

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.

FINANCIAL STATEMENTS

May 31, 2023 and 2022

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FINANCIAL STATEMENTS
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TABLE OF CONTENTS

Independent Auditor's Report	1-2
Financial Statements:	
Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-13

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Junior League of San Antonio, Inc.
San Antonio, Texas

Opinion

We have audited the accompanying financial statements of The Junior League of San Antonio, Inc. (a non-profit corporation), which comprise the statement of financial position as of May 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Junior League of San Antonio, Inc. (the League) as of May 31, 2023, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the League and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the League's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the League's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the League's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the League's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 17, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Randy Walker & Co.

San Antonio, Texas
January 15, 2024

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
STATEMENTS OF FINANCIAL POSITION
May 31, 2023 and 2022

	2023	2022 (Restated)
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents	\$ 500,801	\$ 481,680
Accounts Receivable	1,375	-
Other Assets	11,373	57,536
Total Current Assets	513,549	539,216
<u>LONG-TERM ASSETS</u>		
Investments	4,057,380	4,181,308
Security Deposit	8,142	8,142
Operating Lease Right-of-Use Asset	252,715	332,702
Finance Lease Right of Use Assets - net	14,625	-
Total Long-Term Assets	4,332,862	4,522,152
TOTAL ASSETS	\$ 4,846,411	\$ 5,061,368
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 3,886	\$ 5,291
Accrued Expenses	343	3,318
Deferred Revenue	19,049	18,319
AJLI Passthrough Payable	-	28,580
Operating Lease Payable - current	85,518	80,533
Finance Lease Payable - current	2,650	-
Total Current Liabilities	111,446	136,041
<u>LONG-TERM LIABILITIES</u>		
Operating Lease Payable - long-term	178,516	264,034
Finance Lease Payable - long-term	11,974	-
Total Long-Term Liabilities	190,490	264,034
TOTAL LIABILITIES	301,936	400,075
<u>NET ASSETS</u>		
Without Donor Restrictions	4,544,475	4,661,293
TOTAL NET ASSETS	4,544,475	4,661,293
TOTAL LIABILITIES AND NET ASSETS	\$ 4,846,411	\$ 5,061,368

The accompanying notes are an integral part of these financial statements.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2023
(summarized for 2022)

	2023			2022 Total (Restated)
	Without Donor Restrictions	With Donor Restrictions	Total	
<u>OPERATING SUPPORT AND REVENUE</u>				
Fundraising Events - net of direct expenses of \$204,256 and \$117,168, respectively	\$ 132,934	\$ -	\$ 132,934	\$ 128,576
Contributions	75,408	29,699	105,107	125,996
Membership Dues and Fees	91,371	-	91,371	90,611
Merchandise Sales	7,024	-	7,024	1,609
Other Income	3,638	-	3,638	373
Membership Engagement Programs	750	-	750	400
Net Assets Released from Restrictions	29,699	(29,699)	-	-
TOTAL OPERATING SUPPORT AND REVENUE	340,824	-	340,824	347,565
<u>OPERATING EXPENSES</u>				
Program	333,020	-	333,020	331,537
General and Administrative	72,544	-	72,544	74,178
Fundraising	57,117	-	57,117	23,498
TOTAL OPERATING EXPENSES	462,681	-	462,681	429,213
CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITIES	(121,857)	-	(121,857)	(81,648)
<u>NON-OPERATING ACTIVITIES</u>				
Investment Income (Loss) - net	5,039	-	5,039	(47,502)
Forgiveness of PPP Loan	-	-	-	36,149
TOTAL NON-OPERATING ACTIVITIES	5,039	-	5,039	(11,353)
CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITIES	(116,818)	-	(116,818)	(93,001)
NET ASSETS, Beginning of Year (Restated)	4,661,293	-	4,661,293	4,754,294
NET ASSETS, End of Year	\$ 4,544,475	\$ -	\$ 4,544,475	\$ 4,661,293

The accompanying notes are an integral part of these financial statements.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended May 31, 2023
(summarized for 2022)

	2023				2022 Total (Restated)
	Program	General and Administrative	Fundraising	Total	
<u>OPERATING EXPENSES</u>					
Salaries and Wages	\$ 57,021	\$ 32,376	\$ 12,371	\$ 101,768	\$ 98,308
Employee Benefits	8,809	5,002	1,911	15,722	10,370
Payroll Taxes	4,528	2,571	983	8,082	7,237
Total Payroll Expenses	<u>70,358</u>	<u>39,949</u>	<u>15,265</u>	<u>125,572</u>	<u>115,915</u>
Occupancy	98,403	12,300	12,301	123,004	111,074
Centennial Expenses	57,908	-	-	57,908	87,500
Community Support	35,293	-	-	35,293	26,050
Professional Fees	16,022	9,097	3,476	28,595	29,038
Advertising	-	-	21,700	21,700	29
Conferences and Meetings	21,034	-	-	21,034	19,973
Information Technology	7,543	4,283	1,636	13,462	13,935
Office Expense	7,134	892	891	8,917	5,895
Miscellaneous	4,331	2,459	940	7,730	1,905
Bank Fees	4,185	2,376	908	7,469	4,852
Travel and Meetings	7,043	-	-	7,043	2,890
Member Recognition	3,250	-	-	3,250	4,828
Insurance	-	1,135	-	1,135	2,361
Amortization	432	48	-	480	-
Interest	44	5	-	49	-
Cost of Goods Sold	40	-	-	40	2,968
TOTAL OPERATING EXPENSES	<u>\$ 333,020</u>	<u>\$ 72,544</u>	<u>\$ 57,117</u>	<u>\$ 462,681</u>	<u>\$ 429,213</u>

The accompanying notes are an integral part of these financial statements.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended May 31, 2023 and 2022

	2023	2022
		(Restated)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ (116,818)	\$ (93,001)
Adjustments to Reconcile Net Change to Net Cash Used by Operations:		
Unrealized Losses on Investments	58,148	111,504
Forgiveness of PPP Loan	-	(36,149)
Amortization	480	-
(Increase) Decrease in Assets:		
Accounts Receivable	(1,375)	-
Other Assets	46,163	(30,108)
Operating Lease Right-of-Use Asset	79,987	76,910
(Decrease) Increase in Liabilities:		
Accounts Payable	(1,405)	(7,742)
Accrued Expenses	(2,975)	3,318
Deferred Revenue	730	(6,019)
AJLI Passthrough Payable	(28,580)	1,060
Operating Lease Payable	(80,533)	(75,742)
NET CASH USED BY OPERATING ACTIVITIES	(46,178)	(55,969)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Net Sale (Purchase) of Investments	65,779	(215,607)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	65,779	(215,607)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payments on Finance Lease Obligation	(480)	-
NET CASH USED BY FINANCING ACTIVITIES	(480)	-
NET INCREASE (DECREASE) IN CASH FLOWS	19,121	(271,576)
CASH AND CASH EQUIVALENTS, Beginning of Year	481,680	753,256
CASH AND CASH EQUIVALENTS, End of Year	\$ 500,801	\$ 481,680
<u>SUPPLEMENTAL DISCLOSURE</u>		
Interest Paid	\$ 49	\$ -
Right-of-Use Asset Obtained Through Finance Lease	\$ 15,105	\$ -

The accompanying notes are an integral part of these financial statements.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying statements of The Junior League of San Antonio, Inc. (the League) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization and Nature of Activities

The League operates as a 501(c)(3) not-for-profit organization of women committed to promoting volunteerism, developing the potential of women, and improving the community through the effective action of trained volunteers. Its purpose is exclusively educational and charitable. Support for the League is generated from membership dues, fundraising events, and individual and corporate contributions.

The focus of the League is twofold: to engage in community projects and promote women's leadership. Through more than 20 community projects, the League addresses a broad spectrum of needs in San Antonio. Many of these projects are initiated by the League and are fully supported through the League's volunteers and fundraising.

In addition to community volunteer placements, the League provides its members with in-league workshops, community awareness meetings, and general membership meetings. League members also produce a newsletter and maintain a comprehensive website. The goal of the meetings and publications includes furthering the mission of the League in training and educating women, and engaging membership in civic service and involvement.

Basis of Presentation

The League is required to report information regarding its financial position and activities according to two classes of net assets:

- Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.
- Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that are more restrictive than the League's mission and purpose. 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. 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that those resources be maintained in perpetuity.

Income Taxes

The League is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, as such, qualifies for the maximum charitable contribution deduction by donors. As of May 31, 2023, the tax years that remain subject to examination by taxing authorities begin with 2020.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

For purposes of reporting cash flows, the League considers all treasury bills, certificates of deposit and money market funds purchased with an original maturity of three months or less to be cash equivalents.

Contributions and Membership Dues

The League records contributions and membership dues in accordance with Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The League reports contributions and membership dues as restricted support if they are received with donor stipulations that limit the use of the donated assets or funds. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and general and administrative expenses have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll expenses, which are allocated on the basis of estimates of time and effort, as well as occupancy, professional fees, and various other operating expenses, which are allocated on the basis of square footage or some other reasonable basis.

Revenue - Exchange Transactions

The League recognizes revenue related to exchange transactions in accordance with ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The League receives revenues through various exchange transactions, including fundraising events and merchandise sales. Revenue from these transactions is recorded as an increase in net assets with donor restrictions to the extent that the earnings process is complete. Revenue is accrued for fundraising events that have been planned but have not occurred as of year-end. Any amount received in excess of the benefit provided to the attendees is recorded as a contribution. The amount of consideration received from these transactions is variable. Performance obligations are satisfied at a point in time when the event occurs or at point of sale. There were no receivables or contract assets related to these exchange transactions at May 31, 2023, May 31, 2022, and June 1, 2021. Disaggregation of revenue is presented on the face of the statement of activities.

Contract Balances - Exchange Transactions

Contract liabilities consist primarily of amounts received in connection with the League’s fundraising activities that apply to future periods. Contract balances for exchange transactions related to deferred revenue were as follows for the years ended May 31:

	<u>2023</u>		<u>2022</u>
Beginning of Year	\$ 18,319	\$	24,338
End of Year	\$ 19,049	\$	18,319

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

Recently Adopted Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This pronouncement requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including in-kind contributions. The pronouncement includes disclosure of information on an entity’s policies on contributed nonfinancial assets about monetization and utilization during the reporting period, information on donor-imposed restrictions, and valuation techniques. The new pronouncement, as amended, is to be applied retrospectively, to annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. The League adopted this new pronouncement effective June 1, 2022. The pronouncement did not have a material impact on the financial statements. The League has updated disclosures as necessary (see Note 8).

In February 2016, the FASB issued ASU 2016-02, *Leases*. This pronouncement provides new guidance regarding lease accounting for reporting periods beginning after December 15, 2021, whereby a lessee will be required to recognize on the statements of financial position the assets and liabilities for leases with lease terms of more than twelve months. The League adopted this new pronouncement as of June 1, 2022, utilizing the full retrospective method of transition.

The League adjusted the 2022 financial statements from the amounts previously reported to adopt the new guidance. The following are the line items from the statement of financial position as of May 31, 2022, that were restated, the adjustments, and the restatement amounts:

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>As Adjusted</u>
Long-Term Assets			
Operating Lease Right-of-Use Asset	\$ -	\$ 332,702	\$ 332,702
Current Liabilities			
Operating Lease Payable - current	\$ -	\$ 80,533	\$ 80,533
Long-Term Liabilities			
Operating Lease Payable - long-term	\$ -	\$ 264,034	\$ 264,034
Net Assets			
Without Donor Restrictions	\$ 4,673,158	\$ (11,865)	\$ 4,661,293

Following are the line items from the statement of activities for the year ended May 31, 2022, that were restated, the adjustments, and the restated amounts:

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>As Adjusted</u>
Operating Expenses			
Program	\$ 330,603	\$ 934	\$ 331,537
General Administrative	\$ 74,062	\$ 116	\$ 74,178
Fundraising	\$ 23,380	\$ 118	\$ 23,498

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

Following are the line items from the statement of functional expenses for the year ended May 31, 2022, that were restated, the adjustments, and the restated amounts:

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>As Adjusted</u>
Operating Expenses			
Occupancy	\$ 109,906	\$ 1,168	\$ 111,074

Following are the line items from the statement of cash flows for the year ended May 31, 2022, that were restated, the adjustments, and the restated amounts:

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>As Adjusted</u>
Cash Flows			
Change in Net Assets	\$ (91,833)	\$ (1,168)	\$ (93,001)
Operating Lease Right-of-Use Asset	\$ -	\$ 76,910	\$ 76,910
Operating Lease Payable	\$ -	\$ (75,742)	\$ (75,742)

Advertising

Advertising costs are expensed as incurred. Advertising expense for the years ended May 31, 2023 and 2022 was \$21,700 and \$29, respectively.

Leases

The League may have lease agreements that contain both lease and non-lease components as defined by ASC 842. The School has elected the practical expedient, by class of underlying asset, to account for the lease and non-lease components as a single lease component. The underlying assets include copiers, printers, and office space recognized as right-of-use assets in the statements of financial position.

As the League's leases do not provide an implicit rate, a risk-free rate is used based on the information available at commencement date in determining the present value of lease payments. The risk-free rate is the rate of a zero-coupon U.S. Treasury instrument for the same period of time as the lease term.

NOTE 2 – CONCENTRATION OF CREDIT RISK

The League maintains its cash in multiple checking accounts and certificates of deposit at a local financial institution. The League also holds two investment accounts at one investment company. The Federal Deposit Insurance Corporation insures cash accounts up to \$250,000 per bank, while the Securities Investor Protection Corporation insures the balances in investment accounts up to \$500,000. At May 31, 2023 and 2022, the League's uninsured cash and investment balances totaled \$3,860,371 and \$3,981,293, respectively.

NOTE 3 – FUNDRAISING EVENTS

The League holds fundraising events each year. As discussed in Note 1, fundraising events are considered exchange transactions. For the years ended May 31, 2023 and 2022, the exchange portion of fundraising income was \$51,566 and \$47,768, respectively. The amount in excess of this exchange portion is considered contribution income.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 4 – INVESTMENTS

The fair value of investments was as follows at May 31:

		<u>2023</u>		<u>2022</u>
Cash	\$	78,729	\$	115,379
Fixed Income		1,388,263		1,277,172
Equities		2,390,349		2,386,240
Exchange Traded Funds		-		85,159
Bonds		159,244		288,486
Other Assets		40,795		28,872
Total	\$	<u>4,057,380</u>	\$	<u>4,181,308</u>

Investment income (loss) totaled \$37,755 and \$(18,143) for the years ended May 31, 2023 and 2022, respectively. Investment income (loss) is reported net of fees of \$32,716 and \$29,359 for the years ended May 31, 2023 and 2022, respectively.

NOTE 5 – RIGHT-OF-USE FINANCE LEASE

The League entered into a finance lease agreement in April 2023 for copier and printer machines. The lease is payable in 63 monthly installments of \$265 and expires in June 2028. The League has adopted ASU 2016-02, *Leases*, as described in Note 1. Therefore, the right-of-use leased equipment is carried at cost of \$15,105 less accumulated amortization of \$480 at May 31, 2023. The balance of the equipment lease payable was \$14,624 at May 31, 2023. Interest expense related to this lease was \$49 for the year ended May 31, 2023.

The related future minimum lease payments under this right-of-use finance lease are as follows:

Year Ending May 31,				
2024	\$			3,180
2025				3,180
2026				3,180
2027				3,180
2028				3,180
2029				265
				<u>16,165</u>
Less: Interest (3.95%)				<u>(1,541)</u>
Total	\$			<u>14,624</u>

NOTE 6 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The League adopted the provisions of ASC 820, *“Fair Value Measurements and Disclosures”* (formerly SFAS 157). ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, and establishes a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The adoption of ASC 820 did not affect the League’s financial position or results of operations.

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 6 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The valuation techniques required by ASC 820 are based upon observable and unobservable inputs, and ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority.
- Level 2 valuations are based on quoted prices in markets that are not active.
- Level 3 valuations are based on inputs that are unobservable and supported by little or no market activity.

The League’s current assets and liabilities as presented in the statements of financial position are Level 1. The League has no Level 2 or Level 3 assets or liabilities. The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments.

The fair values of investments are based on quoted market prices for those or similar investments. The following table represents assets measured at fair value on a recurring basis as reported in the statement of financial position at May 31, 2023 by level within the fair value measurement hierarchy:

	Total Fair Value Measurement	Level 1	Level 2	Level 3
Financial Assets:				
Cash	\$ 78,729	\$ 78,729	\$ -	\$ -
Fixed Income	1,388,263	1,388,263	-	-
Equities	2,390,349	2,390,349	-	-
Bonds	159,244	159,244	-	-
Other Assets	40,795	40,795	-	-
Total	\$ 4,057,380	\$ 4,057,380	\$ -	\$ -

The following table represents assets measured at fair value on a recurring basis as reported in the statement of financial position at May 31, 2022 by level within the fair value measurement hierarchy:

	Total Fair Value Measurement	Level 1	Level 2	Level 3
Financial Assets:				
Cash	\$ 115,379	\$ 115,379	\$ -	\$ -
Fixed Income	1,277,172	1,277,172	-	-
Equities	2,386,240	2,386,240	-	-
Exchange Traded Funds	85,159	85,159	-	-
Bonds	288,486	288,486	-	-
Other Assets	28,872	28,872	-	-
Total	\$ 4,181,308	\$ 4,181,308	\$ -	\$ -

THE JUNIOR LEAGUE OF SAN ANTONIO, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2023 and 2022

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following reflects the League’s financial assets as of the statement of financial position date.

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 500,801	\$ 481,680
Investments	4,057,380	4,181,308
Accounts Receivable	<u>1,375</u>	<u>-</u>
Total Financial Assets Available to Meet Cash		
Needs for Expenditures Within One Year	\$ <u>4,559,556</u>	\$ <u>4,662,988</u>

The League’s primary sources of cash flows during the year are membership dues, contributions from donors and corporations, and fundraising events revenue. The League has a consistent inflow of cash throughout the year to cover normal operating expenses.

NOTE 8 – IN-KIND CONTRIBUTIONS

The League receives in-kind donations in the form of event auction items. In-kind donations are reported as contributions at their estimated fair value on the date of receipt and reported as expense when utilized. Contributed goods are valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. In-kind goods were as follows for the years ended May 31:

	<u>2023</u>	<u>2022</u>
In-Kind Goods:		
Auction Items	\$ <u>8,958</u>	\$ <u>29,749</u>
Total In-Kind Goods	\$ <u>8,958</u>	\$ <u>29,749</u>

Donated auction items of \$8,958 and \$29,749 related to fundraising activities are included in fundraising events income (net of direct expenses) in the statement of activities and did not have donor restrictions for the years ended May 31, 2023 and 2022, respectively.

NOTE 9 – SUBSEQUENT EVENTS

The League has evaluated subsequent events through January 15, 2024, which is the date the financial statements were available to be issued.