ZACHARIAS SEXUAL ABUSE CENTER

FINANCIAL STATEMENTS

JUNE 30, 2021

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Warady & Davis LLP
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Zacharias Sexual Abuse Center
Gurnee, Illinois

We have audited the accompanying financial statements of ZACHARIAS SEXUAL ABUSE CENTER (an Illinois nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 ZACHARIAS SEXUAL ABUSE CENTER as of June 30, 2021 and 2020, 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.

Warady & Davis LLP

November 15, 2021

STATEMENTS OF FINANCIAL POSITION

As of June 30	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	**$ 269,050**	$ 743,668
Grants and Other Receivables	**128,073**	122,625
Pledges Receivable	**66,310**	41,310
Investments	**4,191,092**	3,355,693
Total Current Assets	**4,654,525**	4,263,296
PROPERTY AND EQUIPMENT, net of Accumulated Depreciation	**2,391,086**	2,479,844
ENDOWMENT INVESTMENTS	**256,885**	208,075
TOTAL ASSETS	**$ 7,302,496**	$ 6,951,215
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Portion of Mortgage Loans Payable	**$ —**	$ 43,293
Accounts Payable	**540**	10,863
Accrued Salaries and Payroll Taxes	**58,655**	54,917
Accrued Vacation	**31,277**	53,086
Payroll Protection Program Loan	**—**	172,572
Total Current Liabilities	**90,472**	334,731
LONG-TERM LIABILITIES		
Mortgage Loans Payable	**—**	270,411
NET ASSETS		
Without Donor Restrictions		
Board-Designated	**268,992**	268,992
Fixed Assets Fund	**2,391,086**	2,166,140
Undesignated	**4,180,001**	3,580,723
	6,840,079	6,015,855
With Donor Restrictions		
Time and Purpose Restrictions	**166,245**	124,518
Endowment, Restricted in Perpetuity	**205,700**	205,700
	371,945	330,218
Total Net Assets	**7,212,024**	6,346,073
TOTAL LIABILITIES AND NET ASSETS	**$ 7,302,496**	$ 6,951,215

See accompanying notes.

STATEMENTS OF ACTIVITIES

For the Years Ended June 30	2021			2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT REVENUE						
Public Support						
United Way	**$ 31,575**	**$ 31,310**	**$ 62,885**	$ 32,907	$ 31,310	$ 64,217
ICASA Grant	**537,250**		**537,250**	358,024		358,024
Foundations and Corporations	**224,083**	**80,417**	**304,500**	206,830	85,000	291,830
Individual Contributions	**590,007**		**590,007**	393,317		393,317
ILDHS Grant	**29,047**		**29,047**	60,245		60,245
Attorney General Grants	**12,500**		**12,500**	12,500		12,500
Township Grants	**12,667**	**3,333**	**16,000**	9,668	5,833	15,501
County/Municipal Grants	**30,500**		**30,500**	7,000		7,000
Donated Facilities and Services	**27,505**		**27,505**	34,465		34,465
Total Public Support	**1,495,134**	**115,060**	**1,610,194**	1,114,956	122,143	1,237,099
Special Events						
Gross Revenues	**—**		**—**	379,991		379,991
Less: Direct Expenses	**—**		**—**	(52,569)		(52,569)
	—		**—**	327,422		327,422
OTHER REVENUE						
Program Service Fees	**7,710**		**7,710**	1,920		1,920
Payroll Protection Program Loan Forgiveness	**322,073**		**322,073**			—
Investment Income, net	**808,983**	**48,810**	**857,793**	113,236	2,375	115,611
Total Other Revenue	**1,138,766**	**48,810**	**1,187,576**	115,156	2,375	117,531
Net Assets Released from Donor Restrictions						
Expiration of Time Restrictions	**31,310**	**(31,310)**	**—**	31,310	(31,310)	—
Released for Specified Purpose Fulfilled	**90,833**	**(90,833)**	**—**	103,958	(103,958)	—
	122,143	**(122,143)**	**—**	135,268	(135,268)	—
Total Revenues	**2,756,043**	**41,727**	**2,797,770**	1,692,802	(10,750)	1,682,052
EXPENSES						
Program Services	**1,412,701**		**1,412,701**	1,435,069		1,435,069
Supporting Services						
Management and General	**389,712**		**389,712**	466,015		466,015
Fundraising	**129,406**		**129,406**	145,701		145,701
Total Expenses	**1,931,819**		**1,931,819**	2,046,785		2,046,785
CHANGE IN NET ASSETS	**824,224**	**41,727**	**865,951**	(353,983)	(10,750)	(364,733)
Net Assets, Beginning	**6,015,855**	**330,218**	**6,346,073**	6,369,838	340,968	6,710,806
NET ASSETS, ENDING	**$ 6,840,079**	**$ 371,945**	**$ 7,212,024**	$ 6,015,855	$ 330,218	$ 6,346,073

See accompanying notes.

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended June 30	2021				2020
	Program Services	**Management and General**	**Fundraising**	**Total Expenses**	Summarized Total
Personnel					
Salaries	**$ 856,724**	**$ 193,381**	**$ 74,204**	**$ 1,124,309**	$ 1,201,442
Payroll Taxes	**80,246**	**18,113**	**6,950**	**105,309**	109,412
Employee Benefits	**157,569**	**35,566**	**13,648**	**206,783**	217,280
	1,094,539	**247,060**	**94,802**	**1,436,401**	1,528,134
Occupancy					
Mortgage Interest	**12,825**	**1,605**	**570**	**15,000**	16,114
Utilities	**11,029**	**1,380**	**490**	**12,899**	16,435
Repairs and Maintenance	**61,429**	**7,688**	**2,730**	**71,847**	69,148
	85,283	**10,673**	**3,790**	**99,746**	101,697
Professional Fees	**57,567**	**95,280**	**3,570**	**156,417**	182,292
Insurance	**22,221**	**5,016**	**1,924**	**29,161**	28,432
Advertising	**720**	**1,730**	**419**	**2,869**	2,291
Dues and Subscriptions	**5,248**	**1,184**	**454**	**6,886**	2,195
Meals and Acknowledgements		**2,628**	**2,627**	**5,255**	6,444
Background Checks	**1,322**	**299**	**115**	**1,736**	2,162
Bank Fees		**3,012**		**3,012**	6,786
Postage	**2,811**	**634**	**2,354**	**5,799**	2,715
Venue Rent				**—**	11,068
Special Event Meals				**—**	25,866
Marketing	**3,566**	**371**	**3,476**	**7,413**	24,398
Personnel Development	**1,906**	**749**	**767**	**3,422**	1,127
Travel	**762**	**200**	**211**	**1,173**	9,183
Supplies	**14,408**	**1,794**	**950**	**17,152**	21,223
Printing	**199**	**45**	**6,971**	**7,215**	6,812
Telecommunications	**18,476**	**3,286**	**1,204**	**22,966**	19,315
Depreciation and Amortization	**103,673**	**15,751**	**5,772**	**125,196**	117,214
	232,879	**131,979**	**30,814**	**395,672**	469,523
	1,412,701	**389,712**	**129,406**	**1,931,819**	2,099,354
Less: Amounts Reported on Statements of Activities				**—**	(52,569)
	$ 1,412,701	**$ 389,712**	**$ 129,406**	**$ 1,931,819**	$ 2,046,785

See accompanying notes.

STATEMENTS OF CASH FLOWS

For the Years Ended June 30	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	**$ 865,951**	$ (364,733)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities		
Depreciation and Amortization	**125,196**	117,214
Net Realized and Unrealized Gains	**(755,171)**	(38,647)
Payroll Protection Program Loan Forgiveness	**(322,073)**	—
Changes in Assets and Liabilities		
Grants and Other Receivables	**(5,448)**	9,666
Prepaid Expenses	**—**	12,000
Pledges Receivable	**(25,000)**	27,545
Accounts Payable	**(10,323)**	10,380
Accrued Salaries and Payroll Taxes	**3,738**	16,051
Accrued Vacation	**(21,809)**	12,427
Total Adjustments	**(1,010,890)**	166,636
Net Cash Used by Operating Activities	**(144,939)**	(198,097)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	**(36,438)**	(95,880)
Purchases of Investments	**(4,226,612)**	(614,163)
Proceeds from Sales of Investments and Maturities of CDs	**4,278,755**	527,158
Dividends Reinvested in Mutual Funds	**(132,371)**	(102,974)
Change in Cash in Endowment Investments	**(48,810)**	(2,684)
Net Cash Used by Investing Activities	**(165,476)**	(288,543)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of Mortgage Loans	**(313,704)**	(30,529)
Proceeds from Payroll Protection Program Loan	**149,501**	172,572
Net Cash Provided (Used) by Financing Activities	**(164,203)**	142,043
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(474,618)**	(344,597)
Cash and Cash Equivalents, Beginning	**743,668**	1,088,265
CASH AND CASH EQUIVALENTS, ENDING	**$ 269,050**	$ 743,668
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	**$ 15,000**	$ 16,114

See accompanying notes.

NATURE OF ACTIVITIES

Zacharias Sexual Abuse Center (the Center) is a non-profit, publicly-supported corporation whose mission is to mobilize the community toward ending systemic sexual violence while amplifying the voice of survivors through trauma informed care, advocacy, and prevention education. The services provided by the Center include prevention programs, counseling, medical and legal advocacy, a 24-hour support line, professional training and community education. Programs are provided for children, adults and families. Zacharias Sexual Abuse Center's primary funding sources are grants from the United Way, the Illinois Coalition Against Sexual Assault (ICASA), the Illinois Department of Human Services (IDHS) and other grants and contributions from private foundations and the general public.

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (U.S. GAAP). Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors (the Board). Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as contributions without donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time. When restrictions expire, 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 donor restrictions.

Additionally, certain net assets represent funds subject to the restrictions of gift instruments requiring the principal to be maintained permanently intact while the investment earnings are classified as with donor restrictions until those amounts are appropriated for expenditure by the Center in a manner consistent with the standard of prudence prescribed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and may be spent on any Center program.

Cash and Cash Equivalents

For purposes of these financial statements, cash includes cash on hand and in checking and money market accounts held for operating purposes. The Center considers all highly-liquid investments purchased with original maturities of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment acquisitions of $500 or more are capitalized and recorded at cost, less accumulated depreciation. Donated fixed assets are capitalized at the estimated fair value on the date of donation. Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets: 10 to 40 years for buildings and improvements, and 3 to 10 years for furniture and equipment.

Contributions, Event Revenue, and Pledges Receivable

Contributions, including unconditional promises to give, are recorded when received. All contributions are available for general operating use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Special event revenue, which include registration fees or ticket purchases, sponsorships and purchase of auction and raffle items, are recorded equal to the cost of direct benefits to donors, and contribution revenue for the difference. Based on the Center's evaluation of its contracts with customers, the Center's performance obligations are satisfied at the time the event occurs.

Unconditional promises to give due in the next year are reflected as current pledges receivable at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term pledges and are recorded at their net present value, using interest discount rates applicable to the years in which the promises are received. No allowance for uncollectible pledges has been recorded, as management expects no material amounts of uncollectible pledges.

In-Kind Donations and Contributed Services

Donated materials and equipment are recognized at fair value at the date of receipt. Donated personal services are recognized only if they either (a) create or enhance non-financial assets (such as property and equipment), or (b) they require specialized skills which would be purchased if they were not donated. Donated services that do not meet either requirement are not recorded in the accompanying financial statements.

The financial statements reflect amounts for in-kind contributions for which an objective basis is available to measure their value. Revenues are reflected in contributions, and the expenses are recorded in the corresponding functional expense category in the accompanying statements of activities. The Center recognized donated counseling services in the amount of $8,855 for the year ended June 30, 2021 and $15,940 for the year ended June 30, 2020. Additionally, donated professional, and other services were $18,650 for the year ended June 30, 2021 and $18,525 for the year ended June 30, 2020.

The Center also receives a significant amount of donated services from unpaid volunteers and the Board members who assist in its programs in the furtherance of its purposes. No amounts have been recognized in the statement of activities related to these services because the criteria for recognition under the Financial Accounting Standards Board (the FASB) Codification topic related to contributions made and received have not been satisfied.

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising Costs

Advertising costs primarily represent advertisements for program services and are expensed as incurred. Total advertising expense was $2,869 for 2021 and $2,291 for 2020.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Expenses are charged directly to programs or management and general categories based upon specific identification where possible. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on direct charges or appropriate methods determined by management. These methods include an allocation of personnel, and any other costs deemed to be related to time and efforts expended by employees on the different functional categories and allocation of occupancy and related costs using space utilization percentages occupied by the various functions.

Use of Estimates

The preparation of financial statements in conformity with U.S GAAP 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 revenue, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Center is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the IRS has determined that the Center is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. The Center is similarly classified for State of Illinois purposes.

The Center follows the guidance in the FASB Codification topic related to uncertainty in income taxes which prescribes a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements uncertain tax positions that the Center has taken or expects to take in its tax returns. Under the guidance, the Center may recognize the tax benefit from an uncertain tax position only if it is "more likely than not" that it is sustainable, based on its technical merits. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority having full knowledge of all relevant information. The Center believes that it has appropriate support for the positions taken on its returns. The Center files its forms 990 in the U.S. federal jurisdiction and the office of the Illinois State's Attorney General.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by functional expense classifications. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of activities. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statements of financial position. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Center's year ending June 30, 2023 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The lease standard is expected to increase assets and lease liabilities upon adoption and there is not expected to be a significant impact on expenses or cash flows.

NOTE 2—LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents the Center's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2021	2020
Cash and Cash Equivalents	**$ 269,050**	$ 743,668
Grants and Other Receivables	**128,073**	122,625
Pledges Receivable	**66,310**	41,310
Investments	**4,191,092**	3,355,693
Endowment Investments	**256,885**	208,075
Less those unavailable for general expenditures within one year due to:		
Net Assets with Donor Restrictions	**(371,945)**	(330,218)
Net Assets Designated by the Board	**(268,992)**	(268,992)
Financial assets available to meet cash needs for general expenditures within one year	**$ 4,270,473**	$ 3,872,161

Donor-restricted amounts that are available for use within one year for general purposes include the allocation from the United Way of Lake County of $31,310. The Center has more than sufficient liquid assets to meet one year of expenses. As part of the Center's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically negotiable Certificates of Deposit and Mutual Funds.

NOTE 3—PLEDGES RECEIVABLE

Pledges at June 30 consist of items receivable from:

	2021	2020
United Way	**$ 31,310**	$ 31,310
Townships	—	5,000
Corporations, Foundations, and Individuals	**35,000**	5,000
	$ 66,310	$ 41,310

As of June 30, 2021 and 2020, all pledges and grants receivable are due within one year. No allowance for uncollectible pledges has been recorded, as all pledges are considered collectible.

NOTE 4—INVESTMENTS AND FAIR VALUE MEASUREMENT

Fair values and unrealized appreciation at June 30, 2021 and 2020 of investments by net asset category are summarized as follows:

June 30, 2021	Cost	Fair Value	Unrealized Appreciation
Without Donor Restrictions and Undesignated -			
Equities	$ 3,164	$ 4,128	$ 964
Mutual Funds	3,657,413	4,186,964	529,551
	$ 3,660,577	$ 4,191,092	$ 530,515
With Time Donor Restrictions			
Cash and Cash Equivalents	$ 2,878	$ 2,878	$ —
With Donor Restrictions in Perpetuity			
Mutual Funds	210,920	254,007	43,087
	$ 213,798	$ 256,885	$ 43,087

June 30, 2020	Cost	Fair Value	Unrealized Appreciation
Without Donor Restrictions and Undesignated -			
Mutual Funds	$ 2,970,201	$ 3,355,693	$ 385,492
With Time Donor Restrictions			
Cash and Cash Equivalents	$ 2,684	$ 2,684	$ —
With Donor Restrictions in Perpetuity			
Mutual Funds	206,544	205,391	(1,153)
	$ 209,228	$ 208,075	$ (1,153)

NOTE 4—INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

The FASB Codification establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the Center would use in pricing the asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Center are traded.

Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities. These include the Center's mutual funds.

Level 2 – Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly. These include certificates of deposit included in the Center's investment portfolio.

Level 3 – Valuation based on inputs that are unobservable and reflects management's best estimate of what market participants would use as fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Center 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 is the Center's financial assets that were measured at fair value, on a recurring basis, as of June 30, 2021 and 2020 by level within the fair value hierarchy. There have been no changes in the methodologies used at June 30, 2021 or 2020.

NOTE 4—INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

Investments	Fair Value at June 30, 2021	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	$ 4,128	$ 4,128	$ —	$ —
Mutual Funds				
Growth and Income Funds	$ 3,189,448	$ 3,189,448	$ —	$ —
Blend Funds	313,100	313,100	—	—
Bond Funds	684,416	684,416	—	—
	$ 4,191,092	$ 4,191,092	$ —	$ —

Investments	Fair Value at June 30, 2020	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds				
Growth and Income Funds	$ 1,171,492	$ 1,171,492	—	—
Blend Funds	179,548	179,548	—	—
Bond Funds	1,299,484	1,299,484	—	—
Value Funds	705,169	705,169	—	—
	$ 3,355,693	$ 3,355,693	$ —	$ —

The following schedule summarizes the investment return and its classification in the statements of activities for the years ended June 30, 2021 and 2020.

Year Ended June 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Interest and Dividend Income	$ 134,025	$ 8,137	$ 142,162
Net Realized and Unrealized Gains	712,084	43,087	755,171
Investment Fees	(37,126)	(2,414)	(39,540)
	$ 808,983	$ 48,810	$ 857,793

Year Ended June 30, 2020	Without Donor Restrictions	With Donor Restrictions	Total
Interest and Dividend Income	$ 106,027	$ 4,961	$ 110,988
Net Realized and Unrealized Gains/(Losses)	39,800	(1,153)	38,647
Investment Fees	(32,591)	(1,433)	(34,024)
	$ 113,236	$ 2,375	$ 115,611

NOTE 5—PROPERTY AND EQUIPMENT

	2021	2020
Land	**$ 393,557**	$ 393,557
Building, Building and Improvements, and Parking Lot Improvements	**3,126,420**	3,096,221
Furniture and Equipment	**705,805**	699,566
	4,225,782	4,189,344
Less: Accumulated Depreciation and Amortization	**1,834,696**	1,709,500
	$ 2,391,086	$ 2,479,844

Depreciation and amortization expense on Buildings and Improvements was $88,969 for the year ended June 30, 2021 and $83,594 for the year ended June 30, 2020. Depreciation expense on Furniture and Equipment was $36,227 for the year ended June 30, 2021 and $33,620 for the year ended June 30, 2020.

NOTE 6—INTANGIBLES

In 2016, the Center incurred $21,124 of expenses to redesign its website which were capitalized and are presented as website design costs on the statements of financial position. Such capitalized costs were fully amortized in a prior year.

NOTE 7—NOTES PAYABLE

The Center was awarded a $172,572 Payroll Protection Program (PPP) loan in April 2020 through the U.S. Small Business Administration (SBA) to help keep their workforce employed during the Coronavirus (COVID-19) pandemic. The loan bears interest at a fixed rate of 1.00%. All payments of principal and interest are deferred for 10 months after the end of the borrower's loan forgiveness covered period. The loan matures on April 20, 2022. The Center received notification on December 10, 2020 that the full balance of their PPP loan was forgiven by the SBA.

The Center was awarded a second PPP loan of $149,501 in May 2021 through the SBA to help keep their workforce employed during the COVID-19 pandemic. The loan bears interest at a fixed rate of 1.00%. All payments of principal and interest are deferred for 10 months after the end of the borrower's loan forgiveness covered period. The loan matures on May 7, 2023. The Center received notification on July 23, 2021 that the full balance of their second PPP loan was forgiven by the SBA.

The Center had a mortgage loan payable to First Midwest Bank with an original amount of $560,000, which was issued in 1998 and refinanced on May 12, 2014 and again on May 12, 2019 for a $190,695 issue amount. The loan carried a fixed interest rate of 5.00% and was secured by a first mortgage on the Center's building in Gurnee, Illinois. Monthly payments of principal and interest in the amount of $3,126 began June 12, 2014 and were revised to $2,030 beginning June 12, 2019. The loan originally matured on May 12, 2024 at which time the loan would be due in full. The Center paid the mortgage in full on June 29, 2021. Mortgage interest expense was $8,777 for the year ended June 30, 2021 and $9,355 for the year ended June 30, 2020.

NOTE 7—NOTES PAYABLE (Continued)

The Center had an additional mortgage loan payable to First Midwest Bank with an original amount of $200,000, which was issued on January 29, 2015 and refinanced on February 1, 2020 2019 for a $148,078 issue amount. The loan carried a fixed interest rate of 4.89% and is secured by a first mortgage on the Center's building in Skokie, Illinois. Monthly payments of principal and interest in the amount of $1,511 began March 1, 2015 and were revised to $2,791 beginning March 1, 2020. The loan originally matured on February 1, 2025 at which time the loan would be due in full. The Center paid the mortgage in full on June 29, 2021. Mortgage interest expense was $6,223 for the year ended June 30, 2021 and $6,759 for the year ended June 30, 2020.

NOTE 8—BOARD-DESIGNATED NET ASSETS

Fixed assets (net of the related mortgage obligation) and intangibles in the amount of $2,391,086 at June 30, 2021, and $2,166,140 at June 30, 2020, have been segregated as a board-designated component of net assets without donor restrictions to indicate their unavailability for current operations. Board-designated assets also include cash set aside as part of the Center's building expansion program in the amount of $268,992 at June 30, 2021 and 2020.

NOTE 9—DONOR RESTRICTED NET ASSETS

Net assets with donor restrictions are available for the following purposes:

	June 30, 2021	June 30, 2020
Children's Programs	**$ 30,417**	$ 20,000
Advocacy Programs	**53,333**	70,833
Endowment Earnings - Unappropriated	**51,185**	2,375
Time Restricted - United Way	**31,310**	31,310
	$ 166,245	$ 124,518

Additionally, endowment net assets with donor restrictions in perpetuity of $205,700 at June 30, 2021 and 2020 consist of a general endowment fund. The investment earnings of the endowment fund are not restricted for a specific purpose but contain an inherent time restriction until appropriated for expenditure.

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes, by the occurrence of other events specified by the donors, or through the passage of time. Restrictions released were as follows:

Restriction	**June 30, 2021**	June 30, 2020
Time Restricted - United Way Grants	**$ 31,310**	$ 31,310
Expended for Children's Programs	**20,000**	4,500
Expended for Advocacy Programs	**70,833**	99,458
	$ 122,143	$ 135,268

NOTE 9—DONOR RESTRICTED NET ASSETS (Continued)

The Center interprets UPMIFA adopted by the State of Illinois as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as net assets with donor restrictions in perpetuity a) the original value of gifts donated to the permanent endowment, b) the original value of subsequent gifts to the permanent endowment, and c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is classified as net assets with time or purpose donor restrictions until those amounts are appropriated for expenditure by the Center in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Center, and (7) the Center's investment policies. The Center has not adopted investment and spending polices related to endowment funds due to the insignificant amounts of income generated from the fund. The endowment is invested in cash equivalents. The entire amount of accumulated investment earnings are to be appropriated annually by the Board for expenditure in the year earned.

Endowment net asset composition as of June 30 is as follows:

	2021	2020
Net Assets With Donor Restrictions		
Donor-Restricted Endowment Fund	**$ 205,700**	$ 205,700

Changes in endowment net assets as of June 30, 2021 and 2020 are as follows:

	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions in Perpetuity	Total
Net Assets, June 30, 2019	$ —	$ —	$ 205,700	$ 205,700
Investment Income, net	—	2,375	—	2,375
Amounts Appropriated for Expenditure	—	—	—	—
Net Assets, June 30, 2020	—	2,375	205,700	208,075
Investment Income, net	—	48,810	—	48,810
Amounts Appropriated for Expenditure	—	—	—	—
Net Assets, June 30, 2021	$ —	$ 51,185	$ 205,700	$ 256,885

NOTE 10—RETIREMENT PLANS

The Center sponsors a salary reduction arrangement (TSA) covering substantially all employees. Under the plan, all electing employees contribute various percentages of their salary on a tax-deferred basis. Employer contributions are discretionary and no contributions were made for the years ended June 30, 2021 and 2020.

The Center also sponsors a defined contribution simplified employee plan (SEP) covering substantially all employees. Employer contributions are made to employees' retirement accounts each calendar year at the discretion of the Board. Employer contributions are based on a percentage applied to each employee's salary for the calendar year. Employer contributions were $49,017 for 2021 and $39,021 for 2020.

NOTE 11—CONCENTRATIONS AND RISKS

Credit Risk

The Center maintains its bank accounts at a local financial institution. At various times during the year, the Center's bank balances may exceed the federally insured limits. Management believes the Center is not exposed to any significant credit risk on cash.

Investments are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near-term, and that such changes could materially affect the Center and the amounts reported in the statements of financial position.

Concentrations of Funding Sources

During 2021, the Center received 19% of its total revenues from ICASA and 12% of its total revenues from PPP Forgiveness Income. During 2020, the Center received 21% of its total revenues from ICASA, and 15% from a donor and the donor's private foundation.

NOTE 13—SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 15, 2021, the date which the financial statements were available for issue.

In addition to the second installment of the PPP loan forgiveness disclosed in Note 7, on October 13, 2021, the Board appropriated the accumulated investment earnings on the endowment fund through such date.

There were no other subsequent events which require disclosure.