

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

FINANCIAL STATEMENTS

DECEMBER 31, 2024
With Comparative Totals
for the Year Ended December 31, 2023

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

TABLE OF CONTENTS

Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 15

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Franklin/Southampton Area United Way
Franklin, Virginia

Opinion

We have audited the accompanying financial statements of Franklin/Southampton Area United Way (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Franklin/Southampton Area United Way as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Franklin/Southampton Area United Way and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Franklin/Southampton Area United Way's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Franklin/Southampton Area United Way'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 Franklin/Southampton Area United Way'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.

Report on Summarized Comparative Information

We have previously audited Franklin/Southampton Area United Way's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Barnes, Brack, Cornwell & Painter, PLLC

Windsor, Virginia
November 7, 2025

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

With Comparative Totals as of December 31, 2023

ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 205,912	\$ 190,650
Pledges receivable, net	19,614	20,392
Payroll taxes receivable	2,574	2,319
Total current assets	<u>\$ 228,100</u>	<u>\$ 213,361</u>
EQUIPMENT:		
Computer equipment	\$ 10,099	\$ 10,099
Less: accumulated depreciation	(10,099)	(10,099)
Net equipment	<u>\$ -</u>	<u>\$ -</u>
OTHER ASSETS -		
Investments at fair value	<u>\$ 212,183</u>	<u>\$ 193,900</u>
Total assets	<u><u>\$ 440,283</u></u>	<u><u>\$ 407,261</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 42,886	\$ 43,505
Payroll taxes payable	969	894
Total current liabilities	<u>\$ 43,855</u>	<u>\$ 44,399</u>
NET ASSETS:		
Without donor restrictions	\$ 259,635	\$ 212,960
With donor restrictions	136,793	149,902
Total net assets	<u>\$ 396,428</u>	<u>\$ 362,862</u>
Total liabilities and net assets	<u><u>\$ 440,283</u></u>	<u><u>\$ 407,261</u></u>

See independent auditor's report and accompanying notes to financial statements.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2024 Total</u>	<u>2023 Total</u>
OPERATING REVENUE AND SUPPORT:				
Gross Campaign Results				
Contributions and grants	\$ 40,734	\$ 143,244	\$ 183,978	\$ 178,051
Less: Provision for uncollectible pledges	(2,831)	-	(2,831)	
Net campaign revenue	\$ 37,903	\$ 143,244	\$ 181,147	\$ 178,051
Various fundraisers, net of expenses	136	-	136	1,569
Other income	65	-	65	780
Net assets released from restrictions	149,902	(149,902)	-	-
Total operating revenue and support	<u>\$ 188,006</u>	<u>\$ (6,658)</u>	<u>\$ 181,348</u>	<u>\$ 180,400</u>
OPERATING EXPENSES:				
Program services	\$ 130,138	\$ 6,451	\$ 136,589	\$ 127,208
Management and general	22,269	-	22,269	22,192
Fundraising	10,084	-	10,084	9,142
Total operating expenses	<u>\$ 162,491</u>	<u>\$ 6,451</u>	<u>\$ 168,942</u>	<u>\$ 158,542</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	<u>\$ 25,515</u>	<u>\$ (13,109)</u>	<u>\$ 12,406</u>	<u>\$ 21,858</u>
NON-OPERATING ACTIVITIES:				
Interest income	\$ 3,810	\$ -	\$ 3,810	\$ 1,733
Investment income - net	2,695	-	2,695	2,333
Realized (loss) gain from sale of investment:	(711)	-	(711)	3,804
Unrealized gain on investments	15,366	-	15,366	11,615
CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES	<u>\$ 21,160</u>	<u>\$ -</u>	<u>\$ 21,160</u>	<u>\$ 19,485</u>
CHANGE IN NET ASSETS	<u>\$ 46,675</u>	<u>\$ (13,109)</u>	<u>\$ 33,566</u>	<u>\$ 41,343</u>
NET ASSETS, BEGINNING OF YEAR	<u>212,960</u>	<u>149,902</u>	<u>362,862</u>	<u>321,519</u>
NET ASSETS, END OF YEAR	<u><u>\$ 259,635</u></u>	<u><u>\$ 136,793</u></u>	<u><u>\$ 396,428</u></u>	<u><u>\$ 362,862</u></u>

See independent auditor's report and accompanying notes to financial statements.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023**

	SUPPORTING ACTIVITIES				2024 Total	2023 Total
	Program Services	Management and General	Fund Raising	Supporting Subtotal		
Gross allocations to agencies	\$ 85,750	\$ -	\$ -	\$ -	\$ 85,750	\$ 87,200
Less: donor allocations to agencies	-	-	-	-	-	-
Net allocations to agencies	\$ 85,750	\$ -	\$ -	\$ -	\$ 85,750	\$ 87,200
Accounting and legal fees	-	5,075	-	5,075	5,075	4,850
Community programs	12,509	-	-	-	12,509	5,858
Conferences and training expense	-	243	243	486	486	672
Depreciation expense	-	-	-	-	-	411
Donation tracker	-	-	1,082	1,082	1,082	993
Insurance	-	1,093	-	1,093	1,093	2,709
Membership dues	-	250	-	250	250	-
Miscellaneous expense	-	7	-	7	7	38
Occupancy	-	-	-	-	-	-
Office and postage expense	-	1,567	1,045	2,612	2,612	1,753
Payroll taxes	2,479	661	165	826	3,305	3,144
Publicity and advertising	-	-	1,259	1,259	1,259	1,334
Salaries	32,400	8,640	2,160	10,800	43,200	41,100
Supplies and fundraising costs	-	-	3,630	3,630	3,630	2,963
Telephone	-	1,049	-	1,049	1,049	1,035
Travel expense	-	1,174	-	1,174	1,174	852
United Way World Wide dues	500	500	500	1,000	1,500	1,808
Website and internet expense	2,951	2,010	-	2,010	4,961	1,822
Total expenses	<u>\$ 136,589</u>	<u>\$ 22,269</u>	<u>\$ 10,084</u>	<u>\$ 32,353</u>	<u>\$ 168,942</u>	<u>\$ 158,542</u>

See independent auditor's report and accompanying notes to financial statements.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 33,566	\$ 41,343
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		411
Interest income	(3,810)	(1,733)
Investment income - net	(2,695)	(2,333)
Realized loss (gain) on investments	711	(3,804)
Unrealized gain on investments	(15,366)	(11,615)
(Increase) decrease in:		
Pledges receivable, net	778	70,981
Payroll taxes receivable	(255)	(2,319)
Increase (decrease) in:		
Accounts payable and accrued expenses	(619)	(16,290)
Payroll taxes payable	75	50
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 12,385</u></u>	<u><u>\$ 74,691</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	\$ 46,182	\$ 54,401
Purchase of investment securities	(49,810)	(57,129)
Interest income	3,810	1,733
Investment income - net	2,695	2,333
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u><u>\$ 2,877</u></u>	<u><u>\$ 1,338</u></u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 15,262	\$ 76,029
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>190,650</u>	<u>114,621</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 205,912</u></u>	<u><u>\$ 190,650</u></u>

See independent auditor's report and accompanying notes to financial statements.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 1 - ORGANIZATION:

The Franklin/Southampton Area United Way is a nonprofit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization solicits donations from the public and area businesses which it then contributes to worthy civic and charitable organizations in the area. Its mission is to improve people's lives and strengthen the community.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

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. Accrual basis of accounting recognizes income when earned and expenses when incurred.

Basis of Presentation

These financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets, revenues, and expenses based on the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of assets, liabilities, and net assets into two groups with donor restrictions and without donor restrictions.

These two groups are defined as follows:

- *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.
- *Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Accordingly, operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Donated Services

The Organization receives a significant amount of donated services from unpaid volunteers who assist in the fundraising. The Organization also received donated facility use of \$7,200. No amounts have been recognized in the statement of activities for donated services.

Pledges Receivable

Pledges are solicited in April of each year for the succeeding calendar year. Many of the pledges are paid during the campaign period and the balances are often remitted monthly by payroll deduction or quarterly during the year. Pledges receivable for the active campaigns were \$22,445, of which \$2,831 is considered uncollectible by management for a net of \$19,614. Net pledges receivable for the prior year were \$20,392, respectively. The Board budgets an expected loss of at least 3% each year.

Investments

The Organization records investments at fair market value based on quoted prices in active markets (all Level 1 measurements) and are classified by management as available-for-sale. Accordingly, realized gains and losses, if any, are determined on the basis of the actual cost of the securities sold. Unrealized gains and losses are presented as a single amount in the statements of activities.

Revenue Recognition

The financial statements of the Organization are presented on the accrual method of accounting. Under this method of accounting, revenues are recognized when a donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Equipment

Equipment is recorded at cost. Replacements of equipment are capitalized and expenditures for maintenance and repairs are charged to expense as incurred. Depreciation has been provided using the straight-line method over the estimated useful lives of assets. The estimated useful lives of the assets are as follows:

Computer equipment	5-7 years
--------------------	-----------

Depreciation expense amounted to \$0 and \$411 for the years ended December 31, 2024 and 2023, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions and Grants

Contributions and grants received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Summarized Comparative 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Cash and Cash Equivalents

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

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Functional Allocation of Expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense:

Method of Allocation:

Allocations to agencies	Reasonable basis consistently applied
Accounting and legal fees	Reasonable basis consistently applied
Community programs	Reasonable basis consistently applied
Conferences and training expense	Reasonable basis consistently applied
Depreciation expense	Reasonable basis consistently applied
Donation tracker	Reasonable basis consistently applied
Insurance	Reasonable basis consistently applied
Miscellaneous expense	Reasonable basis consistently applied
Occupancy	Reasonable basis consistently applied
Office and postage expense	Reasonable basis consistently applied
Payroll taxes	Time and effort
Publicity and advertising	Reasonable basis consistently applied
Salaries	Time and effort
Supplies and fundraising costs	Reasonable basis consistently applied
Telephone	Reasonable basis consistently applied
Travel expense	Reasonable basis consistently applied
United Way World Wide dues	Reasonable basis consistently applied
Website and internet expense	Reasonable basis consistently applied

Advertising Costs

The Organization expenses the cost of advertising when incurred. Advertising costs amounted to \$1,259 and \$1,334 for the years ended December 31, 2024 and 2023, respectively.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2024.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2024, 2023, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 3 - CONCENTRATION OF CREDIT RISK FOR CASH HELD IN FINANCIAL INSTITUTION:

The Organization places its cash and cash equivalents on deposit with financial institutions in the United States. All of a depositor's accounts at an insured depository institution, including all non-interest bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000, for each deposit insurance ownership category. The Organization had no demand deposits on hand in financial institutions that exceeded depositor's insurance provided by the applicable guaranty agency for the years ended December 31, 2024 and 2023.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 4 – CASH AND CASH EQUIVALENTS:

The Organization maintains cash in demand deposit accounts with federally insured banks. The account balances as of December 31, 2024 and 2023 are as follows:

	2024	2023
Checking and Money Market - BFCU	\$ 198,898	\$ 184,290
Cash and Sweep Balances - Wells Fargo	7,014	6,360
	<u>\$ 205,912</u>	<u>\$ 190,650</u>

NOTE 5 - FAIR VALUE MEASUREMENTS:

FASB (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the assets or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued):

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Mutual funds and exchange-traded funds (ETFs) : Valued at the net asset value (NAV) of shares held by the Organization at year end.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Guaranteed investment contract: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2024 and 2023 are as follows:

Assets at Fair Value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Mutual funds and ETFs	\$ 212,184	\$ -	\$ -	\$ 212,184
Certificates of deposit	-	-	-	-
Total assets at fair value	<u>\$ 212,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,184</u>

Assets at Fair Value as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Mutual funds and ETFs	\$ 193,900	\$ -	\$ -	\$ 193,900
Certificates of deposit	-	-	-	-
Total assets at fair value	<u>\$ 193,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,900</u>

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 6 – NET ASSETS RELEASED FROM RESTRICTIONS:

Net assets were released from donor restrictions by incurring expenses satisfying the temporarily restricted purposes or by occurrence of other events specified by donor. Net assets released from restrictions from program expenses were \$149,902 for 2024 and \$135,070 for 2023.

NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES:

Accounts payable and accrued expenses consist mostly of utilities and the fourth installment of the grant allocations to agencies that were paid after year end. The account balances were \$42,886 and \$43,505 as of December 31, 2024 and 2023, respectfully.

NOTE 8 – RELATED PARTY TRANSACTIONS:

The Organization did not have any related party transactions for tax years 2024 or 2023.

NOTE 9 – LEASES:

The Organization did not enter into any leases for tax years 2024 or 2023.

NOTE 10 – RESTRICTION ON NET ASSETS:

The Organization has restrictions on net assets that are considered to be temporarily restricted. They represent contributions and grants designated for the 2024 campaign that were received in 2024 and 2024 contributions and grants received in 2023. Net assets with donor restrictions at December 31, 2024 and 2023 were \$136,793 and \$149,902.

NOTE 11 – COMPENSATED ABSENCES:

Compensated absences for vacation and sick leave have not been accrued because the amounts are not readily available. The Organization's policy is to recognize the costs of compensated absences when actually paid to employees.

FRANKLIN/SOUTHAMPTON AREA UNITED WAY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

NOTE 12 - LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets at year end:	2024	2023
Cash and cash equivalents	\$ 205,912	\$ 190,650
Pledges receivable, net	19,614	20,392
Total financial assets	\$ 225,526	\$ 211,042
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(136,793)	(149,902)
Financial assets available to meet general expenditures within one year	<u>\$ 88,733</u>	<u>\$ 61,140</u>

The Organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 13 - SUBSEQUENT EVENTS:

Subsequent events were evaluated through November 7, 2025, which is the date the financial statements were available to be issued. No events have occurred subsequent to the balance sheet date and through November 7, 2025 that would require adjustment to, or disclosure in, the financial statements.