

**Nonprofit Association of the Midlands  
FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT  
For the years ended December 31, 2020 and 2019**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Nonprofit Association of the Midlands

We have audited the accompanying financial statements of Nonprofit Association of the Midlands a nonprofit organization (the Organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, and statements of cash flows, and statements of functional expenses for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Nonprofit Association of the Midlands as of December 31, 2020 and 2019, 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.

*Hayes & Associates, LLC*

Hayes & Associates, LLC  
June 30, 2021

Nonprofit Association of the Midlands  
STATEMENTS OF FINANCIAL POSITION December 31, 2020 and 2019

	2020	2019
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 908,573	\$ 864,919
Accounts receivable 20,724 34,866 Prepaid expenses	16,436 24,443	
Grants receivable	262,000	472,000
Total current assets	<u>1,207,733</u>	<u>1,396,228</u>
<b>NONCURRENT ASSETS</b>		
Property, equipment & other media, net of accumulated depreciation of \$69,076 and \$40,648, respectively current portion and discount of \$9,365 for 2019	699,644 142,863 82,635	Grants receivable - net of
Security deposit	3,775	<u>3,775</u>
Total noncurrent assets	<u>229,273</u>	<u>703,419</u>
Total assets	<u>\$ 1,911,152</u>	<u>\$ 1,625,501</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 13,887	\$ 142,191
Payroll liabilities	92,507	79,893
Deferred revenues	138,223	152,734
Total current liabilities	<u>244,617</u>	<u>374,818</u>
<b>NONCURRENT LIABILITIES</b>		
Deferred lease liability	9,182	7,959
Total noncurrent liabilities	<u>9,182</u>	<u>7,959</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	1,252,991	318,015
Net assets with donor restrictions	<u>404,362</u>	<u>924,709</u>
Total net assets	<u>1,657,353</u>	<u>1,242,724</u>
Total liabilities and net assets	<u>\$ 1,911,152</u>	<u>\$ 1,625,501</u>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands  
STATEMENTS OF ACTIVITIES For the years ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Grants for capital	\$ 262,865	\$ 435,000	\$ 697,865	\$ 237,500	\$ 931,380	\$ 1,168,880
Program income	247,507	-	247,507	222,418	-	222,418
Membership dues	265,264	-	265,264	238,583	-	238,583
Contributions	74,579	-	74,579	70,818	-	70,818
Special events	67,800	-	67,800	73,650	-	73,650
Less: direct benefit to donors	(9,655)	-	(9,655)	(20,622)	-	(20,622)
In-Kind contributions	100	-	100	-	-	-
Interest income	1,136	-	1,136	3,098	-	3,098
Paycheck Protection Program	118,503	-	118,503	-	-	-
Other revenues	3,065	-	3,065	2,831	-	2,831
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total support and revenue	1,031,164	435,000	1,466,164	828,276	931,380	1,759,656
<b>EXPENSES</b>						
Program services	671,047	-	671,047	618,238	-	618,238
Supporting services						618,238
Management and general	173,016	-	173,016	196,091	-	196,091
Membership development	101,763	-	101,763	132,066	-	132,066
Fundraising	105,709	-	105,709	98,153	-	98,153
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total supporting services	380,488	-	380,488	426,310	-	426,310
Total expenses	<u>1,051,535</u>	<u>-</u>	<u>1,051,535</u>	<u>1,044,548</u>	<u>-</u>	<u>1,044,548</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net assets released from restrictions	955,347	(955,347)	-	427,392	(427,392)	-
CHANGE IN NET ASSETS	934,976	(520,347)	414,629	211,120	503,988	715,108
NET ASSETS, BEGINNING OF YEAR	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	318,015	924,709	1,242,724	106,895	420,721	527,616
NET ASSETS, END OF YEAR	<u>\$ 1,252,991</u>	<u>\$ 404,362</u>	<u>\$ 1,657,353</u>	<u>\$ 318,015</u>	<u>\$ 924,709</u>	<u>\$ 1,242,724</u>

See accompanying notes and independent auditor's report.



Nonprofit Association of the Midlands		
STATEMENTS OF CASH FLOWS For the years ended December 31, 2020 and 2019		
CASH FLOWS FROM OPERATING ACTIVITIES	2020	2019
Change in net assets	\$ 414,629	\$ 715,108
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	54,286	7,223
Change in accounts receivable	14,142	
		(22,727)
Change in current grants receivable	210,000	
		(295,000)
Change in prepaid expenses	8,007	
		(14,034)
Change in long-term grants receivable - net of current portion	82,635	92,000
Change in security deposit	-	
		(3,775)
Change in accounts payable	(128,304)	121,614
Change in payroll liabilities	12,614	29,333
Changes in deferred lease liability	1,223	7,959
Change in deferred revenues	<u>(14,511)</u>	<u>42,282</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	654,721	679,983
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, equipment & other media	<u>(611,067)</u>	
		<u>(139,848)</u>
NET CASH USED IN INVESTING ACTIVITIES	(611,067)	(139,848)
 CHANGE IN CASH AND CASH EQUIVALENTS	43,654	540,135
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>864,919</u>	<u>324,784</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 908,573</u>	<u>\$ 864,919</u>

See accompanying notes and independent auditor's report.



Nonprofit Association of the Midlands

STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended December 31, 2020

	Supporting Services				Total
	Program Services	Management and General	Development	Fundraising	
Salaries and related expenses	\$ 346,833	\$ 92,768	\$ 56,618	\$ 63,721	\$ 559,940
Payroll taxes	25,108	6,707	4,121	4,547	40,483
Employee benefits	37,392	9,988	6,138	6,772	60,290
Marketing	-	-	79	-	79
Advertising and promotion	6,555	735	1,413	-	8,703
Accounting and audits	-	23,808	1,001	-	24,809
Legal	-	-	7,716	-	7,716
Office	31,415	6,038	2,535	3,193	43,181
Occupancy	54,045	13,839	8,504	10,583	86,971
Insurance - business	8,928	2,385	1,465	1,617	14,395
Training and staff development	106,240	4,204	541	8,224	119,209
Web development	19,953	1,345	5,444	912	27,654
Other expenses	<u>10,566</u>	<u>2,205</u>	<u>661</u>	<u>42</u>	<u>13,474</u>
Total expenses before depreciation and amortization	647,035	164,022	96,236	99,611	1,006,904
Depreciation and amortization expense	<u>33,667</u>	<u>8,994</u>	<u>5,527</u>	<u>6,098</u>	<u>54,286</u>
Total expenses	680,702	173,016	101,763	105,709	1,061,190
Less: direct benefit to donors	<u>(9,655)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,655)</u>
Total expenses per Statement of Activities	<del><u>\$ 671,047</u></del>	<del><u>\$ 173,016</u></del>	<del><u>\$ 101,763</u></del>	<del><u>\$ 105,709</u></del>	<del><u>\$ 1,051,535</u></del>

See accompanying notes and independent auditor's report.

STATEMENT OF FUNCTIONAL EXPENSES For  
the year ended December 31, 2019

	Supporting Services				Total
	Program Services	Management and General	Membership Development	Fundraising	
Salaries and related expenses	\$ 305,946	\$ 82,686	\$ 59,548	\$ 57,530	\$ 505,710
Payroll taxes	21,528	5,685	4,230	3,746	35,189
Employee benefits	33,635	8,881	6,609	5,851	54,976
Marketing	-	-	82	-	82
Advertising and promotion	11,493	80	466	73	12,112
Accounting and audits	-	25,018	10,750	-	35,768
Legal	-	2,767	4,312	-	7,079
Office	18,396	6,488	5,073	12,064	42,021
Occupancy	51,150	50,631	5,903	5,227	112,911
Insurance - business	4,230	1,117	831	736	6,914
Training and staff development	165,927	9,531	14,698	12,217	202,373
Web development	12,395	-	17,302	-	29,697
Other expenses	9,499	2,141	1,469	6	13,115
Total expenses before depreciation and amortization	634,199	195,025	131,273	97,450	1,057,947
Depreciation and amortization expense	4,661	1,066	793	703	7,223
Total expenses	638,860	196,091	132,066	98,153	1,065,170
Less: direct benefit to donors	(20,622)	-	-	-	(20,622)
Total expenses per Statement of Activities	<del>\$ 618,238</del>	<del>\$ 196,091</del>	<del>\$ 132,066</del>	<del>\$ 98,153</del>	<del>\$ 1,044,548</del>

See accompanying notes and independent auditor's report.

Nonprofit Association of the Midlands

NOTE A.

NOTES TO FINANCIAL STATEMENTS  
For the years ended December 31, 2020 and 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of Nonprofit Association of the Midlands (the Organization).

1. Organization

The Organization is a State association for nonprofits in Nebraska and western Iowa that works to build the capacity and organizational effectiveness of its members. The mission of the Organization is to strengthen the collective voice, leadership, and capacity of nonprofit organizations to enrich the quality of community life. Among its programs and services are professional development, group purchasing discounts, and advocacy on policy issues. The Organization also works to provide tools to its members to manage their nonprofit organizations more effectively.

2. Basis of Accounting and Use of Estimates

The Organization prepares its financial statements on accrual basis of accounting and accordingly reflects all significant receivables, payables, and other liabilities. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. Basis of Presentation

The Organization presents its financial position and activities according to the following two classes of net assets:

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- a. Net assets without donor restrictions include those net assets whose use is not subject to donor-imposed restrictions, even though their use may be limited in other respects, such as by Board designation.
- b. Net assets with donor restrictions are those net assets whose use by the Organization has been limited by donors to later periods of time after specified dates or to specified purposes, whether temporary or in perpetuity.

4. Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Nonprofit Association of the Midlands considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash or cash equivalents for purposes of the statements of cash flows.

5. Accounts Receivable

Accounts receivable consists primarily of amounts due from third party contracts and member dues stated as unpaid balances. Management considers all receivables to be fully collectable; therefore, no allowance for doubtful accounts has been established. In management's opinion, the carrying value of all receivables approximates fair value.

6. Property, Equipment and Other Media

Property, equipment and other media are recorded at cost or, if donated, at the approximate fair value at the date of donation. Property, equipment and other media which cost \$1,000 or more are capitalized. Depreciation is computed using a straight-line depreciation method over the estimated useful lives of the assets, ranging from three to seven years.

7. Website Development Costs

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Website development costs are categorized into the following stages: planning the website, developing the applications and infrastructure, developing graphics, developing/converting content, operating the site. Costs exceeding \$1,000 which are incurred to develop applications, infrastructure, and graphics are capitalized. Amortization is computed using a straight-line depreciation method over the estimated useful life of the site, ranging from three to five years. Costs for website planning, content development/conversion, and operation stages are expensed as incurred.

8. Promises to Give

Grants and unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be received in future years are recorded at the present value of their estimated future cash flows. The discounts, if material, on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

The receivables are reviewed for collectability and a provision for uncollectible accounts is recorded based on management's judgement and analysis of individual donors, past collection experience and other relevant factors. No allowance for uncollectible accounts was deemed necessary at December 31, 2020 and 2019.

9. Deferred Revenue

Income from membership dues, subscription fees, and program fees are deferred and recognized over the periods to which the dues and fees relate.

10. Revenues and Reclassifications

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Contributions are recognized when the donor makes a promise to give to the Nonprofit Association of the Midlands that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are 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. Conditional promises to give, that is, those with measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met.

The Organization recognizes revenue from program fees when the services are provided. Membership dues, which are nonrefundable, are comprised of an exchange element based on the benefits received, and a contribution element for the difference. The Organization recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately.

10. Revenues and Reclassifications - Continued

The Organization records special events revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference. With the exception of goods and services provided in connection with membership dues, which are transferred over the period of membership, all goods and services are transferred at a point in time.

11. Contributed Services and Materials

The Organization may receive benefits from services rendered which are provided free of charge. Revenue and a corresponding expense are recognized at the fair value for contributed services when either contributed services create or enhance a nonfinancial asset or require specialized skills that the provider possesses, and which would ordinarily be purchased.

Donated materials are recorded as contributions or expenses in the period received. Such donations are recorded at their fair value on the date of donation. Donated materials are not recorded in the financial statements when the Organization serves only as an agent for the donors and the donated materials pass through the



Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

organization to its beneficiaries or when values for donated materials cannot reasonably be determined. There were no contributed services or materials for the years ended December 31, 2020 and 2019.

12. Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The following expenses are allocated based on time and effort:

- Salaries and related expenses
- Payroll taxes
- Employee benefits
- Office
- Occupancy
- Insurance - business
- Depreciation and amortization

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

NOTE A.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Income Taxes

Nonprofit Association of the Midlands is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the years ended December 31, 2020 and 2019, the Organization had no tax liability on unrelated business activity, accordingly, no income taxes are included in these financial statements. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Internal Revenue Service has classified Nonprofit Association of the Midlands as an organization other than a private foundation.

14. Joint Costs

The Organization incurs joint costs activities associated with both program and fundraising appeals relevant to the annual Summit special event. These costs are allocated between program and fundraising costs and are appropriately disclosed and presented on Nonprofit Association of the Midlands' Statements of Functional Expenses. During the years ended December 31, 2020 and 2019, the Organization incurred joint costs for activities that included program & fundraising components. The Organization allocated \$87,910 and \$118,930 to program expense, and \$1,055 and \$840 to fundraising expense for 2020 and 2019, respectively.

15. Subsequent Events

The Organization considered events occurring through June 30, 2021 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.

NOTE B. UPCOMING ACCOUNTING STANDARD PRONOUNCEMENTS

The FASB issued ASU No. 2016-02, Leases (Topic 842): a revision of the 2010 ASU, Leases (Topic 840), which once again revises a previous change to lease

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

accounting standards. The FASB will require an entity to classify the right to use a leased asset as an asset and the obligation to make lease payments as a liability. The revised ASU contains other factors in determining the proper recording of related expenses. The new guidance is effective for fiscal years beginning after December 15, 2021.

NOTE C. CASH AND CREDIT RISK

As of December 31, 2020 and 2019, Nonprofit Association of the Midlands had \$656,238 and \$602,969, respectively, of deposits in excess of FDIC insured limits.

NOTE D. GRANTS RECEIVABLE

Grants receivable are summarized as follows at December 31, 2020 and 2019:

	2020	2019
Due within one year	\$ 262,000	\$ 472,000
Due after one year through five years	\$ -	\$ 92,000
Less: Discount for time value of money	-	(9,365)
	-	82,635
receivable, net \$ 262,000	\$ 554,635	Total grants

A discount rate of 2.87%, 2-year treasury rate was used in calculating the discount above, which is equal to the bank loan rate at the time the grant is received.

NOTE E. OPERATING LEASE COMMITMENTS

Total rent paid during the years ended December 31, 2020 and 2019 was \$52,843 and \$49,073, respectively. Future minimum lease payments are as follows:

Year ending December 31,	
2021	\$ 45,536
2022	46,824
2023	47,760

Nonprofit Association of the Midlands  
 NOTES TO FINANCIAL STATEMENTS - CONTINUED  
 For the years ended December 31, 2020 and 2019

2024	48,716
2025	49,690
Thereafter	<u>42,096</u>
Total	<u>\$ 280,622</u>

NOTE F. PROPERTY, EQUIPMENT AND OTHER MEDIA, NET

A summary of property, equipment and other media, net at December 31, 2020 and 2019 is as follows:

	2020	2019
Computers	<u>\$ 55,495</u>	<u>\$ 21,775</u>
Furniture & equipment	128,563	4,443
Leasehold improvements	584,662	135,878
Video series	-	15,915
Motion graphic	-	5,500
Less: accumulated depreciation	(69,076)	(40,648)
<b>Total Property, Equipment &amp; Other Media, net</b>	<b><u>\$ 699,644</u></b>	<b><u>\$ 142,863</u></b>

NOTE G. REVOLVING LINE OF CREDIT

The Organization had a \$50,108 unused revolving line of credit , as of December 31, 2020 and 2019. Bank advances on the line of credit are payable on demand and carried an interest rate of 5.75% and 7.50% per annum for December 31, 2020 and 2019, respectively. The line of credit is secured by substantially all assets of the Organization.

NOTE H. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2020 and 2019, are available for the following purposes:

	2020	2019
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Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

Time restricted & guideline principles program	\$ 92,000	\$ 184,000
Time restricted	170,000	210,000
Purpose restricted - Trainings	50,396	73,373
Purpose restricted - Capital campaign	91,966	457,336
Total net assets with donor restrictions	\$ 404,362	\$ 924,709
	2020	2019
Time restrictions	\$ 210,000	\$ 292,392
Purpose restrictions	745,347	135,000
Total net assets released from restrictions	\$ 955,347	\$ 427,392

NOTE I. CONCENTRATIONS

For the years ended December 31, 2020 and 2019, the Organization received 35% and 23% of its revenues from program income and membership dues and 53% and 75% of its income from contributions and grants, respectively.

NOTE J. ADVERTISING COSTS

The Organization uses marketing and advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising costs for the years ended December 31, 2020 and 2019, were \$8,703 and \$12,112, respectively.

NOTE K. RETIREMENT PLAN

The Organization provides retirement benefits for its employees through participation in a multiple employer defined contribution 403(b) plan.

All employees may contribute to the retirement plan and the Organization matches up to 50% of the first 6% of the employee contribution. The Organization's contributions to the plan were \$12,816 and \$12,480 for the years ended December 31, 2020 and 2019, respectively.

Nonprofit Association of the Midlands  
 NOTES TO FINANCIAL STATEMENTS - CONTINUED  
 For the years ended December 31, 2020 and 2019

NOTE L.      CONDITIONAL PROMISE TO GIVE

During 2019, the Organization received two restricted promises that contained donor conditions related to the Organization’s office relocation in the amounts of \$150,000 and \$100,000. Since the grants represent conditional promises to give, they are not recorded as contribution revenue until the donor conditions are met. The Organization expects to meet the requirements of both grant conditions and receive the payments in 2021.

NOTE M.      AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets at December 31, 2020 and 2019.

Financial assets at year end:	2020	2019
	\$	\$
Cash and cash equivalents	908,573	864,919
Grants receivable	262,000	554,635
Accounts receivable	20,724	34,866
Total financial assets	1,191,297	1,454,420
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(404,362)	
Add net assets with purpose restrictions to be		(924,709)

Nonprofit Association of the Midlands  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
For the years ended December 31, 2020 and 2019

met in less than one year	<u>374,362</u>	<u>832,709</u>
Net assets unavailable for use within one year:	<u>(30,000)</u>	<u>(92,000)</u>
 Financial assets available to meet general expenditures over the next twelve months	 \$ 1,161,297	 \$ 1,362,420
	<u><u>                    </u></u>	<u><u>                    </u></u>

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses, approximately \$500,000. The Organization has a \$50,108 line of credit available to meet cash flow needs at December 31, 2020 and 2019 (See Note G).

NOTE N: PAYCHECK PROTECTION PROGRAM

The Organization applied for and on April 17, 2020 was granted a \$117,700 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal Government. The loan accrued interest, but payments were not required to begin for six months to one year after the funding of the loan. The Organization was notified by the SBA that as of December 22, 2020, the entire \$117,700 PPP loan was approved for forgiveness, and is included in the Statement of Activities for the year ended December 31, 2020.

NOTE O. SUBSEQUENT EVENTS

Subsequent events have been assessed through June 30, 2021, which is the date the financial statements were available to be issued. The Organization was approved for the second round of PPP loan on February 8, 2021 for the amount of \$125,775. The Organization intends to take measures to maximize the loan forgiveness. There were no other events or transactions occurring between yearend and this date that would require recognition or disclosure in the financial statements other than those already disclosed.