distributions to be received under the agreement. Thereafter, beneficial interests in the trusts are reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities.

Upon receipt of trust distributions or expenditures, or both, in satisfaction of the donor-restricted purpose, if any, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions. Trust distributions with donor-imposed restrictions that are perpetual in nature are transferred to the endowment, in which case, net assets with donor-restrictions are not released.

Beneficial Interest in Assets Held by Community Foundation

During 20XX, we established an endowment fund that is perpetual in nature[3] (the fund) under a community foundation's (the CF) Non-Profit Preservation Endowment Challenge Grant Program and named SOC as beneficiary. We granted variance power to the CF, which allows the CF to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the CF's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The fund is held and invested by the CF for our benefit and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

Beneficial Interests in Perpetual Trusts

We have been named as an irrevocable beneficiary of several perpetual trusts held and administered by independent trustees. Perpetual trusts provide for the distribution of the net income of the trusts to us; however, we will never receive the assets of the trusts. At the date we receive notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statements of activities, and a beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

[3] [This example assumes the funds transferred were originally restricted for endowment. Because no donor is involved when an NFP transfers its assets to a recipient entity and names itself as beneficiary, the transfer does not affect the classification of net assets. Thus, if an NFP transfers assets that were received without donor restrictions to the recipient entity, the classification of net assets associated with the assets held by the recipient entity also is without donor restriction. Likewise, if an NFP transfers assets to the recipient entity that were restricted and the restriction was not met prior to or by the transfer, the classification of net assets associated with the assets held by the recipient entity is similarly restricted.]

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Interest-Rate Swap

We use an interest-rate swap to mitigate interest-rate risk on our bonds payable (Note 7). The related liability or asset is reported at fair value in the statements of financial position, and unrealized gains or losses are included in the statements of activities.

Net Assets

Net assets, revenues, gains, and 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

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. [Add, if applicable: Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.] 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.

[Alternatively, if the organization has adopted the following policy instead of the preceding one, then:
We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.]

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received (Note 11). [If no recordable donated goods or services, or only an immaterial amount of such were received, add: No significant contributions of such goods or services were received during the years ended December 31, 20X1 and 20X0, respectively.]

Advertising Costs

Advertising costs are expensed as incurred, and approximated $211,000 and $198,000 during the years ended December 31, 20X1 and 20X0, respectively.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. [Note: All NFPs are required to report information about expenses in one location: on the face of the statement of activities, as a schedule in the notes to the financial statements, or in a separate financial statement. Presenting this information as supplementary information does not meet the requirement.]

Income Taxes

[This disclosure must be tailored to match the fact pattern of the entity(ies) presented. Here, we have two entities, each of which is referenced in the IRC in different sections because the natures of their tax-exempt status and non-private foundation status emanate from different IRC sections. Based on the materiality of uncertain tax positions, additional disclosures may be required.]

Save Our Charities and Save Our Charities Foundation are organized as [insert State] nonprofit corporations and have been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that each entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. [If both entities file Form 990-T, change the sentence to: Each entity files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income. If one does and one doesn't, adjust accordingly.]

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by us and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets. [If material, the nature of the reclassifications must be disclosed. Exercise care in determining if any reclassifications are, in effect, corrections of errors, in which case, those reclassifications would require restatement of prior-year balances even if such reclassifications had no effect on the prior year's change in net assets.]

Recent Accounting Guidance [Optional.]

[Description of relevant new pronouncements, and their anticipated effects, may be added here.]

Change in Accounting Principle [Optional, based on materiality of impact of FASB updates and other changes made during the year.]

Subsequent Events

We have evaluated subsequent events through Month Day, 20X2, the date the consolidated financial statements were available to be issued.

[If the entity is a public-debt conduit, as is Save Our Charities, this sentence should read: We have evaluated subsequent events through Month Day, 20X2, the date the consolidated financial statements were issued.]

[If a subsequent event has occurred that requires disclosure, consider moving this to the end of the numbered notes to financial statements and include a detailed disclosure of the subsequent event(s).]

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:

Cash and cash equivalents	$	4,851,231
Accounts receivable		312,216
Operating investments		723,006
Promises to give		965,846
Distributions from assets held under split-interest agreements		145,000
Distributions from beneficial interests in assets held by others		180,110
Endowment spending-rate distributions and appropriations		1,115,664
	$	8,293,073

Our endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Our board-designated endowment of $15,511,186 is subject to an annual spending rate of 4.5 percent as described in Note 9. Although we do not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of our Board’s annual budget approval and appropriation), these amounts could be made available if necessary.

As part of our liquidity management plan, we invest cash in excess of daily requirements in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its operating reserve, which was $300,000 as of December 31, 201X.

Note 3 - Fair Value Measurements and Disclosures

We report certain assets[4] and liabilities [or one or the other] at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of our investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values. We invest in CDs traded in the financial markets. Those CDs and U.S. government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2. The fair values of beneficial interests in charitable and perpetual trusts are determined by us using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets and are based on the fair values of trust investments as reported by the trustees. The fair value of our beneficial interest in assets held by the community foundation is based on the fair value of fund investments as reported by the community foundation. These are considered to be Level 3 measurements.

[4] [Investments accounted for using the equity method are not "fair value" investments and should not be included in the tabular presentation of fair value leveling disclosures.]

We use net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain hedge funds, private equity funds, funds of funds, and limited partnerships, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The interest rate swap agreement is valued using a third party's proprietary discounted cash flow model, which considers past, present, and future assumptions regarding interest rates and market conditions to estimate the fair value of the agreement. This is classified within Level 2.[5]

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[5] [FASB ASC 820-10-50-2B provides guidance for determining "classes" to be reported, as follows:

> A reporting entity shall determine appropriate classes of assets and liabilities on the basis of the following:
>
> a. The nature, characteristics, and risks of the asset or liability.
>
> b. The level of the fair value hierarchy within which the fair value measurement is categorized.
>
> The number of classes may need to be greater for fair value measurements categorized within Level 3 of the fair value hierarchy because those measurements have a greater degree of uncertainty and subjectivity. Determining appropriate classes of assets and liabilities for which disclosures about fair value measurements should be provided requires judgment. A class of assets and liabilities will often require greater disaggregation than the line items presented in the statements of financial position. However, a reporting entity shall provide information sufficient to permit reconciliation to the line items presented in the statements of financial position. If another Topic specifies the class for an asset or a liability, a reporting entity may use that class in providing the disclosures required in this Topic if that class meets the requirements in this paragraph.

FASB ASC 320-10-50-1B states "Major security types shall be based on the nature and risks of the security. In determining whether disclosure for a particular security type is necessary and whether it is necessary to further separate a particular security type into greater detail, an entity shall consider all of the following:

a. (Shared) activity or business sector.
b. Vintage.
c. Geographic concentration.
d. Credit quality.
e. Economic characteristic."

FASB 942-320-50-2, which pertains to financial institutions and is included here as additional information, states "[F]inancial institutions shall include in their disclosure all of the following major security types, although additional types also may be necessary:

a. Equity securities, segregated by any one of the following:
    1) Industry type; 2) Entity size; 3) Investment objective.
b. Debt securities issued by the U.S. Treasury and other U.S. government corporations and agencies.
c. Debt securities issued by states of the United States and political subdivisions of the states.
d. Debt securities issued by foreign governments.
e. Corporate debt securities.
f. Residential mortgage-backed securities.
ff. [sic] Commercial mortgage-backed securities.
fff. [sic] Collateralized debt obligations.
g. Other debt obligations."]

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at December 31, 20X1[6]:

	Total	Fair Value Measurements at Report Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
Assets					
Operating investments					
U.S. Government obligations	$ 181,313	$ -	$ 181,313	$ -	$ -
Short-term bond mutual fund	541,693	541,693	-	-	-
	$ 723,006	$ 541,693	$ 181,313	$ -	$ -
Assets held under split-interest agreements					
Cash and money market funds (at cost)	$ 178,411	$ -	$ -	$ -	$ -
U.S. Government obligations	512,904	-	512,904	-	-
Global equity mutual funds	1,285,787	1,285,787	-	-	-
	$ 1,977,102	$ 1,285,787	$ 512,904	$ -	$ -
Beneficial interests in					
Charitable trusts held by others	$ 812,850	$ -	$ -	$ 812,850	$ -
Assets held by community foundation	$ 1,094,842	$ -	$ -	$ 1,094,842	$ -
Perpetual trusts	$ 2,595,059	$ -	$ -	$ 2,595,059	$ -
Endowment investments					
Cash and money market funds (at cost)	$ 1,403,828	$ -	$ -	$ -	$ -
Certificates of deposit	1,211,544	-	1,211,544	-	-
U.S. Government obligations	2,237,782	-	2,237,782	-	-
Global equity mutual funds	10,630,571	10,630,571	-	-	-
Global equity funds	1,572,375	-	-	-	1,572,375
Long/short hedge funds	7,022,540	-	-	-	7,022,540
Private equity funds	8,456,648	-	-	-	8,456,648
Real estate funds	14,491,843	-	-	-	14,491,843
	$ 47,027,131	$ 10,630,571	$ 3,449,326	$ -	$ 31,543,406
Liabilities					
Interest-rate swap	$ 240,300	$ -	$ 240,300	$ -	$ -

[See notes in “Promises to Give” and “Assets Held and Liabilities Under Split-Interest Agreements” accounting policies for discussion of the fair value election. When such election has been made for any of these items, this Note 3 would be expanded to include all related disclosures regarding fair value level determinations, including a description of the methods and inputs used to determine the valuations and so on.]

[6] [This example achieves articulation between the totals in the table and the statement of financial position by including items not required to be measured at fair value in the Total column, but not the Level columns. An alternative would be to present subtotals within each category for items required to be measured at fair value, then adding non-fair value items to arrive at totals that articulate with the statement of financial position totals.]

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at December 31, 20X0[7]:

		Fair Value Measurements at Report Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
Assets					
Operating investments					
U.S. Government obligations	$ 237,366	$ -	$ 237,366	$ -	$ -
Short-term bond mutual fund	403,766	403,766	-	-	-
	$ 641,132	$ 403,766	$ 237,366	$ -	$ -
Assets held under split-interest agreements					
Cash and money market funds (at cost)	$ 189,324	$ -	$ -	$ -	$ -
U.S. Government obligations	519,327	-	519,327	-	-
Global equity mutual funds	1,220,609	1,220,609	-	-	-
	$ 1,929,260	$ 1,220,609	$ 519,327	$ -	$ -
Beneficial interests in					
Charitable trusts held by others	$ 804,179	$ -	$ -	$ 804,179	$ -
Assets held by community foundation	$ 1,090,505	$ -	$ -	$ 1,090,505	$ -
Perpetual trusts	$ 2,515,201	$ -	$ -	$ 2,515,201	$ -
Endowment investments					
Cash and money market funds (at cost)	$ 4,355,570	$ -	$ -	$ -	$ -
Certificates of deposit	985,603	-	985,603	-	-
U.S. Government obligations	2,417,148	-	2,417,148	-	-
Global equity mutual funds	8,134,649	8,134,649	-	-	-
Long/short hedge funds	5,937,344	-	-	-	5,937,344
Private equity funds	7,996,573	-	-	-	7,996,573
Real estate funds	13,551,817	-	-	-	13,551,817
	$ 43,378,704	$ 8,134,649	$ 3,402,751	$ -	$ 27,485,734
Liabilities					
Interest-rate swap	$ 273,500	$ -	$ 273,500	$ -	$ -

[See notes in "Promises to Give" and "Assets Held and Liabilities Under Split-Interest Agreements" accounting policies for discussion of the fair value election. When such election has been made for any of these items, this Note 3 would be expanded to include all related disclosures regarding fair value level determinations, including a description of the methods and inputs used to determine the valuations and so on.]

[7] [This example achieves articulation between the totals in the table and the statement of financial position by including items not required to be measured at fair value in the Total column, but not the Level columns. An alternative would be to present subtotals within each category for items required to be measured at fair value, then adding non-fair value items to arrive at totals that articulate with the statement of financial position totals.]

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 20X1 and 20X0:

	Fair Value Measurements at Report Date Using Significant Unobservable Inputs (Level 3)		
	Beneficial Interests		
	Charitable Trusts	Assets Held by Community Foundation	Perpetual Trusts
Year ended December 31, 20X1			
Balance at December 31, 20X0	$ 804,179	$ 1,090,505	$ 2,515,201
Purchases/contributions of investments	24,334	-	-
Investment return, net	21,209	41,209	188,635
Distributions	(36,872)	(36,872)	(108,777)
Balance at December 31, 20X1	$ 812,850	$ 1,094,842	$ 2,595,059
Year ended December 31, 20X0			
Balance at December 31, 20XX	$ 780,287	$ 1,095,834	$ 2,457,894
Purchases/contributions of investments	-	-	-
Investment return, net	43,659	29,006	158,922
Distributions	(19,767)	(34,335)	(101,615)
Balance at December 31, 20X0	$ 804,179	$ 1,090,505	$ 2,515,201

Investments in certain entities that are measured at fair value using NAV per share as a practical expedient are as follows at December 31, 20X1 and 20X0:

	Number of Investments	Fair value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 20X1					
Global equity funds	1	$ 1,572,375	$ -	Quarterly	30 days
Long/short hedge funds	9	-	-	Daily, Monthly	None, 30 days
Private equity funds	5	8,456,648	775,000	Annually, Limited (1)	30 days
Real estate funds	13	-	246,971	Illiquid	None
		$ 10,029,023	$ 1,021,971		
December 31, 20X0					
Long/short hedge funds	9	$ -	$ -	Daily, Monthly	None, 30 days
Private equity funds	6	-	950,000	Annually, Limited (1)	30 days
Real estate funds	12	-	308,533	Illiquid	None
		$ -	$ 1,258,533		

(1) The liquidity of certain investments is limited until the original capital commitment has been met. Additonally, the provisions of two investment contracts require a term exceeding one year for complete divestiture.

Global Equity Funds – Funds focused on private equity investments primarily in foreign markets, including emerging markets.

Long/Short Hedge Funds – Funds that can invest long and short, primarily in common stocks. Fund managers may invest in value, growth, or event-driven equity opportunities and typically are not restricted by market capitalization, industry sector, or geography. Leverage may be utilized, which can magnify changes in the values of the underlying securities.

Private Equity Funds – Funds focused on growth in equity, buyout opportunities, or distressed debt. These investments are not readily redeemable; however, a secondary market does exist. Distributions normally are received through the liquidation of the underlying assets in the fund. The terms of these investments range from three to seven years.

Real Estate Funds – Funds focused on real estate assets primarily located in the United States. These investments are not redeemable. Instead, distributions are received through the liquidation of the underlying assets in the fund. The terms of these investments range from 2–10 years.

Fair values of assets measured on a nonrecurring basis at December 31, 20X1 are as follows:

		Fair Value Measurements at Report Date Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Losses
Long-lived asset held and used Administration Building	$ 2,475,000	$ -	$ 2,475,000	$ -	$ 60,000

During the year ended December 31, 20X1, our administration building, with a carrying amount of $2,535,000, was written down to its appraised fair value of $2,475,000, resulting in an impairment loss of $60,000 which was included in the change in net assets without donor restrictions for the year (Note 5).

[Note: Although presented in a single line in the statements of activities in these example financial statements, net investment return may be reported in multiple, appropriately labeled lines, for example, from different portfolios, in different net asset classes, or in operating versus non-operating. This detail may be provided on the face of the statement of activities or in the notes. Certain entities may find these options helpful in enhancing user understanding of the entity's investment management strategies.]

Note 4 - Promises to Give

Unconditional promises to give are estimated to be collected as follows at December 31, 20X1 and 20X0:
[See note in the "Promises to Give" accounting policy for discussion of the fair value election.]

	20X1	20X0
Within one year	$ 1,165,958	$ 898,050
In one to five years	980,189	92,559
Over five years	500,000	600,000
	2,646,147	1,590,609
Less discount to net present value at rates ranging from 2.96% to 4.70%	(112,994)	(83,128)
Less allowance for uncollectable promises to give	(205,539)	(236,998)
[If the fair value election has been made, the above two lines would be replaced with one line item entitled "Adjustment to fair value". The adjustment would most likely differ from the amounts above.]	$ 2,327,614	$ 1,270,483

Promises to give appear as follows in the statements of financial position:

	20X1	20X0
Promises to give, net	$ 1,990,615	$ 897,930
Endowment promises to give, net	336,999	372,553
	$ 2,327,614	$ 1,270,483

At December 31, 20X1 and 20X0, three donors accounted for 47 percent and 45 percent of total promises to give, respectively. Two contributors accounted for approximately 31 percent and 35 percent of total contribution revenue for the years ended December 31, 20X1 and 20X0, respectively.

Promises to give totaling $1,890,503 and $862,930 received during the years ended December 31, 20X1 and 20X0, respectively, were restricted by donors for current-year operations and were reported as contributions without donor restrictions.

Note 5 - Property and Equipment

Property and equipment consists of the following at December 31, 20X1 and 20X0:

	20X1	20X0
Land and improvements	$ 6,231,389	$ 6,063,766
Buildings and improvements	34,625,355	34,313,251
Equipment	1,520,946	470,610
Furniture and fixtures	5,163,124	5,124,313
	47,540,814	45,971,940
Less accumulated depreciation and amortization	(16,730,012)	(15,706,883)
	$ 30,810,802	$ 30,265,057

[If not disclosed in the statements of functional expenses or cash flows, then: Depreciation and amortization expense totaled $1,247,540 and $1,189,909 for the years ended December 31, 20X1 and 20X0, respectively.]

During the course of our line of credit renewal negotiations, the administration building was appraised at a fair value below its carrying value. Accordingly, an impairment loss of $60,000 was recorded in the statement of activities at December 31, 20X1, and the carrying value of the property was reduced to its estimated fair value (Note 3).

Note 6 - Line of Credit

We have a $1,000,000 revolving line of credit with a bank, secured by accounts receivable. Borrowings under the line bear interest at the bank's prime rate plus 0.75%, or a floor of 5.00% (5.00% at December 31, 20X1 and 20X0). Accrued interest and principal are due at maturity (June 30, 20X3). The agreement requires us to comply with certain financial and non-financial covenants.

Note 7 - Bonds and Notes Payable

Bonds Payable

On November 1, 2008, the Municipal Financing Authority (the Authority) issued $14,000,000 of Series 2008 Floating Rate Charity Advancement Development Bonds (the Bonds). The Authority then loaned the proceeds of the Bonds to us for construction of a new training center. The Bonds are special limited obligations of the Authority and are payable solely out of the amounts received by the Authority from us pursuant to the terms and provisions of the indenture and agreement. The Bonds are 30-year serial bonds maturing on November 1, 2038, with floating rates based on the SIFMA Municipal Swap Index Rate plus 1.00 percent (4.38% and 4.22% at December 31, 20X1 and 20X0, respectively), provisions for optional and mandatory redemption sinking funds, and a provision for early redemption. Payment of principal and interest on the Bonds is guaranteed by a loan agreement, which provides the Authority with rights and title to program revenues and is secured by the training center building. Interest on the Bonds is payable semi-annually on May 1 and November 1.

Bonds payable consist of the following at December 31, 20X1 and 20X0:

	20X1	20X0
Principle amount	$ 9,606,406	$ 9,796,231
Less unamortized premium and debt issuance costs	232,512	239,952
	$ 9,373,894	$ 9,556,279

Notes Payable

Notes payable consist of the following at December 31, 20X1 and 20X0:

	20X1	20X0
4.125% note payable, principal and accumulated accrued interest due on December 31, 20X4, unsecured	$ 125,000	$ 125,000
Note payable, due in monthly installments of $1,361, plus interest at bank's prime lending rate (3.25% at December 31, 20X1 and 20X2, respectively), to March 1, 20XX, secured by property and equipment	72,883	78,427
	$ 197,883	$ 203,427

Future maturities of bonds and notes payable are as follows:

Years Ending December 31,	Bonds Payable	Notes Payable	Total
20X2	$ 186,676	$ 6,549	$ 193,225
20X3	192,035	7,156	199,191
20X4	197,213	7,824	205,037
20X5	207,522	133,601	341,123
20X6	212,734	9,933	222,667
Thereafter	8,377,514	32,820	8,410,334
	$ 9,373,694	$ 197,883	$ 9,571,577

To hedge against interest rate risk on our floating-rate bonds, we entered into an interest rate swap (the Swap) with a major U.S. bank as the counterparty. The Swap has a declining notional value matching the outstanding bond principal over time. We pay interest on the notional value at 4.98 percent and receive interest on the notional value at the floating SIFMA Municipal Swap Index Rate plus 1.00 percent (4.38% and 4.22% at December 31, 20X1 and 20X0, respectively). The Swap matures on November 1, 2038. The effect of the Swap is to convert our floating-rate bond debt to fixed-rate debt.

During the years ended December 31, 20X1 and 20X0, the fair value of the liability [could be asset] under the Swap decreased [could be increased] $33,200 and $37,900, respectively, which has been reflected in the accompanying consolidated statements of activities. At December 31, 20X1 and 20X0, the fair value of the Swap liability [could be asset] was $240,300 and $273,500, respectively.

Note 8 - Leases

We lease office and storage space under various operating leases, and vehicles and equipment under various capital leases expiring at various dates through 20X8.

Future minimum lease payments are as follows:

Years Ending December 31,	Capital Leases	Operating Leases
20X2	$ 21,984	$ 178,493
20X3	21,984	159,027
20X4	21,984	87,212
20X5	10,992	72,038
20X6	-	54,777
Thereafter	-	12,901
Total minimum lease payments	76,944	$ 564,448
Less amount representing interest	(7,730)	
Capital lease obligation	$ 69,214	

Rent expense for the years ended December 31, 20X1 and 20X0 totaled $190,329 and $214,260, respectively.

Leased property under capital leases at December 31, 20X1 and 20X0 includes the following:

	20X1	20X0
Vehicles	$ 70,000	$ 70,000
Equipment	24,700	24,700
	94,700	94,700
Less accumulated amortization	(28,410)	(9,470)
	$ 66,290	$ 85,230

Note 9 - Endowment

Our endowment (the Endowment) consists of approximately 45 individual funds established by donors to provide annual funding for specific activities and general operations. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

Our Board of Directors has interpreted the [insert State] Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 20X1 and 20X0, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts [or, if the fair value election has been made, including promises to give at fair value]) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

As of December 31, 20X1 and 20X0, we had the following endowment net asset composition by type of fund:

	Without Donor Restriction	With Donor Restrictions	Total
12/31/20X1			
Board-designated endowment funds	$ 15,511,186	$ -	$ 15,511,186
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	19,174,849	19,174,849
Accumulated investment gains	-	12,678,095	12,678,095
	$ 15,511,186	$ 31,852,944	$ 47,364,130
12/31/20X0			
Board-designated endowment funds	$ 14,912,222	$ -	$ 14,912,222
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	18,844,440	18,844,440
Accumulated investment gains	-	9,994,595	9,994,595
	$ 14,912,222	$ 28,839,035	$ 43,751,257

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 20X0, funds with original gift values of $19,883,738, fair values of $19,841,061, and deficiencies of $42,677 were reported in net assets with donor restrictions. These amounts were fully recovered during 20X1 due to favorable market fluctuations.

Investment and Spending Policies

We have adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is the Consumer Price Index plus 5 percent on an annual basis. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

We use an endowment spending-rate formula to determine the maximum amount to spend from the Endowment, including those endowments deemed to be underwater, each year. The rate, determined and adjusted from time to time by the Board of Directors, is applied to the average fair value of the Endowment investments for the prior 12 quarters at December 31 of each year to determine the spending amount for the upcoming year. During 20X1 and 20X0, the spending rate maximum was 4.5 percent. In establishing this policy, we considered the long-term expected return on the Endowment and set the rate with the objective of maintaining the purchasing power of the Endowment over time.

Changes in Endowment net assets for the years ended December 31, 20X1 and 20X0 are as follows:

Year ended December 31, 20X1	Without Donor Restriction	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 14,912,222	$ 28,839,035	$ 43,751,257
Investment return, net	1,143,669	3,412,392	4,556,061
Contributions	-	330,409	330,409
Appropriation of endowment assets pursuant to spending-rate policy	-	(728,892)	(728,892)
Other changes:			
Distribution from board-designated endowment pursuant to distribution policy	(544,705)	-	(544,705)
Endowment net assets, end of year	$ 15,511,186	$ 31,852,944	$ 47,364,130
Year ended December 31, 20X0			
Endowment net assets, beginning of year	$ 15,374,019	$ 28,272,429	43,646,448
Investment return, net	79,792	(36,523)	43,269
Contributions	33,394	1,857,667	1,891,061
Loss on uncollectable promises to give	-	(294,421)	(294,421)
Appropriation of endowment assets pursuant to spending-rate policy	-	(960,117)	(960,117)
Other changes:			
Distribution from board-designated endowment pursuant to distribution policy	(574,983)	-	(574,983)
Endowment net assets, end of year	$ 14,912,222	$ 28,839,035	$ 43,751,257

Note 10 - Net Assets With Donor Restrictions

[Net assets without donor restrictions that are designed by the board for a specific use should be disclosed either on the face of the financial statements or in a footnote disclosure.]

Net assets with donor restrictions are restricted for the following purposes or periods.

	20X1	20X0
Subject to expenditure for specified purpose:		
Building project	$ 500,000	$ -
Operation of the training center	448,377	108,927
Educational programs	375,627	119,290
Financial aid	146,105	85,744
Promises to give, the proceeds from which have been restricted by donors for		
Educational programs	57,265	-
Centennial anniversary celebration	22,847	-
	1,550,221	313,961
Subject to the passage of time:		
Beneficial interests in charitable trusts held by others	812,850	804,179
Assets held under split-interest agreements	558,975	440,457
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	20,000	35,000
	1,391,825	1,279,636
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Restricted by donors for		
Available for general use	7,223,171	5,252,329
Educational programs	4,186,393	3,761,284
Financial aid	1,268,531	1,023,659
	12,678,095	10,037,272
Subject to NFP endowment spending policy and appropriation:		
Operation of the Training Center	6,811,531	6,726,382
Educational programs	8,279,742	8,000,578
Financial aid	1,688,411	1,686,761
General use	2,058,166	2,058,166
Unconditional promises to give, net - permanently restricted to general endowment	336,999	372,553
Underwater endowments	-	(42,677)
	19,174,849	18,801,763
Total endowments	31,852,944	28,839,035
Not subject to spending policy or appropriation:		
Beneficial interest in assets held by community foundation	1,094,842	1,090,505
Beneficial interests in perpetual trusts	2,595,059	2,515,201
	3,689,901	3,605,706
	$ 38,484,891	$ 34,038,338

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 20X1 and 20X0:

	20X1	20X0
Expiration of time restrictions	$ 15,000	$ -
Satisfaction of purpose restrictions		
Operation of the training center	801,146	131,567
Educational programs	247,793	7,778
Financial aid	219,021	30,000
Distributions (proceeds are not restricted by donors)		
Beneficial interests in charitable trusts held by others	36,872	19,767
Assets held under split-interest agreements	11,888	13,821
	1,331,720	202,933
Restricted-purpose spending-rate distributions and appropriations		
Educational programs	130,619	150,277
Financial aid	75,240	86,510
General use	523,033	723,330
	728,892	960,117
	$ 2,060,612	$ 1,163,050

Note 11 - Donated Professional Services and Materials

We received donated professional services and materials as follows during the years ended December 31, 20X1 and 20X0:

	Program Services	Management and General	Fundraising and Development	Total
December 31, 20X1				
Educational services	$ 14,755	$ -	$ -	$ 14,755
Legal services	-	8,800	-	8,800
Food	22,873	-	-	22,873
Supplies	2,338	-	1,029	3,367
Advertising	-	787	9,253	10,040
	$ 39,966	$ 9,587	$ 10,282	$ 59,835
December 31, 20X0				
Educational services	$ 18,447	$ -	$ -	$ 18,447
Legal services	-	28,021	-	28,021
Food	20,326	-	-	20,326
Supplies	2,818	-	-	2,818
Advertising	-	-	7,945	7,945
	$ 41,591	$ 28,021	$ 7,945	$ 77,557

During 20X0, we received a donation of 53 laptop computers, valued at $53,000. The computers were capitalized.

Note 12 - Joint Costs of Activities That Include a Fund-Raising Appeal

We produce a monthly newsletter that includes programmatic and administrative information, together with a request for contributions in support of our mission. During the years ended December 31, 20X1 and 20X0, the costs of producing the newsletter included joint costs not directly attributable to any single function. Those costs were allocated among the following functional expense categories as follows:

	20X1	20X0
Advisory Program	$ 29,912	$ 27,126
Training Program	7,043	-
Management and general	9,751	10,647
Fundraising and development	41,238	52,311
	$ 87,944	$ 90,084

Note 13 - Functionalized Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

[All NFPs are required to report this information either on the face of the statement of activities, as a schedule in the notes to the financial statements, or as a separate financial statement. Presenting this information as supplementary information does not meet the requirement]

Note 14 - Employee Benefits

We sponsor a tax-deferred annuity plan (the Plan) qualified under IRC Section 403(b) covering substantially all full-time employees. The plan provides that employees who have attained the age of 21 and completed one year of service may voluntarily contribute from 3 percent to 10 percent of their earnings to the Plan, up to the maximum contribution allowed by the IRS. Employer contributions are discretionary and are determined and authorized by the Board of Directors each plan year. During the years ended December 31, 20X1 and 20X0, we matched employee voluntary contributions up to 6 percent, resulting in contributions to the plan of $427,512 and $409,566, respectively.

Note 15 - Related Party Transactions

During the years ended December 31, 20X1 and 20X0, we purchased printing services totaling $87,590 and $95,212, respectively, from a company owned by a member of our Board of Directors.

Supplementary Information
December 31, 20X1 and 20X0

Save Our Charities

Independent Auditor's Report on Supplementary Information

The Board of Directors
Save Our Charities
City, State

We have audited the consolidated financial statements of Save Our Charities as of and for the years ended December 31, 20X1 and 20X0, and our report thereon dated Month Day, 20X2, expressed an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The following supplementary information is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Audit Firm Signature

City, State
Month Day, 20X2

	Save Our Charities	Save Our Charities Foundation	Eliminations	Consolidated
Assets				
Cash and cash equivalents	$ 5,457,393	$ 363,947	$ -	$ 5,821,340
Operating investments	723,006	-	-	723,006
Accounts receivable, net	349,765	-	(37,549)	312,216
Promises to give, net	365,128	1,625,487	-	1,990,615
Gift shop inventory, net	21,672	-	-	21,672
Prepaid expenses and other assets	290,813	-	-	290,813
Cash restricted to building project	500,000	-	-	500,000
Property and equipment, net	30,379,019	431,783	-	30,810,802
Assets held under split-interest agreements	-	1,977,102	-	1,977,102
Beneficial interests in charitable trusts held by others	-	812,850	-	812,850
Beneficial interest in assets held by community foundation	-	1,094,842	-	1,094,842
Beneficial interests in perpetual trusts	-	2,595,059	-	2,595,059
Endowment				
Promises to give, net	-	336,999	-	336,999
Investments	-	47,027,131	-	47,027,131
Total assets	$ 38,086,796	$ 56,265,200	$ (37,549)	$ 94,314,447
Liabilities and Net Assets				
Accounts payable	$ 608,445	$ 99,707	$ (37,549)	$ 670,603
Accrued expenses and other liabilities	602,766	44,956	-	647,722
Deferred revenue	2,967,135	-	-	2,967,135
Line of credit	225,000	-	-	225,000
Liabilities under split-interest agreements	-	1,418,127	-	1,418,127
Capital lease obligations	69,214	-	-	69,214
Bonds and notes payable	9,571,777	-	-	9,571,777
Interest-rate swap	240,300	-	-	240,300
Total liabilities	14,284,637	1,562,790	(37,549)	15,809,878
Net Assets				
Without donor restrictions				
Undesignated	1,212,836	1,844,771	-	3,057,607
Designated by the Board for operating reserve	300,000	-	-	300,000
Designated by the Board for endowment fund	-	15,511,186	-	15,511,186
Invested in property and equipment, net of related debt	20,719,102	431,783	-	21,150,885
	22,231,938	17,787,740	-	40,019,678
With donor restrictions				
Perpetual in nature	-	22,864,750	-	22,864,750
Purpose restrictions	1,550,221	12,678,095	-	14,228,316
Time-restricted for future periods	20,000	1,371,825	-	1,391,825
	1,570,221	36,914,670	-	38,484,891
Total net assets	23,802,159	54,702,410	-	78,504,569
Total liabilities and net assets	$ 38,086,796	$ 56,265,200	$ (37,549)	$ 94,314,447

	Save Our Charities	Save Our Charities Foundation	Eliminations	Consolidated
Assets				
Cash and cash equivalents	$ 3,316,378	$ 169,538	$ -	$ 3,485,916
Operating investments	641,132	-	-	641,132
Accounts receivable, net	419,262	-	(32,062)	387,200
Promises to give, net	440,647	457,283	-	897,930
Gift shop inventory, net	14,517	-	-	14,517
Prepaid expenses and other assets	355,387	-	-	355,387
Property and equipment, net	29,756,915	508,142	-	30,265,057
Assets held under split-interest agreements	-	1,929,260	-	1,929,260
Beneficial interests in charitable trusts held by others	-	804,179	-	804,179
Beneficial interest in assets held by community foundation	-	1,090,505	-	1,090,505
Beneficial interests in perpetual trusts	-	2,515,201	-	2,515,201
Endowment				
Promises to give, net	-	372,553	-	372,553
Investments	-	43,378,704	-	43,378,704
Total assets	$ 34,944,238	$ 51,225,365	$ (32,062)	$ 86,137,541
Liabilities and Net Assets				
Accounts payable	$ 182,433	$ 89,438	$ (32,062)	$ 239,809
Accrued expenses and other liabilities	561,051	84,096	-	645,147
Deferred revenue	2,604,216	-	-	2,604,216
Line of credit	275,000	-	-	275,000
Liabilities under split-interest agreements	-	1,488,803	-	1,488,803
Capital lease obligations	86,459	-	-	86,459
Bonds and notes payable	9,759,768	-	-	9,759,768
Interest-rate swap	273,500	-	-	273,500
Total liabilities	13,742,427	1,662,337	(32,062)	15,372,702
Net Assets				
Without donor restrictions				
Undesignated	917,114	453,287	-	1,370,401
Designated by the Board for operating reserve	250,000	-	-	250,000
Designated by the Board for endowment fund	-	14,912,222	-	14,912,222
Invested in property and equipment, net of related debt	19,685,736	508,142	-	20,193,878
	20,852,850	15,873,651	-	36,726,501
With donor restrictions				
Perpetual in nature	-	22,450,146	-	22,450,146
Purpose restrictions	313,961	10,037,272	-	10,351,233
Time-restricted for future periods	35,000	1,244,636	-	1,279,636
Underwater endowment		(42,677)		(42,677)
	348,961	33,689,377	-	34,038,338
Total net assets	21,201,811	49,563,028	-	70,764,839
Total liabilities and net assets	$ 34,944,238	$ 51,225,365	$ (32,062)	$ 86,137,541

	Save Our Charities	Save Our Charities Foundation	Eliminations	Consolidated
Revenue, Support, and Gains				
Program service fees	$ 12,972,526	$ -	$ -	$ 12,972,526
Exchange portion of membership dues	373,781	-	-	373,781
Gift shop sales	112,364	-	-	112,364
Less cost of goods sold	(59,621)	-	-	(59,621)
Net gift shop sales	52,743	-	-	52,743
Net investment return	(12,520)	4,556,061	-	4,543,541
Other revenue	89,668	11,607	-	101,275
Federal and state contracts and grants	256,663	-	-	256,663
Contributions	4,250,174	1,961,367	-	6,211,541
Donated professional services	23,555	-	-	23,555
In-kind contributions	36,280	-	-	36,280
Support from Save Our Charities Foundation	1,273,597	-	(1,273,597)	-
Gross special events revenue	114,989	-	-	114,989
Less cost of direct benefits to donors	(12,601)	-	-	(12,601)
Net special events revenue	102,388	-	-	102,388
Change in value of split-interest agreements held by Save Our Charities	-	130,406	-	130,406
Distributions from and change in value of beneficial interests in assets held by others	-	251,053	-	251,053
Change in value of interest-rate swap	33,200	-	-	33,200
Total revenue, support, and gains	19,452,055	6,910,494	(1,273,597)	25,088,952
Expenses and Losses				
Program services expense				
Advisory Program	13,340,967	-	-	13,340,967
Training Program	2,464,694	-	-	2,464,694
Support to Save Our Charities	-	1,273,597	(1,273,597)	-
Total program expenses	15,805,661	1,273,597	(1,273,597)	15,805,661
Supporting services expense				
Management and general	847,165	36,428	-	883,593
Fundraising and development	131,772	461,087	-	592,859
Total supporting services expenses	978,937	497,515	-	1,476,452
Loss on uncollectable promises to give	7,109	-	-	7,109
Impairment loss on building	60,000	-	-	60,000
Total expenses and losses	16,851,707	1,771,112	(1,273,597)	17,349,222
Change in Net Assets	2,600,348	5,139,382	-	7,739,730
Net Assets, Beginning of Year	69,695,509	49,563,028	(48,493,698)	70,764,839
Net Assets, End of Year	$ 72,295,857	$ 54,702,410	$ (48,493,698)	$ 78,504,569

	Save Our Charities	Save Our Charities Foundation	Eliminations	Consolidated
Revenue, Support, and Gains				
Program service fees	$ 12,444,784	$ -	$ -	$ 12,444,784
Exchange portion of membership dues	355,044	-	-	355,044
Gift shop sales	107,677	-	-	107,677
Less cost of goods sold	(58,781)	-	-	(58,781)
Net gift shop sales	48,896	-	-	48,896
Net investment return	5,917	43,269	-	49,186
Other revenue	73,631	9,079	-	82,710
Federal and state contracts and grants	285,129	-	-	285,129
Contributions	642,840	3,086,153	-	3,728,993
Donated professional services	46,468	-	-	46,468
In-kind contributions	31,089	-	-	31,089
Donated equipment	53,000	-	-	53,000
Support from Save Our Charities Foundation	1,535,100	-	(1,535,100)	-
Gross special events revenue	272,402	-	-	272,402
Less cost of direct benefits to donors	(36,939)	-	-	(36,939)
Net special events revenue	235,463	-	-	235,463
Change in value of split-interest agreements held by Save Our Charities	-	51,472	-	51,472
Distributions from and change in value of beneficial interests in assets held by others	-	231,587	-	231,587
Gain on sale of equipment	990	-	-	990
Change in value of interest-rate swap	37,900	-	-	37,900
Total revenue, support, and gains	15,796,251	3,421,560	(1,535,100)	17,682,711
Expenses and Losses				
Program services expense				
Advisory Program	12,907,293	-	-	12,907,293
Training Program	2,225,205	-	-	2,225,205
Support to Save Our Charities	-	1,535,100	(1,535,100)	-
Total program expenses	15,132,498	1,535,100	(1,535,100)	15,132,498
Supporting services expense				
Management and general	831,716	38,953	-	870,669
Fundraising and development	79,221	483,756	-	562,977
Total supporting services expenses	910,937	522,709	-	1,433,646
Loss on uncollectable promises to give	139,822	294,421	-	434,243
Total expenses and losses	16,183,257	2,352,230	(1,535,100)	17,000,387
Change in Net Assets	(387,006)	1,069,330	-	682,324
Net Assets, Beginning of Year	70,082,515	48,493,698	(48,493,698)	70,082,515
Net Assets, End of Year	$ 69,695,509	$ 49,563,028	$ (48,493,698)	$ 70,764,839