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South Asian Youth Action

Audited Financial Statements

June 30, 2021

Independent Auditor's Report

To the Board of Directors of
South Asian Youth Action, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of South Asian Youth Action, Inc. ("SAYA"), 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.

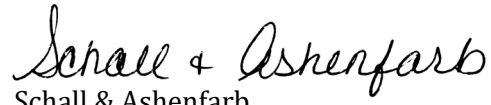
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of South Asian Youth Action, Inc. 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 SAYA's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 5, 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.


Schall & Ashenfarb
Certified Public Accountants, LLC

April 6, 2022

SOUTH ASIAN YOUTH ACTION, INC.
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2021
(With comparative totals at June 30, 2020)

| | <u>6/30/21</u> | <u>6/30/20</u> |
|---|-----------------------------|-----------------------------|
| Assets | | |
| Cash and cash equivalents | \$1,266,354 | \$1,440,261 |
| Investments (Note 3) | 411,068 | 410,648 |
| Pledges receivable | 24,519 | 50,065 |
| Government grants receivable | 1,283,499 | 1,074,666 |
| Contract fees receivable | 37,507 | 21,322 |
| Prepaid expenses and other assets | 17,746 | 63,246 |
| Fixed assets, net (Note 4) | 1,243 | 3,728 |
| Security deposit | 4,750 | 4,750 |
| | <u> </u> | <u> </u> |
| Total assets | <u><u>\$3,046,686</u></u> | <u><u>\$3,068,686</u></u> |
| Liabilities and Net Assets | | |
| Liabilities: | | |
| Accounts payable and accrued expenses | \$278,712 | \$331,764 |
| Deferred revenue | 0 | 23,119 |
| Paycheck Protection Program loan (Note 5) | 558,025 | 558,025 |
| Total liabilities | <u>836,737</u> | <u>912,908</u> |
| Net assets: | | |
| Without donor restrictions: | | |
| Operations | 1,262,885 | 1,318,520 |
| Board designated (Note 6) | 920,268 | 745,898 |
| Total unrestricted | <u>2,183,153</u> | <u>2,064,418</u> |
| With donor restrictions (Note 7) | 26,796 | 91,360 |
| Total net assets | <u>2,209,949</u> | <u>2,155,778</u> |
| | <u> </u> | <u> </u> |
| Total liabilities and net assets | <u><u>\$3,046,686</u></u> | <u><u>\$3,068,686</u></u> |

The attached notes and auditor's report are an integral part of these financial statements.

SOUTH ASIAN YOUTH ACTION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
(With comparative totals for the year ended June 30, 2020)

| | Without Donor Restrictions | With Donor Restrictions | Total 6/30/21 | Total 6/30/20 |
|---|----------------------------------|-------------------------------|---------------------------|---------------------------|
| Public support and revenue: | | | | |
| Government grants | \$2,491,974 | | \$2,491,974 | \$2,926,066 |
| Government grant - Paycheck Protection Program (Note 5) | 558,025 | | 558,025 | 0 |
| Foundation contributions | 274,563 | \$40,000 | 314,563 | 248,250 |
| Corporation contributions | 20,742 | | 20,742 | 73,886 |
| Individual contributions | 295,974 | | 295,974 | 54,663 |
| Contract services | 126,618 | | 126,618 | 114,381 |
| Special event income (net of expenses with a direct benefit to donor) (Note 8) | | | 0 | 736,446 |
| Investment income (Note 3) | 898 | | 898 | 16,143 |
| Other income | 1,115 | | 1,115 | 144 |
| Net assets released from restrictions | 104,564 | (104,564) | 0 | 0 |
| Total public support and revenue | <u>3,874,473</u> | <u>(64,564)</u> | <u>3,809,909</u> | <u>4,169,979</u> |
| Expenses: | | | | |
| Program services | <u>3,226,783</u> | | <u>3,226,783</u> | <u>3,554,160</u> |
| Supporting services: | | | | |
| Management and general | 299,803 | | 299,803 | 324,641 |
| Fundraising | <u>229,152</u> | | <u>229,152</u> | <u>322,976</u> |
| Total supporting services | <u>528,955</u> | 0 | <u>528,955</u> | <u>647,617</u> |
| Total expenses | <u>3,755,738</u> | <u>0</u> | <u>3,755,738</u> | <u>4,201,777</u> |
| Change in net assets | 118,735 | (64,564) | 54,171 | (31,798) |
| Net assets - beginning of year | <u>2,064,418</u> | <u>91,360</u> | <u>2,155,778</u> | <u>2,187,576</u> |
| Net assets - end of year | <u><u>\$2,183,153</u></u> | <u><u>\$26,796</u></u> | <u><u>\$2,209,949</u></u> | <u><u>\$2,155,778</u></u> |

The attached notes and auditor's report are an integral part of these financial statements.

SOUTH ASIAN YOUTH ACTION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021
(With comparative totals for the year ended June 30, 2020)

| | Supporting Services | | | Total Supporting Services | Total Expenses 6/30/21 | Total Expenses 6/30/20 |
|--|---------------------|------------------------------|------------------|---------------------------------|------------------------------|------------------------------|
| | Program Services | Management and General | Fundraising | | | |
| Salaries | \$2,040,937 | \$163,942 | \$174,731 | \$338,673 | \$2,379,610 | \$2,783,331 |
| Payroll taxes and benefits | 395,558 | 31,774 | 33,865 | 65,639 | 461,197 | 545,652 |
| Professional fees | 183,657 | 73,326 | | 73,326 | 256,983 | 287,614 |
| Supplies | 142,519 | 1,634 | | 1,634 | 144,153 | 107,289 |
| Program expenses | 35,300 | 112 | | 112 | 35,412 | 44,491 |
| Scholarships | 211,250 | | | 0 | 211,250 | 133,500 |
| Direct assistance to families | 71,700 | | | 0 | 71,700 | 33,300 |
| Client stipends | 27,908 | | | 0 | 27,908 | 22,960 |
| Telephone and telecommunications | 7,355 | 6,499 | | 6,499 | 13,854 | 6,414 |
| Postage and mailing | 5,301 | 128 | 295 | 423 | 5,724 | 2,327 |
| Occupancy | 48,888 | 3,927 | 4,185 | 8,112 | 57,000 | 57,000 |
| Equipment rental, repairs and maintenance | 6,366 | 6,367 | | 6,367 | 12,733 | 13,248 |
| Travel | 30 | | | 0 | 30 | 14,816 |
| Development expenses | | | 12,161 | 12,161 | 12,161 | 21,013 |
| Staff and board trainings and meetings | 13,316 | 253 | 544 | 797 | 14,113 | 24,486 |
| Printing and copying | 5,480 | | 15 | 15 | 5,495 | 9,320 |
| Dues, fees and subscriptions | 7,030 | 4,647 | 816 | 5,463 | 12,493 | 7,833 |
| Marketing and recruitment | 304 | 2,540 | 553 | 3,093 | 3,397 | 8,480 |
| Insurance | 23,203 | 1,864 | 1,987 | 3,851 | 27,054 | 30,960 |
| Special event expenses | | | | 0 | 0 | 178,035 |
| Bank and investment fees | | 281 | | 281 | 281 | 330 |
| Depreciation | | 2,485 | | 2,485 | 2,485 | 2,485 |
| Miscellaneous | 681 | 24 | | 24 | 705 | 23,809 |
| Total expenses | 3,226,783 | 299,803 | 229,152 | 528,955 | 3,755,738 | 4,358,693 |
| Less: direct special event expenses netted with revenue | | | | 0 | 0 | (156,916) |
| Total expenses for statement of activities | \$3,226,783 | \$299,803 | \$229,152 | \$528,955 | \$3,755,738 | \$4,201,777 |

The attached notes and auditor's report are an integral part of these financial statements.

SOUTH ASIAN YOUTH ACTION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021
(With comparative totals for the year ended June 30, 2020)

| | <u>6/30/21</u> | <u>6/30/20</u> |
|---|---------------------------|---------------------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$54,171 | (\$31,798) |
| Adjustments to reconcile change in net assets to net cash (used for)/provided by operating activities: | | |
| Depreciation | 2,485 | 2,485 |
| Realized loss on investments | 2,220 | 2,323 |
| Unrealized loss/(gain) on investments | 3,157 | (8,943) |
| Changes in assets and liabilities: | | |
| Pledges receivable | 25,546 | (39,424) |
| Government grants receivable | (208,833) | (308,361) |
| Contract fees receivable | (16,185) | 38,947 |
| Prepaid expenses and other assets | 45,500 | 30,276 |
| Accounts payable and accrued expenses | (53,052) | 89,246 |
| Deferred revenue | (23,119) | (6,881) |
| Paycheck Protection Program loan | 0 | 558,025 |
| Total adjustments | <u>(222,281)</u> | <u>357,693</u> |
| Net cash flows (used for)/provided by operating activities | <u>(168,110)</u> | <u>325,895</u> |
| Cash flows from investing activities: | | |
| Sale of investments | 73,758 | 55,961 |
| Purchases of investments | <u>(79,555)</u> | <u>(67,538)</u> |
| Net cash flows used for investing activities | <u>(5,797)</u> | <u>(11,577)</u> |
| Net (decrease)/increase in cash and cash equivalents | (173,907) | 314,318 |
| Cash and cash equivalents - beginning of year | <u>1,440,261</u> | <u>1,125,943</u> |
| Cash and cash equivalents - end of year | <u><u>\$1,266,354</u></u> | <u><u>\$1,440,261</u></u> |
| Supplemental disclosures: | | |
| Interest and taxes paid | <u><u>\$0</u></u> | <u><u>\$0</u></u> |

The attached notes and auditor's report are an integral part of these financial statements.

SOUTH ASIAN YOUTH ACTION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1 - Organization

South Asian Youth Action, Inc. (“SAYA”) is an inclusive, South Asian-focused 501(c)3 youth development organization. Established in 1996, we have served over 13,000 young people since our founding. Over the 2020-21 school year, we worked with over 1,900 elementary, middle school, high school, and college youth at our community center, partner schools, and through virtual offerings.

SAYA is distinctive in providing free, year-round holistic and culturally-affirming programming designed to meet the needs of our participants and their communities. Through leadership development, enrichment, and academic support, we help young people from all backgrounds build a solid foundation for their educational, personal, and professional futures. We work toward education equity by providing opportunities and resources to less privileged New York City youth, ensuring they are empowered to become engaged community members. Our mission and offerings adapt and expand to meet new needs as they arise, and we are thoughtful, thorough, and measured growing our programs to ensure our impact remains sustainable.

Many of our participants are first and second generation immigrant youth of color who face numerous barriers that hinder their chances to be academically and socially successful, graduate high school, and attend college. SAYA takes a comprehensive approach to youth development - one that believes youth thrive when they have safe spaces to learn, lead and contribute to their communities. Alongside our core offerings, we help youth in elementary school through college develop tangible life skills including critical thinking, communication, and financial literacy. Taking our youth’s individual abilities and challenges into account, SAYA works to meet their needs and improve outcomes through meaningful and culturally-affirming programming, building self-confidence and belonging in our participants.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

b. Basis of Presentation

SAYA reports information regarding its financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represents those resources for which there are no restrictions by donors as to their use.
- *Net Assets With Donor Restrictions* – relates to contributions of cash or other assets with donor stipulations that make clear the assets’ restriction, either due to a program nature or by the passage of time.

c. Revenue Recognition

SAYA follows the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 606 for recognizing revenue from contracts with customers. SAYA analyzes each source of revenue to determine that it has a contract with the customer that identifies both the performance obligation and the transaction price.

Contract services income falls under FASB ASC 606. The performance obligation is met when the consulting services have been provided in connection with the contract. Revenue earned in advance of being collected is reflected as contract fees receivable. Cash collected in advance of services being provided is reflected as deferred revenue.

SAYA follows FASB ASC 958-605 for recording contributions, which are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions that do not contain donor restrictions are recorded in the class of net assets without donor restrictions. Contributions that contain donor restrictions are recorded in the class of net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified in the class of net assets without donor restrictions.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques. At June 30, 2021 and 2020, all contributions were expected to be received within one year.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

SAYA's government grants are primarily conditional non-exchange transactions and fall under the scope of FASB ASC 958-605. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved and other conditions under the agreements are met. Payments received in advance of conditions being met are recorded as a government grant advance. At June 30, 2021, all government grants receivable are expected to be collected within one year.

SAYA reviews all outstanding government grants and pledges receivable at year end and makes an assessment as to collectability based on historical experience and the age of the receivable. Based on SAYA's historical experience, management feels that no allowance for doubtful accounts is necessary as of June 30, 2021.

d. Cash and Cash Equivalents

SAYA considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents, except for cash maintained in the investment portfolio.

e. Concentration of Credit Risk

Financial instruments which potentially subject SAYA to concentration of credit risk consist of cash and investment accounts which have been placed with financial institutions that management deems to be creditworthy. At year end and at various times throughout the year, material cash balances were uninsured; however, management feels they have little risk and SAYA has not experienced any losses from the default of any financial institution.

f. Investments

Investments with readily available market prices are carried at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are included in income on the statement of activities. See Note 3 for details.

g. Fixed Assets

Fixed assets are stated at cost or at the fair value on the date of gift, if donated. SAYA capitalizes fixed assets in excess of pre-defined amounts that have a useful life of more than one year. Depreciation is charged using the straight-line method over the estimated useful life of the asset.

h. Donated Services

Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind.

SAYA pays for most services requiring specific expertise. Board members and other individuals volunteer their time to support the organization's mission and accomplish its programmatic goals. These services do not meet the criteria for recognition as outlined above and have not been recorded in the financial statements.

i. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Certain costs have been allocated among the programs and supporting services benefited.

The following costs are allocated by time and effort:

- Salaries
- Payroll taxes and benefits
- Occupancy
- Insurance

All other costs have been charged directly to the applicable program or supporting services.

- j. Use of Estimates
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 that affect the reported amounts in the financial statements. Actual results could differ from those estimates.
- k. Income Tax Status
SAYA is a non-profit organization and has been notified by the Internal Revenue Service that it is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).
- l. Comparative Financial Information
The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with SAYA's financial statements for the year ended June 30, 2020, from which the summarized information was derived.
- m. Accounting for Uncertainty of Income Taxes
SAYA does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2018 and later are subject to examination by applicable taxing authorities.
- n. New Accounting Pronouncements
FASB issued Accounting Standards Update ("ASU") No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the June 30, 2022 year. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.
- FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.
- SAYA is in the process of evaluating the impact these standards will have on future financial statements.

Note 3 - Investments

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that SAYA has the ability to access.
- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

All investments are considered to be level 1 securities and consist of the following:

| | <u>6/30/21</u> | <u>6/30/20</u> |
|-----------------------------|------------------|------------------|
| Money funds | \$246,607 | \$165,811 |
| U.S. government obligations | 82,047 | 134,527 |
| Corporate bonds | <u>82,414</u> | <u>110,310</u> |
| Total | <u>\$411,068</u> | <u>\$410,648</u> |

Level 1 securities are valued at the closing price reported on the active market they are traded on.

Investment income consists of the following:

| | <u>6/30/21</u> | <u>6/30/20</u> |
|------------------------|----------------|-----------------|
| Interest and dividends | \$6,275 | \$9,523 |
| Realized loss | (2,220) | (2,323) |
| Unrealized (loss)/gain | <u>(3,157)</u> | <u>8,943</u> |
| Total | <u>\$898</u> | <u>\$16,143</u> |

Note 4 - Fixed Assets

Fixed assets consist of the following:

| | <u>6/30/21</u> | <u>6/30/20</u> |
|----------------------------------|-----------------|-----------------|
| Furniture and fixtures – 5 years | \$20,775 | \$20,775 |
| Less: accumulated depreciation | <u>(19,532)</u> | <u>(17,047)</u> |
| Total fixed assets, net | <u>\$1,243</u> | <u>\$3,728</u> |

Note 5 - Paycheck Protection Program Loan

During the year ended June 30, 2020, SAYA obtained a loan from the Small Business Administration (“SBA”) in the amount of \$558,025 through the Paycheck Protection Program (“PPP”). Terms of the loan indicated that if certain conditions were met, which included maintaining average work forces during periods subsequent to receipt of the loan funds that were greater than pre-determined historical periods, that the loan, or a portion thereof, would be forgiven. Portions that were not forgiven would be payable over a five-year period, with a ten-month deferral of payments and interest would accrue at 1%. SAYA accounts for the PPP loan as a conditional contribution in accordance with FASB ASC 958-605. The conditions for forgiveness on this loan were met during the year ended June 30, 2021 and the full amount was recognized as revenue during the year then ended. On May 24, 2021, the loan was forgiven by the SBA.

During the year ended June 30, 2021, SAYA obtained a second PPP loan in the amount of \$558,025. Terms of the second loan are the same as described above. The loan forgiveness amount has not been determined as of the date of these financial statements; however, SAYA will recognize revenue from this loan consistent with the method used for the first loan.

Note 6 - Board Designated Net Assets

The following summarizes the changes in board designated net assets:

| | <u>June 30, 2021</u> | | |
|------------------------------|----------------------|--------------------------------|------------------|
| | Scholarship Fund | Board Designated Reserve | Total |
| Balance at beginning of year | \$335,250 | \$410,648 | \$745,898 |
| Additions | 385,200 | 0 | 385,200 |
| Investment Income | 0 | 420 | 420 |
| Withdrawals | <u>(211,250)</u> | <u>0</u> | <u>(211,250)</u> |
| Balance at end of year | <u>\$509,200</u> | <u>\$411,068</u> | <u>\$920,268</u> |

| | <u>June 30, 2020</u> | | |
|------------------------------|----------------------|--------------------------------|------------------|
| | Scholarship Fund | Board Designated Reserve | Total |
| Balance at beginning of year | \$300,750 | \$392,451 | \$693,201 |
| Additions | 168,000 | 0 | 168,000 |
| Investment Income | 0 | 18,197 | 18,197 |
| Withdrawals | <u>(133,500)</u> | <u>0</u> | <u>(133,500)</u> |
| Balance at end of year | <u>\$335,250</u> | <u>\$410,648</u> | <u>\$745,898</u> |

During the year ended June 30, 2021, the organization had net investment income of \$420 added to the board designated reserve. Additionally, during the year SAYA appropriated an additional \$385,200 to and withdrew \$211,250 from the Scholarship Fund.

Note 7 - Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

| | <u>June 30, 2021</u> | | | |
|--------------------------|----------------------|-----------------|----------------------------------|--------------------|
| | Balance 7/1/20 | Contributions | Released From Restrictions | Balance 6/30/21 |
| Program restrictions: | | | | |
| Young Women’s Leadership | \$7,185 | \$0 | (\$7,185) | \$0 |
| Census Outreach | 7,689 | 0 | (7,689) | 0 |
| COVID Direct Assistance | 1,700 | 0 | (1,700) | 0 |
| College Access & Success | 62,286 | 20,000 | (75,490) | 6,796 |
| Elmhurst Center Program | <u>12,500</u> | <u>20,000</u> | <u>(12,500)</u> | <u>20,000</u> |
| Total | <u>\$91,360</u> | <u>\$40,000</u> | <u>(\$104,564)</u> | <u>\$26,796</u> |

June 30, 2020

| | <u>Balance</u> <u>7/1/19</u> | <u>Contributions</u> | <u>Released</u> <u>From</u> <u>Restrictions</u> | <u>Balance</u> <u>6/30/20</u> |
|--------------------------|---------------------------------|----------------------|---|----------------------------------|
| Program restrictions: | | | | |
| Young Women’s Leadership | \$4,352 | \$39,000 | (\$36,167) | \$7,185 |
| Coding | 993 | 0 | (993) | 0 |
| Census Outreach | 0 | 10,000 | (2,311) | 7,689 |
| COVID Direct Assistance | 0 | 35,000 | (33,300) | 1,700 |
| College Access & Success | 0 | 75,000 | (12,714) | 62,286 |
| Elmhurst Center Program | 0 | 12,500 | 0 | 12,500 |
| College Scholarships | <u>10,790</u> | <u>0</u> | <u>(10,790)</u> | <u>0</u> |
| Total | <u>\$16,135</u> | <u>\$171,500</u> | <u>(\$96,275)</u> | <u>\$91,360</u> |

Note 8 - Special Events

SAYA typically holds an annual fundraising event. Due to COVID-19, the annual fundraising event was not held during the year ended June 30, 2021. A summary of the event held during the year ended June 30, 2020 is as follows:

| | |
|---|------------------|
| Gross revenue | \$893,362 |
| Less: expenses with a direct benefit to donor | <u>(156,916)</u> |
| | 736,446 |
| Less: other event expenses | <u>(21,119)</u> |
| Total revenue | <u>\$715,327</u> |

Note 9 - Significant Concentrations

SAYA receives funding from the New York City Department of Youth and Community Development (“DYCD”) and the Department of Education (“DOE”) to operate its programs. Total funding from the City of New York amounted to 62% and 63% of total revenue in 2021 and 2020, respectively.

Note 10 - Commitments and Contingencies

Government Grants

Government grants are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves for this. Any disallowed costs would be recorded in the period notified.

Lease Commitments

On August 5, 2020, SAYA signed a one-year extension on a non-cancellable lease agreement for its office and some program space, which expired on June 30, 2021. The lease was extended for a six-month term through December 31, 2021 and then again for an additional seven-month term through July 31, 2022. Both extensions had payment terms of \$4,750 per month.

Note 11 - Availability and Liquidity

The following reflects SAYA's financial assets at June 30, 2021, reduced by amounts that have donor-imposed or board-designated restrictions within one year of the statement of financial position date.

| | | |
|---|------------------|--------------------|
| Cash and cash equivalents | \$1,266,354 | |
| Investments | 411,068 | |
| Pledges, government grants and contract fees receivable | <u>1,345,525</u> | |
| Total financial assets | | \$3,022,947 |
| Less amounts not available to be used within one year: | | |
| Board designated reserve | (411,068) | |
| Board designated scholarship fund | (509,200) | |
| Contributions restricted – purpose restrictions | <u>(26,796)</u> | |
| Total amounts not available for general expenditures | | <u>(947,064)</u> |
| Financial assets available to meet cash needs for general expenditures within one year | | <u>\$2,075,883</u> |

As part of its liquidity management, SAYA operates its programs within a balanced budget and maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for ongoing operations.

Note 12 - Subsequent Events

Subsequent events have been evaluated through April 6, 2022, the date the financial statements were available to be issued. Adjustments and disclosures have been made for all subsequent events that have occurred.

Note 13 - Other Matters

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an impact on the economies and financial markets of many countries, including the geographical area in which SAYA operates. As of the date of these financial statements, many of the travel restrictions and stay at home orders have been lifted; however, supply chains remain impacted. Management continues to monitor the outbreak; however, as of the date of these financial statements, the potential impact cannot be quantified.