

SOUTHERN VALLEY ALLIANCE
FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

**SOUTHERN VALLEY ALLIANCE
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JUNE 30, 2022 AND 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southern Valley Alliance
Belle Plaine, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Southern Valley Alliance, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Southern Valley Alliance as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Peterson Company Ltd

Peterson Company Ltd
Waconia, Minnesota

November 7, 2022

**SOUTHERN VALLEY ALLIANCE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021**

ASSETS

	2022	2021
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 861,147	\$ 828,173
Investments, fair value	216,292	140,697
Grants Receivable	47,647	51,278
Prepaid Expenses	14,494	3,099
Total Current Assets	1,139,580	1,023,247
PROPERTY AND EQUIPMENT:		
Land	81,794	18,322
Building and Improvements	246,723	469,897
Furniture and Equipment	34,506	95,565
Total Property and Equipment	363,023	583,784
Accumulated Depreciation	32,874	403,436
Net Property and Equipment	330,149	180,348
TOTAL ASSETS	\$ 1,469,729	1,203,595

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts Payable	\$ 7,336	\$ 9,208
Accrued Compensation	29,388	30,285
Total Current Liabilities	36,724	39,493
LONG-TERM LIABILITIES:		
SBA PPP Loan	-	76,100
Total Long-Term Liabilities	-	76,100
NET ASSETS:		
Without Donor Restriction and Undesignated	1,397,355	1,057,352
Without Donor Restriction and Board Designated	30,650	30,650
Total Without Donor Restriction	1,428,005	1,088,002
With Donor Restriction	5,000	-
Total Net Assets	1,433,005	1,088,002
TOTAL LIABILITIES AND NET ASSETS	\$ 1,469,729	\$ 1,203,595

**SOUTHERN VALLEY ALLIANCE
STATEMENT OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
REVENUE AND SUPPORT:						
State of Minnesota	\$ 246,479	\$ -	\$ 246,479	\$ 220,355	\$ -	\$ 220,355
Program Service Revenue	-	-	-	7,320	-	7,320
Contributions	350,858	5,000	355,858	193,659	-	193,659
Special Events	62,493	-	62,493	89,757	-	89,757
County Support	31,000	-	31,000	11,250	-	11,250
Interest Income	4,170	-	4,170	8,113	-	8,113
Unrealized Gain or Loss on Investments	(18,567)	-	(18,567)	-	-	-
Gain on Sale of Building	202,714	-	202,714	-	-	-
Gain on Extinguishment - PPP Loan	76,100	-	76,100	56,000	-	56,000
Net Assets Released from Restrictions:						
Satisfaction of Time Restrictions	-	-	-	50,000	(50,000)	-
Total Revenue and Other Support	<u>955,247</u>	<u>5,000</u>	<u>960,247</u>	<u>636,454</u>	<u>(50,000)</u>	<u>586,454</u>
EXPENSES:						
Program Services:						
Client Advocacy	158,851	-	158,851	149,806	-	149,806
Community Outreach	97,431	-	97,431	66,993	-	66,993
Support Group Program	26,369	-	26,369	32,574	-	32,574
Children's Visitation Center	-	-	-	64,075	-	64,075
Criminal Justice Intervention	9,278	-	9,278	-	-	-
Latina Advocacy Program	-	-	-	18,719	-	18,719
Support Services:						
General and Administrative	272,873	-	272,873	244,104	-	244,104
Fundraising	50,442	-	50,442	45,234	-	45,234
Total Expenses	<u>615,244</u>	<u>-</u>	<u>615,244</u>	<u>621,505</u>	<u>-</u>	<u>621,505</u>
CHANGE IN NET ASSETS	340,003	5,000	345,003	14,949	(50,000)	(35,051)
NET ASSETS - BEGINNING OF YEAR	<u>1,088,002</u>	<u>-</u>	<u>1,088,002</u>	<u>1,073,053</u>	<u>50,000</u>	<u>1,123,053</u>
NET ASSETS - END OF YEAR	<u>\$ 1,428,005</u>	<u>\$ 5,000</u>	<u>\$ 1,433,005</u>	<u>\$ 1,088,002</u>	<u>\$ -</u>	<u>\$ 1,088,002</u>

See Accompanying Notes to the Financial Statements

**SOUTHERN VALLEY ALLIANCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

2022

	Program Services				Support Services			
	Client Advocacy	Community Outreach	Support Group Program	Criminal Justice Intervention	Total Program Services	General and Administrative	Fundraising	Total
Salaries	\$ 83,899	\$ 52,657	\$ 9,253	\$ -	\$ 145,809	\$ 203,937	\$ 17,153	\$ 366,899
Payroll Taxes	6,559	4,117	723	-	11,399	15,945	1,341	28,685
Employee Benefits	353	221	39	-	613	858	72	1,543
Telephone	2,202	921	270	616	4,009	394	90	4,493
Training and Development	475	281	205	64	1,025	258	-	1,283
Personal Expenses for Victims	14,899	-	-	-	14,899	-	-	14,899
Travel and Mileage	2,670	2,003	1,001	200	5,874	534	267	6,675
Postage	1,169	876	292	292	2,629	293	-	2,922
Advertising	4,727	4,727	4,726	3,545	17,725	1,850	2,175	21,750
Utilities	3,315	2,486	662	-	6,463	1,410	414	8,287
Office	2,964	2,964	1,413	282	7,623	1,317	471	9,411
Printing	1,484	2,143	661	275	4,563	768	165	5,496
Insurance	4,631	4,631	1,029	515	10,806	5,831	515	17,152
Maintenance	3,064	1,838	613	368	5,883	6,371	-	12,254
Other	7,110	4,063	2,031	1,016	14,220	5,078	1,016	20,314
Professional Fees	15,674	10,449	2,612	1,567	30,302	18,810	3,135	52,247
Special Events	-	-	-	-	-	832	23,327	24,159
Depreciation	2,150	2,150	538	538	5,376	5,374	-	10,750
Occupancy	1,506	904	301	-	2,711	3,013	301	6,025
Total Expenses	\$ 158,851	\$ 97,431	\$ 26,369	\$ 9,278	\$ 291,929	\$ 272,873	\$ 50,442	\$ 615,244

SOUTHERN VALLEY ALLIANCE
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2021

2021

	Program Services					Support Services			
	Women's Advocacy	Community Outreach	Support Group Program	Children's Visitation Center	Latina Advocacy Program	Total Program Services	General and Administrative	Fundraising	Total
Salaries	\$ 62,656	\$ 39,326	\$ 6,910	\$ 38,681	\$ -	\$ 147,573	\$ 206,403	\$ 17,363	\$ 371,339
Payroll Taxes	6,890	4,091	2,584	1,723	-	15,288	12,969	2,430	30,687
Employee Benefits	1,213	1,213	2,425	1,213	-	6,064	2,139	-	8,203
Telephone	2,516	489	314	531	676	4,526	520	-	5,046
Training and Development	1,089	544	545	544	544	3,266	364	-	3,630
Personal Expenses for Victims	19,346	-	-	-	-	19,346	-	-	19,346
Travel and Mileage	1,466	1,098	550	-	550	3,664	-	-	3,664
Postage	2,057	1,028	514	514	514	4,627	515	-	5,142
Advertising	4,490	4,540	4,540	4,540	4,540	22,650	4,952	-	27,602
Utilities	2,449	31	1,209	1,225	-	4,914	1,209	-	6,123
Office	2,876	2,876	1,749	1,169	1,749	10,419	565	-	10,984
Printing	858	1,460	450	365	344	3,477	386	-	3,863
Insurance	4,783	1,196	1,354	2,286	985	10,604	1,353	-	11,957
Maintenance	2,583	1,418	1,418	3,433	1,170	10,022	1,313	39	11,374
Other	15,146	2,836	3,165	2,935	2,893	26,975	866	768	28,609
Professional Fees	13,243	3,311	3,311	3,380	3,218	26,463	6,975	1,307	34,745
Special Events	-	-	-	-	-	-	-	23,327	23,327
Depreciation	6,145	1,536	1,536	1,536	1,536	12,289	3,575	-	15,864
Total Expenses	\$ 149,806	\$ 66,993	\$ 32,574	\$ 64,075	\$ 18,719	\$ 332,167	\$ 244,104	\$ 45,234	\$ 621,505

**SOUTHERN VALLEY ALLIANCE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 345,003	\$ (35,051)
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Depreciation	10,750	15,864
Changes in Assets and Liabilities:		
(Increase) decrease in Prepaid Expenses	(11,395)	(1,476)
(Increase) decrease in Grants Receivable	3,631	41,326
Increase (decrease) in Accounts Payable	(1,872)	(4,924)
Increase (decrease) in Accrued Compensation	(897)	5,886
	<u>345,220</u>	<u>21,625</u>
Net Cash Flows from Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) of Property and Equipment	(328,518)	(15,038)
Sale of Property	370,681	-
(Gain) or Loss on Sale of Property	(202,714)	-
(Purchase) sale of Investments	(75,595)	(95,667)
(Purchase) sale of Certificates of Deposit	-	221,047
	<u>(236,146)</u>	<u>110,342</u>
Net Cash Flows from Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan Proceeds (Payments)	(76,100)	20,100
	<u>(76,100)</u>	<u>20,100</u>
Net Cash Flows from Financing Activities		
CHANGE IN CASH AND CASH EQUIVALENTS	32,974	152,067
CASH AND CASH EQUIVALENTS BALANCE - BEGINNING OF PERIOD	<u>828,173</u>	<u>676,106</u>
CASH AND CASH EQUIVALENTS BALANCE - END OF PERIOD	<u>\$ 861,147</u>	<u>\$ 828,173</u>

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Southern Valley Alliance (the Organization) provides support and referral services to victims and family members of domestic violence living in Scott and Carver counties. The Organization also provides information to the public about domestic violence and its effects.

Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues, expenses, gains and losses, and net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of \$1,443,005 and related changes are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets without donor restrictions are resources available to support operations which the Board of Directors has discretionary control. Designated amounts represent those net assets which the Board has set aside for a particular purpose.

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.

Accounting Estimates

The presentation 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents and Short-Term Investments

The Organization considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are stated at cost, which approximates market value.

Short-term interest-bearing investments are those maturities of less than one year but greater than three months when purchased. Certificates of Deposit with maturity dates beyond one year are classified as non-current assets. These investments are readily convertible to cash and are stated at cost plus accrued interest, which approximates fair value.

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents and Short-Term Investments (Continued)

Cash and cash equivalents consisted of the following:

	2022	2021
Cash in Checking	\$ 815,046	\$ 591,683
Certificates of Deposit	45,164	45,030
Money Market Accounts	937	191,460
Total Cash and Cash Equivalents	\$ 861,147	\$ 828,173

Investments

The Organization invests cash in excess of its immediate needs in the stock market. These investments are reported at fair value. The estimated fair value of securities are based on quoted market prices. The unrealized gains and realized gains are netted together on the financial statement.

Grants Receivable

Grants receivable consist of unconditional promises to give and are recognized as revenue in the period made. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted using present value of future cash flows. Amortization of discounts are recorded as additional contribution revenue. An allowance for uncollectible contributions receivable is provided based upon management's judgement including such factors as prior collection history.

Prepaid Expenses

Prepaid expenses consist primarily of insurance and rent that will benefit the Organization in future periods.

Property, Equipment and Depreciation

Property and equipment are carried at cost or, if donated, at the approximated fair value at the date of donation. Additions, improvements, or major renewals exceeding \$2,500 are capitalized. If items of property are sold, retired or otherwise disposed of, they are removed from the asset and accumulated depreciation accounts and any gain or loss thereon is reflected in the statement of activities.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building	39 Years
Building Improvements	15 Years
Furniture and Equipment	5-7 Years

Depreciation expense for the years ended June 30, 2022 and 2021 was \$10,750 and \$15,864.

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Government grants and contract revenue are recognized when earned. Revenue is earned when eligible expenditures, as defined in each grant or contract, are made. Deferred revenue consists of contract revenue received but not yet expensed. Expenditures under government contracts are subject to review by the granting authority.

To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made. Management believes that disallowances, if any, would not have a significant effect on the statement of financial position.

Contributed materials are recorded as contributions, when received, at their fair market value when such value can be objectively and accurately determined.

Donated Services

Donated services are recognized for services that create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would ordinarily be purchased if not provided by donation. Contributed services, including promises to give, that do not meet these criteria are not recognized.

Many individuals have donated time and services to advance the Organization's programs and objectives. The value of these services have not been recorded in the financial statements because it does not meet the definition of recognition under generally accepted accounting principles.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification. General and administrative expenses that are common to several functions are allocated based on the proportion of each program's direct and personnel expenses to the total program.

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code but is subject to income tax on net unrelated business income. The Organization had no unrelated business income tax in 2022 and 2021.

The Organization reviews income tax positions taken or expected to be taken in income tax returns to determine if there are income tax uncertainties. This includes positions where the entity is exempt from income taxes or not subject to income taxes on unrelated business income. The Organization recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on the technical merits of the positions. The Organization has identified no significant income tax uncertainties. The Organization files information returns as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the Internal Revenue Service.

Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash. The Organization places its cash with high credit quality financial institutions and, by policy, limits the amount of credit exposure to any one financial institution. The Organization's deposits were subject to credit risk at different times throughout the year.

NOTE 2 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization maintains and manages adequate operating reserves per policies set by the board of directors. The Organization maintains an operating reserve of six months of budgeted operating expenses, less noncash items such as depreciation. The reserve consists of cash and cash equivalents and assets with donor restrictions that will likely be released within six months.

Financial assets available for general expenditure, without donor or other restrictions limiting their use, within one year of June 30, 2022 are as follows:

Financial Assets:	
Cash and Cash Equivalents	\$ 861,147
Investments, fair value	216,292
Grants Receivable	47,647
Prepaid Expenses	14,494
Total Financial Assets	<u>1,139,580</u>
Amounts Available for Current Liabilities and General Expenditures within One Year	1,139,580
Less Current Liabilities due within One Year	<u>36,724</u>
Amounts Available for General Expenditure within One Year	<u><u>\$ 1,102,856</u></u>

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 3 FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date.

The Organization applies a three-level hierarchy for fair value measurements that distinguishes between market participant assumptions developed based on market data obtained from sources independent of the reporting entity (observable inputs) and the reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The hierarchy level assigned to each security by the Organization is based on the assessment of the transparency and reliability of the inputs used in the valuation of such security at the measurement date. There were no changes to the valuation methodology employed by the Organization in 2022 and 2021. The three hierarchy levels are defined as follows:

Level 1 – Valuations based on unadjusted quoted market prices in active markets for identical securities.

Level 2 – Valuations based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve management judgment.

All of the Organization's investment assets are classified within Level 1 because they comprise equity securities with readily determinable fair values based on daily market values after the stock market closes.

The following table presents the breakdown of Level 1 fair value measurements as of June 30, 2022:

	<u>Level 1</u>
Mutual Funds	\$ 126,038
Stocks	90,254
Total Investments	<u>\$ 216,292</u>

The following table presents the breakdown of Level 1 fair value measurements as of June 30, 2021:

	<u>Level 1</u>
Mutual Funds	\$ 140,180
Stocks	517
Total Investments	<u>\$ 140,697</u>

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 4 GRANTS RECEIVABLE

The following is a schedule of grants receivable at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Department of Public Safety Grant	\$ 38,817	\$ 46,986
Rahr Foundation	5,000	-
Shakopee Rotary	-	678
ESP Hotel Funds	-	2,114
Bayer Pet Grant	923	1,500
Open Your Heart	2,907	-
Total Grants Receivable	<u>\$ 47,647</u>	<u>\$ 51,278</u>
Amounts Due In:		
Less than One Year	<u>\$ 47,647</u>	<u>\$ 51,278</u>

The breakdown for the grants receivable expected to be collected in less than one year is as follows:

	<u>2022</u>	<u>2021</u>
Without Donor Restriction	\$ 42,647	\$ 51,278
With Donor Restriction	5,000	-
Total Grants Receivable	<u>\$ 47,647</u>	<u>\$ 51,278</u>

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment activity for the year ended June 30, 2022, was as follows:

	<u>7/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2022</u>
Land	\$ 18,322	\$ 81,794	\$ 18,322	\$ 81,794
Building and Improvements	469,897	245,384	468,558	246,723
Furniture and Equipment	95,565	1,340	62,399	34,506
Total Property and Equipment	583,784	328,518	549,279	363,023
Accumulated Depreciation	403,436	10,750	381,312	32,874
Net Property and Equipment	<u>\$ 180,348</u>			<u>\$ 330,149</u>

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 6 PAYCHECK PROTECTION PROGRAM (PPP) LOAN

The Organizations second Paycheck Protection Program (PPP) loan in the amount of \$76,100 was forgiven on July 27, 2021. This is shown on the Statement of Activities as a gain on extinguishment.

NOTE 7 PAID TIME OFF (PTO)

Paid time off is accrued from 12 to 20 hours per month. All regular full-time and part-time employees are eligible to receive paid time off. PTO will be prorated for part-time employees. The maximum number of hours that can be carried over from year to year is 80. Upon termination of employment with the Organization and in good standing, employees will be paid in full for the balance of their accumulated PTO.

NOTE 8 NET ASSETS

Net assets without donor restrictions and designated by the Board consist of the following at June 30, 2022 and 2021:

	2022	2021
Net Assets Without Donor Restrictions Designated by the Board:		
Research and Development of Housing Needs for Battered Women	\$ 29,000	\$ 29,000
Grounds Maintenance	1,650	1,650
Total Net Assets Without Donor Restrictions Designated by the Board	\$ 30,650	\$ 30,650

Net assets with donor restrictions consist of the following at June 30, 2022 and 2021:

	2022	2021
Net Assets With Donor Restrictions:		
Capital Campaign	\$ 5,000	\$ -
Total Net Assets With Donor Restrictions	\$ 5,000	\$ -

Net assets with donor restrictions released from restriction were \$0 and \$50,000 in 2022 and 2021. Net assets with donor restrictions were released from restrictions due to satisfaction of time restrictions.

NOTE 9 MAJOR SOURCES OF SUPPORT

The Organization derived 28.90% and 39.49% of its support from two major sources for the years ended June 30, 2022 and 2021.

NOTE 10 ITEMS RECLASSIFIED NOT SPECIFICALLY IDENTIFIED

Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of activities or net assets.

**SOUTHERN VALLEY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 11 SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated for recognition or disclosure the events or transactions that occurred through November 7, 2022, the date the financial statements were available to be issued.