

**K TO COLLEGE
DBA SUPPLYBANK.ORG
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2020**

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K TO COLLEGE DBA SUPPLYBANK.ORG
Financial Statements
For the Year Ended June 30, 2020

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K TO COLLEGE DBA SUPPLYBANK.ORG

BOARD OF DIRECTORS

JUNE 30, 2020

Steve Larson, Chief Executive Officer Co-Chair

Tim Sbranti, Co-Chair

Mary Ellyn Gormley, Secretary

Mike Spanton, Treasurer

Richard G Stephenson, Audit Committee Chair

Lorena Hernandez

Sean Carr

Yvette Radford

Patrick Johnson

Dean Vogel

Ted Lempert

Mark Friedman

Melissa Schoonmacher

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
K to College DBA SupplyBank.org
Oakland, California

We have audited the accompanying financial statements of K to College DBA SupplyBank.org, which comprise the statement of financial position as of June 30, 2020, 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 of 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 Organization'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 Organization'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 K to College DBA SupplyBank.org as of June 30, 2020, 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.

A handwritten signature in black ink that reads 'Maze & Associates'.

Pleasant Hill, California
April 9, 2021

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K TO COLLEGE
DBA SUPPLYBANK.ORG
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020

ASSETS

Current Assets:

Cash and cash equivalents (Note 3)	\$1,390,926
Investments (Note 3)	150,000
Accounts receivable (Note 4)	1,325,141
Inventory (Note 5)	2,000,037
Prepaid expenses	<u>26,903</u>
Total Current Assets	<u>4,893,007</u>

Non-Current Assets:

Property and equipment, net	<u>18,878</u>
TOTAL ASSETS	<u><u>\$4,911,885</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable (Note 6)	\$1,482,025
Undistributed in-kind goods	63,785
Deferred revenue (Note 7)	395,710
Vacation payable	91,574
Line of credit (Note 8)	<u>199,332</u>
Total Current Liabilities	<u>2,232,426</u>

Non-Current Liabilities:

Loans payable (Note 9)	<u>95,625</u>
Total Liabilities	<u>2,328,051</u>

Net Assets (Note 2A)

Without donor restrictions	507,717
With donor restrictions (Note 10)	<u>2,076,117</u>
Total Net Assets	<u>2,583,834</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$4,911,885</u></u>
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See accompanying notes to financial statements

K TO COLLEGE
DBA SUPPLYBANK.ORG
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restriction	Totals
SUPPORT AND REVENUE			
Contributions and grants (Note 2B)	\$2,575,077		\$2,575,077
Government grants and contracts	926,986		926,986
In-kind contributions (Note 11)	3,021,524		3,021,524
Interest	522	\$13,188	13,710
Other income	2,289		2,289
Total Support and Revenue	6,526,398	13,188	6,539,586
Net assets released from restrictions:			
Satisfaction of usage requirements (Note 10)	18,770	(18,770)	
EXPENSES			
Program Expenses:			
General	5,930,455		5,930,455
Oakport Street Project	89,488		89,488
Total Program Expenses	6,019,943		6,019,943
Support services:			
Management and general	224,769		224,769
Fundraising	39,411		39,411
Total Support Services	264,180		264,180
Total Expenses	6,284,123		6,284,123
Change in Net Assets	261,045	(5,582)	255,463
Net Assets at Beginning of Year	246,672	2,081,699	2,328,371
Net Assets at End of Year	\$507,717	\$2,076,117	\$2,583,834

See accompanying notes to financial statements

K TO COLLEGE
DBA SUPPLYBANK.ORG
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services		Support Services		
	General	Oakport Street Project	Management and General	Fundraising	Totals
FUNCTIONAL EXPENSES					
Direct costs of goods distributed:					
Cost of Materials, 3PL, Shipping	\$973,085				\$973,085
Related to COVID response	1,557,914				1,557,914
In-kind distribution of goods (Note 11)	3,021,524				3,021,524
Subtotal costs of goods distributed	5,552,523				5,552,523
Contract services	20,996	\$33,981	\$14,265	\$17,517	86,759
Facilities and equipment	444		16,800		17,244
Payroll	324,587	50,970	154,602	10,820	540,979
Insurance		3,731		7,755	11,486
Information technology	8,542		5,410	285	14,237
Office supplies	3,736	635	2,366	125	6,862
Travel	15,893		10,596	2,909	29,398
Depreciation and amortization			5,776		5,776
Business expenses	2,084		14,954		17,038
Other expenses	1,650	171			1,821
Total Functional Expenses	<u>\$5,930,455</u>	<u>\$89,488</u>	<u>\$224,769</u>	<u>\$39,411</u>	<u>\$6,284,123</u>

See accompanying notes to financial statements

K TO COLLEGE
DBA SUPPLYBANK.ORG
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	<u>\$255,463</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation and amortization	5,776
Changes in assets and liabilities:	
Accounts receivable	(996,370)
Inventory	(1,929,020)
Prepaid expenses	51,878
Accounts payable	1,406,051
Undistributed in-kind goods	63,785
Unearned revenue	395,710
Vacation payable	<u>5,090</u>
Total Adjustments	<u>(997,100)</u>
Net Cash (Used) by Operating Activities	<u>(741,637)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	<u>(5,487)</u>
Net Cash (Used) by Investing Activities	<u>(5,487)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Payments on line of credit	(50,000)
Proceeds from SBA loan	<u>95,625</u>
Net Cash Provided by Financing Activities	<u>45,625</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS (701,499)

Cash and cash equivalents, beginning of year 2,092,425

Cash and cash equivalents, end of year \$1,390,926

SUPPLEMENTARY INFORMATION

No taxes or interest were paid by the Organization during the year ended June 30, 2020.

Noncash activities:

Fair value of in-kind contributions received \$3,021,524

See accompanying notes to financial statements

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 1 – REPORTING ENTITY AND PROGRAMS

Mission Statement

SupplyBank.Org is a collaborative and innovative non-profit agency that provides essential goods and services to children and families in vulnerable communities throughout California.

Vision

SupplyBank.Org will replicate the Food Bank model and apply it to the delivery of basic tangible needs for low-income children and families. All materials are distributed through existing safety net programs in order to help individuals put themselves out of poverty while receiving essential goods at no cost. We seek to build the nation's first Supply Bank to transform the way people with low income receive what they need to thrive.

Background

SupplyBank.Org centralizes procurement and in-kind donations to provide upwards of \$3 worth of necessities for every \$1 invested. In the past few years, the Organization provided more than \$27 million worth of materials including diapers, hygiene supplies, school supplies and refurbished laptops to hundreds of thousands of low-income children and families throughout California. Our largest programmatic footprint is in the Bay Area.

By distributing materials through a statewide network of partnering agencies that provide additional resources supporting pathways out of poverty, we aim to both alleviate the immediate symptoms of poverty, while incentivizing families to participate in programs that provide pathways toward self-sufficiency. Leveraging existing investments into the safety net enables SupplyBank.Org to distribute critical materials through an existing and trusted infrastructure with a leg up approach (no line), while minimizing our operational costs.

COVID Response

Since the onset of the pandemic, SupplyBank.Org utilized its relationship with the Governor's Office of Emergency Services (Cal-OES), County EOCs, FEMA, First 5 California and several other state and local agencies to establish and administer 58 county emergency supplies programs totaling several million dollars each quarter. While they vary in distribution points, all partner with each respective County Children and Families Commission (First 5), Childcare providers for essential personnel, and other programs through public health/social services departments. Thousands of organizations throughout the state are beneficiaries and several Bay Area Counties made supplemental appropriations toward the effort. More than 95% of funding is for the cost of goods, warehousing and transportation. Items include PPE, cleaning/disinfectant supplies, branded infrared thermometers, diapers (adult/baby)/wipes, feminine hygiene, several types of adult/child masks and other items.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 1 – REPORTING ENTITY AND PROGRAMS (Continued)

Oakport Street Project – Oakport.org

As an expanding Oakland community based organization, the Oakport Street Project will enable our agency to more than triple in size the first year and set in place the framework for rapid growth thereafter. This project will enable us to provide tens of millions of dollars' worth of basic needs materials (PPE/disaster response, diapers, laptops, hygiene items, school supplies, household essentials, etc.) to impoverished children and families and victims of disasters such as the recent firestorms that displaced tens of thousands of people. It's a proven model and we're all excited and honored to be working on it.

As part of a Public Private Partnership (PPP) with East Bay Municipal Utility District (EBMUD), the project would develop the approximately 16-acre EBMUD pipe storage yard on Oakport Street into a new 130,000 sq. ft. warehouse building (split into two units) and a 160,000 sq. ft. five-story office building with associated parking and landscaping improvements. There will also be several other improvements to the northern side of the development specifically for EBMUD use which are described below. Per the project plans, the site is broken into two areas, there are two sides of this development (north and south). The southern end is what consists of the office building and the SupplyBank.Org half of distribution center. The northern end includes improvements we're doing as part of a transaction where we are exchanging land improvements to our local water utility in exchange for the land.

As a transit oriented development, the 160,000 square foot office building will be a new Class A structure with below market rents initially exclusively offered to nonprofit organizations located in the Bay Area. It will provide a free BART shuttle (light-rail transit; 5 minute ride to the Coliseum Station), shared conference rooms, outdoor gathering spaces and other shared common spaces that include a rooftop garden and other amenities. We are also exploring 1.25 acres rooftop farm on the warehouse. Leases will be structured up to 50+ years for qualified nonprofits and other organizations.

Our goal is to create a unique community of the most passionate, equitable and socially minded organizations and people in the region all serving the same community in different ways. In short, we hope to build a campus of like-minded organizations with the ability to create social change.

The cost to administer the Oakport Street Project as the project developer is reflected in the Statement of Financial Expenses under the Program Services Column section under the column entitled "Oakport Street Project." The \$89,488 cost is reflective of all stated expenses. In future years, the Organization will move the assets and costs of the Project to a SBO Development Company LLC.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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A. *Basis of Presentation*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

The Organization reports 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 general operations that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose 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. 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.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

B. *Contributions and Grants*

Contributions and grants are recorded as revenue with, or without, donor restrictions when received, or pledged when there is a reasonable expectation of collection. All contributions are considered to be available for the unrestricted use unless specifically restricted by the donor. Conditional promises to give are not recognized until they become unconditional; that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of receipt. Contributions to be received after one year are discounted at an appropriate rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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Contributions with donor restrictions are generally recognized as revenue with donor restrictions. Generally, donors place restrictions on contributions for a specific time period and/or a specific use or purpose. Once donor restrictions have been satisfied, the revenue is released from net assets with donor restrictions and reclassified to net assets without donor restrictions. Restrictions on gifts of property or equipment or gifts restricted to the purchase of property or equipment are satisfied when the assets are placed in service.

C. *Cash and Cash Equivalents*

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

D. *Concentration of Credit Risk*

The Federal Deposit Insurance Corporation (“FDIC”) insures account balances at each insured institution. The Organization maintains deposit accounts with financial institutions and frequently carries balances that exceed FDIC insurance limits. At various times during the year, cash at these institutions could exceed federally insured limits. The Organization has not experienced any losses on its FDIC-insured accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.

E. *Investments*

Investments are recorded at fair market value. Both unrealized gains and losses from the fluctuation of market value and realized gains and losses from the sale of investments are reflected in the Statement of Activities.

F. *Receivables*

The Organization considers all accounts receivable to be fully collectible as of June 30, 2020. Accordingly, no material allowance for doubtful accounts was deemed necessary. If amounts become uncollectible, they are charged to expense in the period in which that determination is made.

G. *Property and Equipment*

Property and equipment are recorded at cost when purchased, or if donated, at the approximate fair value at the date of donation. It is the Organization’s policy to capitalize assets purchased or donated when their costs or fair values exceed \$1,000. Depreciation is computed using the straight-line method over the estimated useful lives of the various classes of assets which range from 3 to 5 years.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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H. Donated Goods and Volunteer Services

Donated goods, if any, are recorded in the financial statements at the estimated fair value in the period received. Contributions of donated services that create or enhance a non-financial asset, or require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received. During the year ended June 30, 2020, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

In addition, many individuals volunteer their time and perform a variety of services for the Organization. These services do not meet the recognition criteria. During the year ended June 30, 2020, 321 individuals volunteered for SupplyBank.org.

I. Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of U.S. the Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Organization paid no taxes on unrelated business income for the year ended June 30, 2020.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization's tax returns remain open for federal income tax examination for three years from the date of filing.

J. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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K. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management's best estimate of usage. For certain such expenses, such as payroll costs, these estimates are based on time incurred in different activities. For other expenses, such as travel, an allocation has been made based upon purpose.

L. Advertising Costs

Advertising costs, if any, are expensed as incurred.

M. Fair Value Measurements

The Organization reports certain assets and liabilities at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on observable and non-observable inputs. Observable inputs consist of data obtained from independent sources. Non-observable inputs reflect industry assumptions. These two types of inputs are used to create the fair value hierarchy, giving preference to observable inputs.

The three-tier hierarchy categorizes the inputs as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed 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, the Organization develops inputs using the best information available in the circumstances.

N. Subsequent Events

The Organization evaluated subsequent events for recognition and disclosure through April 9, 2021, the date which these financial statements were available to be issued. Management concluded that no material subsequent events occurred since June 30, 2020 that requires recognition or disclosure in the financial statements, except the following:

In response to COVID-19, the Organization received approximately \$7.5 million in commitments from numerous public agencies and foundations for funding of emergency supplies programs.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments are reported at their fair values using level 1 fair value measures (quoted prices in active markets) in the Statement of Financial Position. At June 30, 2020, the Organization's cash and cash equivalents balance was \$1,390,926, consisting of deposits in two financial institutions. Investments at June 30, 2020 consisted of a \$150,000 certificate of deposit maturing in July 2020.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable consist primarily of contracts and miscellaneous contributions and grants. At June 30, 2020, total accounts receivable was \$1,325,141, of which \$1,262,051 were related to government contracts with various First 5 agencies.

NOTE 5 – INVENTORY

Inventory consists of raw materials used to produce various basic needs supply kits, diapers, computers, school supplies, hygiene items, personal protective equipment (PPE) and cleaning/sanitizing supplies in response to COVID-19, and a substantial portfolio of in-kind goods that includes the aforementioned and basic household items. All materials are distributed to low-income children and families. Inventory is valued at the lower of cost or net realizable value based on the average cost method. At June 30, 2020, inventory was valued at \$2,000,037.

NOTE 6 – ACCOUNTS PAYABLE

Accounts payable consists primarily of amounts due to manufacturers, third party logistic or 3PL companies, carriers, and other vendors. Most of the Organization's budget goes towards these costs. Through December 2018, Community Benefit Corporation Office Supplies provided the Organization with a line of credit for raw materials, as the counties and State of California can be slow in remitting funding. In the case of the School Supplies for Homeless Children Fund, the Organization is required to complete assembly and delivery of kits prior to issuing any invoice. At June 30, 2020, the total accounts payable owed was \$1,482,025.

NOTE 7 – DEFERRED REVENUE

Deferred revenue consists of contracts with First 5 agencies that are expected to be recognized as revenue during the following fiscal year. At June 30, 2020, deferred revenue consisted of the following:

First 5 Alameda County	\$323,440
First 5 Santa Clara	<u>72,270</u>
Total Deferred Revenue	<u><u>\$395,710</u></u>

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 8 – LINE OF CREDIT

The Organization has an agreement with a bank for a revolving line of credit of \$250,000 that matures December 6, 2020. The line of credit has a variable interest rate that is subject to change based on an independent index rate. The interest rate is currently 5.75%. At June 30, 2020, the Organization had an outstanding balance of \$199,332 against the line of credit.

NOTE 9 – LOAN PAYABLE

In April 2020, the Organization received a \$95,625 loan from the U.S. Small Business Administration Paycheck Protection Program (PPP), with an interest rate of 1.0% that matures in April 2022. The loan was made pursuant to sections 1102 and 1106 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Section 1106 of the CARES Act provides that up to the full principal amount plus interest accrued on loans guaranteed under the PPP may qualify for forgiveness if the Organization uses the loan proceeds for forgivable purposes.

The Organization intends to spend the funds in accordance with the guidelines that will make the loan forgivable.

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2020, the Organization had the following net assets with donor restrictions:

For Oakport Street Project:	
Sunlight Giving	\$152,916
Kaiser	673,201
Thomas J Long Foundation	<u>1,250,000</u>
Total Net Assets With Donor Restrictions	<u><u>\$2,076,117</u></u>

For the year ended June 30, 2020, \$18,770 of net assets were released from restrictions for expenses related to the Organization's distribution center project.

NOTE 11 – DONATED MATERIALS

For materials that are not directly donated, the Organization works with various manufacturers, governments and private entities to acquire materials at a discounted price. Following the guidance set by the FASB ASC No. 958, the Organization records the difference between the lowest possible contract price and the discounted price paid for the materials as an in-kind contribution. For the year ended June 30, 2020, the Organization received in-kind contributions with an estimated fair value of \$3,021,524.

K TO COLLEGE DBA SUPPLYBANK.ORG
NOTES TO FINANCIAL STATEMENTS
For The Year Ended June 30, 2020

NOTE 12 – LIQUIDITY AND AVAILABILITY OF RESOURCES
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Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consisted of the following at June 30, 2020:

Total current financial assets:	
Cash and cash equivalents	\$1,390,926
Investments	150,000
Accounts receivable	1,325,141
Inventory	<u>2,000,037</u>
Total current financial assets	4,866,104
Contractual or donor-imposed restrictions:	
Accounts payable	(1,482,025)
Unearned revenue on contracts	(395,710)
Line of credit	(199,332)
Donor-imposed restrictions	<u>(2,076,117)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u><u>\$712,920</u></u>

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