

**MARIPOSA WOMEN & FAMILY CENTER**

**Financial Statements**

**Year ended June 30, 2021**

**MARIPOSA WOMEN & FAMILY CENTER**

**Financial Statements**

**Year ended June 30, 2021**

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	7
Notes to the Financial Statements	8

## **Independent Auditor's Report**

Board of Directors  
Mariposa Women & Family Center  
Orange, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mariposa Women & Family Center (the "Organization"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit 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 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.

### ***Opinions***

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

### ***Report on Summarized Comparative Information***

We have previously audited Mariposa Women & Family Center's financial statements for the fiscal year ended June 30, 2020, and we expressed an unmodified opinion on those statements in our report dated January 4, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in blue ink that reads "Davis Fan CP". The signature is written in a cursive, flowing style.

Irvine, California  
December 9, 2021

FINANCIAL STATEMENTS

**MARIPOSA WOMEN & FAMILY CENTER**

**Statement of Financial Position**

**Year ended June 30, 2021**

**(with comparative information for the prior year)**

	<u>2021</u>	<u>2020</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 850,858	559,412
Receivables:		
Accounts receivable	64,859	69,457
Pledges receivable	30,000	275
Grants receivable	-	1,855
County of Orange	144,787	94,873
Prepaid expenses	38,237	32,608
Security deposits	4,013	14,963
Fixed assets, net (note 4)	<u>16,492</u>	<u>20,819</u>
 TOTAL ASSETS	 <u>\$ 1,149,246</u>	 <u>794,262</u>
 <u>Liabilities and Net Assets</u>		
Current Liabilities:		
Accounts payable	\$ 20,988	14,604
Accrued expenses	105,610	86,755
Deferred rent incentive (note 5)	3,254	26,447
Note payable, current (note 7)	<u>2,994</u>	<u>48,339</u>
 TOTAL CURRENT LIABILITIES	 132,846	 176,145
Long-Term Liabilities:		
Note payable, long-term (note 7)	<u>149,912</u>	<u>75,961</u>
 TOTAL LIABILITIES	 <u>282,758</u>	 <u>252,106</u>
Net assets:		
Without donor restrictions	731,488	533,847
With donor restrictions (note 9)	<u>135,000</u>	<u>8,309</u>
 TOTAL NET ASSETS	 <u>866,488</u>	 <u>542,156</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,149,246</u>	 <u>794,262</u>

See accompanying notes to the financial statements.

**MARIPOSA WOMEN & FAMILY CENTER**

**Statement of Activities**

**Year ended June 30, 2021**

**(with comparative information for the prior year)**

	Without Donor	With Donor	Totals	
	<u>Restrictions</u>	<u>Restrictions</u>	<u>2021</u>	<u>2020</u>
<b>SUPPORT AND REVENUES:</b>				
Contributions:				
Individual and corporate donations	\$ 97,400	103,309	200,709	127,116
Foundations	115,200	135,000	250,200	259,013
Donated services (note 2f)	468,491	-	468,491	230,493
Fees for service	381,746	-	381,746	407,453
Government contracts and grants (note 6)	1,123,731	-	1,123,731	1,199,623
Investment income	489	-	489	130
Other income	85,000	-	85,000	51
Loan forgiveness	124,300	-	124,300	-
Special events, net of direct expenses	<u>34,331</u>	<u>-</u>	<u>34,331</u>	<u>-</u>
Total revenue	2,430,688	238,309	2,668,997	2,223,879
Net assets released from restrictions	<u>103,309</u>	<u>(103,309)</u>	<u>-</u>	<u>-</u>
 TOTAL SUPPORT AND REVENUES	 <u>2,533,997</u>	 <u>135,000</u>	 <u>2,668,997</u>	 <u>2,223,879</u>
<b>EXPENSES:</b>				
Program services:				
CalWorks	988,410	-	988,410	996,841
Family counseling	1,092,443	-	1,092,443	879,406
Collaborative courts	-	-	-	88,400
TOTAL PROGRAM SERVICES	<u>2,080,853</u>	<u>-</u>	<u>2,080,853</u>	<u>1,964,647</u>
Supporting services:				
Fundraising	30,505	-	30,505	33,072
General and Administrative	<u>233,307</u>	<u>-</u>	<u>233,307</u>	<u>169,343</u>
TOTAL SUPPORTING SERVICES	<u>263,812</u>	<u>-</u>	<u>263,812</u>	<u>202,415</u>
TOTAL EXPENSES	<u>2,344,665</u>	<u>-</u>	<u>2,344,665</u>	<u>2,167,062</u>
 INCREASE IN NET ASSETS	 189,332	 135,000	 324,332	 56,817
 NET ASSETS AT BEGINNING OF YEAR	 <u>542,156</u>	 <u>-</u>	 <u>542,156</u>	 <u>485,339</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 731,488</u>	 <u>135,000</u>	 <u>866,488</u>	 <u>542,156</u>

See accompanying notes to the financial statements.

**MARIPOSA WOMEN & FAMILY CENTER**

**Statement of Functional Expenses**

**Year ended June 30, 2021**

**(with comparative information for the prior year)**

	Program Services		
	CalWorks	Family Counseling	Total Program Services
Salary expense	\$ 796,767	465,574	1,262,341
Total personnel expense	796,767	465,574	1,262,341
Accounting and audit	-	16,787	16,787
Professional fees	-	45,621	45,621
Postage & printing	1,065	613	1,678
Equipment service	43,036	13,852	56,888
Telephone, fax, and internet	34,564	19,324	53,888
Supplies	8,241	1,136	9,377
Subscriptions, dues, licenses	27,163	16,516	43,679
Building lease & utilities	65,140	36,414	101,554
Building maintenance	3,469	2,048	5,517
Travel & meals	251	234	485
Insurance	8,714	5,428	14,142
Donated services	-	468,491	468,491
Interest expense	-	-	-
Loss on disposal of fixed assets	-	-	-
Bad debt expense	-	405	405
	-	405	405
TOTAL EXPENSES	\$ 988,410	1,092,443	2,080,853

See accompanying notes to the financial statements.



Supporting Services

<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total Supporting Services</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
<u>27,133</u>	<u>102,074</u>	<u>129,207</u>	<u>1,391,548</u>	<u>1,432,239</u>
27,133	102,074	129,207	1,391,548	1,432,239
-	51,150	51,150	67,937	61,822
3,372	-	3,372	48,993	53,560
-	713	713	2,391	1,022
-	3,484	3,484	60,372	48,591
-	3,931	3,931	57,819	34,595
-	7,892	7,892	17,269	12,098
-	643	643	44,322	44,121
-	5,113	5,113	106,667	198,026
-	42,442	42,442	47,959	27,383
-	57	57	542	4,317
-	1,283	1,283	15,425	15,365
-	-	-	468,491	230,493
-	2,997	2,997	2,997	-
-	11,528	11,528	11,528	416
-	-	-	405	3,014
<u>30,505</u>	<u>233,307</u>	<u>263,812</u>	<u>2,344,665</u>	<u>2,167,062</u>

See accompanying notes to the financial statements.

**MARIPOSA WOMEN & FAMILY CENTER**

**Statement of Cash Flows**

**Year ended June 30, 2021**

**(with comparative information for the prior year)**

	<u>2021</u>	<u>2020</u>
<u>Cash flows from operating activities:</u>		
Increase in net assets	\$ 324,332	56,817
Adjustments to reconcile change in net assets to net cash cash provided by operations		
Depreciation expense	3,337	5,025
Bad debt expense	405	3,014
Loss on disposal of fixed assets	11,528	416
Loan forgiveness	(124,300)	-
Changes in operating assets and liabilities:		
Receivables	(73,591)	29,372
Prepaid expenses	(5,629)	(9,540)
Security deposits	10,950	9,567
Accounts payable	6,384	5,519
Accrued expenses	21,761	(2,078)
Deferred rent incentive	<u>(23,193)</u>	<u>1,422</u>
 Net cash provided by operating activities	 <u>151,984</u>	 <u>99,534</u>
 <u>Cash flows from investing activities:</u>		
Purchase of fixed assets	<u>(10,538)</u>	<u>(10,079)</u>
 Net cash used for investing activities	 <u>(10,538)</u>	 <u>(10,079)</u>
 <u>Cash flows from financing activities:</u>		
Loan proceeds	<u>150,000</u>	<u>124,300</u>
 Net cash provided by financing activities	 <u>150,000</u>	 <u>124,300</u>
 Net increase in cash	 291,446	 213,755
Cash and cash equivalents at beginning of year	<u>559,412</u>	<u>345,657</u>
Cash and cash equivalents at end of year	<u>\$ 850,858</u>	<u>559,412</u>
 Noncash investing and financing activities:		
Loan forgiveness	<u>\$ 124,300</u>	<u>-</u>

See accompanying notes to the financial statements.

## **MARIPOSA WOMEN & FAMILY CENTER**

### **Notes to the Financial Statements**

**Year ended June 30, 2021**

#### **(1) Organization and Nature of Services**

Mariposa Women & Family Center ("Mariposa" or the "Organization") is a nonprofit agency founded on April 25, 1977 and was incorporated on May 8, 1981 under the California Nonprofit Benefit Corporation Law. The Organization provides mental health and recovery counseling, life skills education, and supportive services to women and families.

Mariposa's program services are as follows:

- a) CalWORKs Program – This program provides behavioral health services to Welfare to Work recipients and is funded by the Social Services Administration through Orange County's Health Care Agency. The goal of the CalWORKs Program is to provide mental health counseling to recipients who are experiencing mental health barriers to entering the workforce.
- b) Community Counseling Program (Family Counseling) – This program offers a wide range of mental health counseling services for low-income clients. It is open to women, men, and children. In addition to the counseling, this program provides trainings for facilitators and offers continuing education units accepted by the Board of Behavioral Sciences and other professional boards.

#### **(2) Summary of Significant Accounting Policies**

Management determines the accounting principles to be used in the preparation of the accompanying financial statements. A description of significant accounting policies employed in the preparation of these financial statements are as follows:

##### **(a) Basis of Presentation**

The financial statements of Mariposa have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Under this method of accounting, revenues are recognized when earned and expenses are recognized when incurred.

##### **(b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amount of assets, liabilities, revenues, and expenses, as well as contingent assets and liabilities. Actual results could differ from those estimates.

## MARIPOSA WOMEN & FAMILY CENTER

### Notes to the Financial Statements

(Continued)

#### (2) Summary of Significant Accounting Policies (Continued)

##### (c) Financial Statement Presentation

Mariposa has implemented the financial statement presentation recommended by the Financial Accounting Standards Board in its Auditing Standards Codification (ASC) ASC 958-205, *Presentation of Financial Statements*. In accordance with ASC 958-205, Mariposa reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

##### (d) Cash and Cash Equivalents

Mariposa considers all unrestricted, highly liquid investments with a maturity of three months or less to be cash equivalents.

##### (e) Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue Code Section 23701d. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

In accordance with accounting standards, which provides accounting and disclosure guidance about uncertain tax positions taken by an organization, Management believes that all of the positions taken by the Organization in its federal and state income tax returns are more likely than not to be sustained upon examination. The Organization files returns in the U.S. Federal jurisdiction and the State of California.

##### (f) Donated Goods and Services

Donated materials and other noncash contributions, if received, are reflected in the accompanying statements at their estimated market values at the date of receipt. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements as there is no objective basis of deriving their value. Volunteer services received by Mariposa and meeting the above criteria were valued at \$468,491 for the year ended June 30, 2021. These services were in the form of counseling services.

**MARIPOSA WOMEN & FAMILY CENTER**

**Notes to the Financial Statements**

**(Continued)**

**(2) Summary of Significant Accounting Policies (Continued)**

(g) Concentration of Revenues

Mariposa received approximately 44% of its total support and revenue from governmental agencies during the year ended June 30, 2021. Furthermore, 100% of Mariposa's total government support during the year ended June 30, 2021, was received from government contracts with the County of Orange.

(h) Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absences of restrictions on use that are placed by its donors, as follows:

*Net Assets Without Donor Restrictions*

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

*Net Assets With Donor Restrictions*

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions. The Organization's unspent contributions are included in this class if the donor limited their use. When a donor's restrictions are satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

## MARIPOSA WOMEN & FAMILY CENTER

### Notes to the Financial Statements

(Continued)

#### (2) Summary of Significant Accounting Policies (Continued)

##### (i) Government Contracts

Mariposa receives significant revenue in the form of governmental contracts. These amounts represent contracts with governmental agencies to assist those governmental agencies in the performance of essential community programs. Grant revenue is recognized in accordance with FASB ASC 606, *Revenue from Contracts with Customers*. Mariposa recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration for which Mariposa expects to be entitled for those goods or services. At June 30, 2021, Mariposa recorded \$1,123,731 of government contract revenue. Mariposa satisfies its performance obligation as eligible expenses are incurred. The government contracts are paid after invoices are submitted for reimbursement to the granting agencies.

##### (j) Fixed Assets

Fixed assets in excess of \$1,000 are capitalized at historical cost or fair market value at the date of purchase or donation. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, Mariposa reports expirations of donor restrictions when the donated assets are placed in service as instructed by the donor. Maintenance and repairs are expensed as incurred. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

##### (k) Accrued Vacation and Sick Leave

Accrued employee vacation represents vacation time earned by Mariposa employees which has not yet been taken. Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave is not recognized since payment of such benefits is not rendered upon termination of employment. Therefore, sick leave benefits are recorded as expenses during the period the sick leave is taken. As of June 30, 2021, accrued vacation liabilities were \$46,764 and are included in accrued expenses on the accompanying Statement of Financial Position.

## MARIPOSA WOMEN & FAMILY CENTER

### Notes to the Financial Statements

(Continued)

#### (2) Summary of Significant Accounting Policies (Continued)

##### (l) Classification of Transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions. Net gains on endowment investments increase net assets with donor restrictions, and net losses on endowment investments reduce that net asset class.

##### (m) Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

##### (n) Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by key personnel.
- Occupancy, depreciation, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space.

**MARIPOSA WOMEN & FAMILY CENTER**

**Notes to the Financial Statements**

**(Continued)**

**(2) Summary of Significant Accounting Policies (Continued)**

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expense in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

**(o) Prior Year Data**

Selected information regarding the prior year has been included in the accompanying financial statements. Certain reclassifications have been made to prior year amounts in order to conform to the current year presentation. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's prior year financial statements, from which this selected data was derived.

**(3) Concentration of Credit Risk**

Mariposa maintains cash at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2021, there was \$603,242 held in excess of the insured limits.

**(4) Fixed Assets**

Fixed assets consist of the following at June 30, 2021:

Furniture and Fixtures	\$ 10,538
Leasehold Improvements	<u>9,537</u>
Total Fixed Assets	20,075
Less: Accumulated Depreciation	<u>(3,583)</u>
Total	<u>\$ 16,492</u>

Depreciation expense amounted to \$3,337 for the year ended June 30, 2021.



**MARIPOSA WOMEN & FAMILY CENTER**

**Notes to the Financial Statements**

**(Continued)**

**(5) Operating Leases**

On May 1, 2014, Mariposa amended their lease agreement on their San Juan Capistrano location to provide for additional office space. The amendment extended the lease by one year and expired September 30, 2016. Effective October 1, 2016, Mariposa again amended their lease agreement for the San Juan Capistrano location. The lease agreement expires September 30, 2021. Effective October 1, 2019 Mariposa again amended their lease agreement for the San Juan Capistrano location. The lease amendment reduced the minimum monthly lease payments to \$4,013. The lease expiration has been extended to September 30, 2023. Included in security deposits is \$4,013 which represents the security deposit on the building.

On October 18, 2018, Mariposa entered into a lease agreement on their Katella Ave location for their new main office. The lease was originally effective from December 1, 2018 through November 30, 2023 with monthly lease payments of \$11,279. On December 6, 2020, there was a fire at the Organization's Katella Ave location that damaged their main office resulting in an early termination of the lease without additional obligations.

The financial statements include deferred rent of \$3,254 resulting from rent abatement for leasehold improvements and amortization of rent on the straight-line basis over the life of the San Juan Capistrano lease.

At June 30, 2021, Mariposa also held several equipment leases and on February 18, 2021 and March 1, 2021, Mariposa entered into two new lease agreements with ProData Imaging, Inc., for multiple copiers and printers. Future minimum lease payments are as follows for the building and equipment leases for the years ended June 30:

Year Ending <u>June 30</u>	<u>Total</u>
2022	\$ 28,321
2023	16,088
2024	5,900
2025	2,504
2026	<u>1,514</u>
Total	<u>\$ 54,327</u>

The total net lease expense amounted to \$102,636 for the year ended June 30, 2021.

## MARIPOSA WOMEN & FAMILY CENTER

### Notes to the Financial Statements

(Continued)

#### (6) Contingencies and Uncertainties

Financial assistance from federal, state, and local government entities in the form of contracts is subject to special audits. Such audits could result in claims against Mariposa for disallowed costs or noncompliance with contract restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

On March 19, 2020, the State of California issued a stay-at-home order to combat the spread of COVID-19, restricting travel and various business operations. COVID-19 and the measures taken by the County, State, and the Federal Government to reduce the spread and transmission of the disease have resulted in a sudden decrease in school-based counseling services and the Community Counseling Program revenues. The Organization has not included any contingencies in the financial statements specific to the COVID-19 pandemic.

#### (7) Long-Term Liabilities

The Organization has a \$40,000 line of credit with Wells Fargo. Payments on the outstanding balance are due monthly. The annual interest on the line of credit is 10%. As of June 30, 2021, the balance on the line of credit was \$0. The line of credit is renewed annually on November 1.

On May 2, 2020, the Organization received a loan in the amount of \$124,300 from the U.S. Small Business Administration pursuant to the Paycheck Protection Program (PPP). Payments on the loan were originally scheduled to commence on December 2, 2020 with monthly payments continuing on the second day of each month until the loan matures on May 2, 2022. The loan bears interest at an annual rate of 1%. In February 2021, the loan was forgiven and recognized as revenue in the accompanying financial statements.

On September 24, 2020, the Organization received a loan in the amount of \$150,000 from the U.S. Small Business Administration under the Economic Injury Disaster Loan program. Interest accrued at a rate of 2.75% and installment payments of \$641 are due monthly beginning September 24, 2021. At June 30, 2021, the outstanding balance includes accrued but unpaid interest of \$2,906.

**MARIPOSA WOMEN & FAMILY CENTER**

**Notes to the Financial Statements**

**(Continued)**

**(7) Long-Term Liabilities (Continued)**

Loan maturities as of June 30, 2021 are as follows based on the terms of the loan agreements:

Year Ending			
June 30	Principal	Interest	Total
2022	\$ 2,994	4,118	7,112
2023	3,696	3,996	7,692
2024	3,799	3,893	7,692
2025	3,904	3,788	7,692
2026	4,013	3,679	7,692
Thereafter	<u>134,500</u>	<u>46,437</u>	<u>180,937</u>
Total	152,906	65,911	218,817
Less: Current portion	<u>(2,994)</u>	<u>(4,118)</u>	<u>(7,112)</u>
Noncurrent portion	<u>\$ 149,912</u>	<u>61,793</u>	<u>211,705</u>

**(8) Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2021 are as follows:

Financial assets:

Cash and cash equivalents	\$ 850,858
Accounts receivable	64,859
Pledges receivable	30,000
County of Orange	<u>144,787</u>
Total financial assets	1,090,504

Less financial assets held to meet donor-imposed restrictions:

Purpose-restricted net assets	<u>(135,000)</u>
Amount available for general expenditures within one year	<u>\$ 955,504</u>

The Organization has a goal to maintain financial assets on hand to meet 90 days of normal operating expenses, which are, on average \$500,000. The Organization also has committed lines of credit in the amount of \$40,000, which it could draw upon in the event of an unanticipated liquidity need as described in Note 7.

**MARIPOSA WOMEN & FAMILY CENTER**

**Notes to the Financial Statements**

**(Continued)**

**(9) Net Assets with Donor Restrictions**

Net assets with donor restrictions includes purpose restricted contributions received that had not been spent by June 30, 2021 in the amount of \$135,000.

**(10) Subsequent Events**

Subsequent events have been evaluated by management through December 9, 2021, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. On August 25, 2021, Mariposa entered into a lease agreement for a building on W. Orangewood Ave, Orange, CA. The lease is effective the later of October 1, 2021 or three weeks following the Organization's "beneficial use" of the premises through May 1, 2029 with monthly payments of \$14,312.