PRIMO CENTER FOR WOMEN AND CHILDREN

FINANCIAL STATEMENTS
AS OF JUNE 30, 2022 AND 2021

TOGETHER WITH AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Primo Center for Women and Children:

Opinion

We have audited the accompanying financial statements of Primo Center for Women and Children, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and 2021, and the related statements of activities, cash flows, and functional expenses for the years 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 Primo Center for Women and Children 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. 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 Primo Center for Women and Children 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, which raise substantial doubt about Primo Center for Women and Children'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 Responsibility 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Primo Center for Women and Children'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, which raise substantial doubt about Primo Center for Women and Children'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 Primo Center for Women and Children's 2021 financial statements, and our report dated March 24, 2022, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of, and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Dugan + Lopatka

DUGAN & LOPATKA

Warrenville, Illinois
March 30, 2023

PRIMO CENTER FOR WOMEN AND CHILDREN
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
A S S E T S		
ASSETS:		
Cash	$ 191,060	$ 955,425
Unconditional promise to giv	1,225,000	1,572,500
Grants receivable	1,004,526	980,221
Prepaid expenses	53,547	11,535
Property and equipment, net	1,550,332	1,717,987
Security deposits - rental	30,000	43,821
Total assets	$ 4,054,465	$ 5,281,489
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable	$ 284,319	$ 235,102
Accrued expenses	369,088	284,290
Security deposits	3,792	6,500
Line of credit	750,000	570,000
Loans payable	1,141,656	1,285,803
Total liabilities	2,548,855	2,381,695
NET ASSETS:		
Without donor restrictions	200,610	1,289,794
With donor restrictions	1,305,000	1,610,000
Total net assets	1,505,610	2,899,794
Total liabilities and net assets	$ 4,054,465	$ 5,281,489

The accompanying notes are an integral part of this statement.

EXHIBIT 2

PRIMO CENTER FOR WOMEN AND CHILDREN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30 2022
(with comparative totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
SUPPORT AND REVENUE:				
Support -				
Foundations, corporations, and religious community	$ 543,050	$ 100,000	$ 643,050	$ 1,121,087
Government grants	4,606,942	-	4,606,942	4,893,811
Individuals	77,812	-	77,812	656,458
Total support	5,227,804	100,000	5,327,804	6,671,356
Revenue -				
Medicaid	973,379	-	973,379	727,202
Rental income - permanent housing	46,387	-	46,387	25,287
Debt forgiveness	144,147	-	144,147	907,779
Interest	234	-	234	400
Miscellaneous	4,974	-	4,974	5,085
Total revenue	1,169,121	-	1,169,121	1,665,753
Net assets released from restrictions -				
Satisfaction of purpose restrictions	405,000	(405,000)	-	-
Total revenue and support	6,801,925	(305,000)	6,496,925	8,337,109
FUNCTIONAL EXPENSES:				
Program	6,100,035	-	6,100,035	6,485,456
Management and general	1,514,168	-	1,514,168	1,359,339
Fundraising	276,906	-	276,906	121,997
Total functional expenses	7,891,109	-	7,891,109	7,966,792
CHANGE IN NET ASSETS	(1,089,184)	(305,000)	(1,394,184)	370,317
NET ASSETS, Beginning of year	1,289,794	1,610,000	2,899,794	2,529,477
NET ASSETS, End of year	$ 200,610	$ 1,305,000	$ 1,505,610	$ 2,899,794

The accompanying notes are an integral part of this statement.

EXHIBIT 3

PRIMO CENTER FOR WOMEN AND CHILDREN
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (1,394,184)	$ 370,317
Adjustments to reconcile change in total net assets to net cash (used in) operating activities:		
Depreciation and amortization	182,180	184,576
Non-cash forgiveness of debt	(144,147)	(907,779)
Changes in assets and liabilities:		
(Increase) in grants receivable	(24,305)	(347,482)
Decrease in unconditional promises to give	347,500	227,500
(Increase) decrease in prepaid expenses	(42,012)	24,587
Decrease in security deposits - rental	13,821	6,300
Increase in accounts payable and accrued expenses	134,015	71,577
(Decrease) in security deposits payable	(2,708)	-
Total adjustments	464,344	(740,721)
Net cash (used in) operating activities	(929,840)	(370,404)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(14,525)	(48,469)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Draws against line of credit	355,000	2,433,000
Payments on line of credit	(175,000)	(2,110,000)
Payments on notes payable	-	(1,972)
Net cash provided by financing activities	180,000	321,028
NET CHANGE IN CASH AND CASH EQUIVALENTS	(764,365)	(97,845)
CASH AND CASH EQUIVALENTS, Beginning of year	955,425	1,053,270
CASH AND CASH EQUIVALENTS, End of year	$ 191,060	$ 955,425
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 33,729	$ 13,306

PRIMO CENTER FOR WOMEN AND CHILDREN
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(with comparative totals for 2021)

	Program Services					Supporting Services			
	Interim Housing	Early Childhood	Kids Connect	Permanent Housing	Total Program Services	Management and General	Fundraising	2022 Total	2021 Total
Salaries and wages	$ 1,801,115	$ 248,702	$ 327,111	$ 986,186	$ 3,363,114	$ 870,198	$ 47,648	$ 4,280,960	$ 4,475,206
Payroll taxes and benefits	362,914	35,898	44,563	170,709	614,084	120,815	7,824	742,723	908,336
Consultants	195,596	28,563	12,000	14,102	250,261	109,501	205,000	564,762	282,984
Accounting/audit and payroll fees	155	-	-	-	155	81,885	7,000	89,040	172,866
Rent and utilities	699,778	170	-	50,903	750,851	4,599	-	755,450	664,133
Insurance	-	-	-	-	-	46,463	-	46,463	33,710
Building maintenance and repair	232,539	-	-	23,818	256,357	2,894	-	259,251	187,234
Real estate taxes	-	-	-	23,796	23,796	-	-	23,796	18,197
Office supplies and printing	245,269	1,390	430	2,311	249,400	52,298	106	301,804	312,806
Program supplies	98,742	8,735	2,482	15,305	125,264	2,205	-	127,469	390,766
Client activities	3,371	222	-	499	4,092	78	-	4,170	16,698
Food	12,390	761	1,233	1,015	15,399	29,328	465	45,192	16,342
Travel	12,758	-	2,635	6,669	22,062	43,212	4,865	70,139	30,412
Furniture and equipment rental and purchase	6,616	-	-	341	6,957	650	-	7,607	8,955
Communications	54,763	-	-	5,545	60,308	2,800	-	63,108	56,794
Conference and meetings	12,987	17	525	-	13,529	2,711	403	16,643	-
Dues, subscriptions and publications	1,384	3,270	90	325	5,069	9,606	-	14,675	26,986
Depreciation and amortization	-	-	-	182,180	182,180	-	-	182,180	184,576
Bank and credit card fees	530	-	-	-	530	13,687	-	14,217	12,581
Interest	-	-	-	-	-	33,729	-	33,729	13,306
Development expense	16,875	-	28	-	16,903	63,662	3,595	84,160	132,246
Bad debt	92,302	-	-	-	92,302	-	-	92,302	19,200
Subgrants	-	-	43,233	-	43,233	-	-	43,233	-
Special events	1,218	-	121	-	1,339	2,699	-	4,038	-
Miscellaneous expense	1,525	19	50	1,256	2,850	21,148	-	23,998	2,458
Total expenses included in the expense section on the statement of activities	$ 3,852,827	$ 327,747	$ 434,501	$ 1,484,960	$ 6,100,035	$ 1,514,168	$ 276,906	$ 7,891,109	$ 7,966,792

PRIMO CENTER FOR WOMEN AND CHILDREN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

(1) NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Primo Center for Women and Children (PCWC, f/k/a Urban Family and Community Centers) was established on July 1, 1999, pursuant to the merger of the Urban Center at Saint Barnabas (UC) and Christian Community Services (CCS).

CCS was established in 1978 and UC was established in 1979. UC provided food distribution and job development programs to the homeless and destitute in the area. In 1996, the Organization's programs expanded to include a first-stage transitional living shelter for homeless women and children. The shelter was named the Primo Women's Center. CCS provided licensed day care and an after-school program to children residing in the Austin community. Currently, PCWC operates two core programs: a 111-bed interim housing facility for homeless women and children in the Austin community, and a 12-unit permanent supportive housing facility in the Hermosa Community of Chicago. Trauma-informed, wraparound services are provided throughout both programs.

PCWC, located at five facilities in the west and south side of Chicago, provides interim housing and permanent housing for up to 800 children and families. PCWC employs a cadre of clinical staff who, with paraprofessional staff, deliver services in both facilities committed to the highest level of care. The goal of PCWC is to provide comprehensive wraparound services and support in a safe and healthy therapeutic environment. Following an evidenced-based practice model, it is also the goal of PCWC to empower women to take charge of their lives by providing assistance with obtaining goals and objectives and working on abuse issues in the family. PCWC's program is designed to assist clients in starting the process of making a successful homeless, to supportive services, to work transition. PCWC provides comprehensive services onsite, as well as through collaborative community linkages with other service providers in the community, to address the residual effects of homelessness and its impact on the family, such as: substance abuse, mental illness, damaged parent/child relationships, self-esteem issues, and possibly regaining legal custody of children involved in the child welfare system.

These collaborative linkages include referrals for employment, medical care, nutrition education, substance abuse treatment, domestic violence issues, legal and social service advocacy, clothing assistance, financial literacy education, transportation assistance, employment assistance, permanent housing search assistance, structured children's activities, and case management services.

The financial statements were available to be issued on March 30, 2023, with subsequent events being evaluated through this date.

The following is a summary of the significant accounting policies applied by management in the preparation of the accompanying financial statements.

Basis of Accounting -

PCWC records its financial transactions and maintains its books and records on the accrual basis of accounting which recognizes revenue as it is earned and expenses as they are incurred.

(1) NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Comparative Financial Information -

The statements of activities and functional expenses 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 PCWC's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Basis of Presentation-

Financial statement presentation follows the recommendations of the Accounting Standards Codification (ASC), *Financial Statements for Not-for-Profit Organizations.* Under the ASC, PCWC is required to report information regarding two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Without donor restrictions - Net assets that are not subject to donor-imposed stipulations and may be expensed for any purpose in performing the primary objectives of the PCWC. These net assets may be used at the discretion of management and the board of directors.

With donor restrictions - Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met either by actions of PCWC and/or the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents -

For purposes of the statement of cash flows, PCWC considers all highly liquid instruments, with an original maturity of three months or less, to be cash equivalents.

Receivables -

Receivable are stated at unpaid balances, less an allowance for doubtful accounts, when applicable. PCWC provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances which may affect the ability of grantors to meet their obligations. Receivables are considered impaired if full payments are not received in accordance with contractual or grant terms. It is PCWC's policy to generally charge off uncollectible accounts receivable when management determines the receivable will not be collected. On June 30, 2022 and 2021, management established an allowance of $-0-.

Property and Equipment -

Property and equipment are carried at cost. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related cost in accumulated depreciation. The resulting gain or loss is reflected in the statement of activities.

(1) NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Property and Equipment - (Continued)

PCWC generally capitalizes those assets in excess of $1,500. Depreciation and amortization of property and equipment are calculated primarily using the straight-line method over periods of 3 to 39 years. Depreciation for the years ended June 30, 2022 and 2021, amounted to $182,180 and $184,576, respectively. Property and equipment acquired by PCWC are considered to be owned by PCWC. However, grant-funding sources may maintain equitable interest in the property purchased with grant monies, as well as the right to determine the use of any proceeds from the sale of these assets.

Long-Lived Assets -

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the assets' carrying amount over the fair value of the asset. Fair value is based on market quotes, if available, or is based on valuation techniques. There were no impairment losses recognized during the years ended June 30, 2022 and 2021.

Use of Estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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. Accordingly, actual results may vary from those estimates.

Income Tax Status -

PCWC has been determined by the Internal Revenue Service to be exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been established.

PCWC files income tax returns in the U.S. federal jurisdiction and Illinois. With few exceptions, PCWC is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for fiscal years before 2019. PCWC does not expect a material net change in unrecognized tax benefits in the next twelve months.

Revenue Recognition for Contributions and Grants -

PCWC recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give; that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions upon which they depend have been met.

<u>(1) NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>: (Continued)

<u>Revenue Recognition for Contributions and Grants</u> - (Continued)

A portion of the PCWC's revenue is derived from cost-reimbursable state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized when PCWC has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

PCWC reports gifts of cash and other assets as with donor-restriction revenue if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires; that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same period as received are shown as contributions without donor restrictions on the statement of activities.

<u>Revenue Recognition for Program Fees</u> -

PCWC receives rental income from clients who reside in certain residential programs. Rental income is considered a single performance obligation that is recognized over time. Rental income is charged each month, and the monthly fees are recognized ratably over the life of the lease.

PCWC receives program fees from Medicaid billing. PCWC bills its Medicaid revenues based on preapproved rates for clients under PCWC's care. These services are considered a single performance obligation which is satisfied at a point in time. The performance obligation is met, and revenue is recognized, when the services are provided to the clients. Medicaid revenues are billed after services are provided.

<u>Allocation of Expenses</u> -

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related expenses which are allocated based on estimates of time and effort, occupancy, and related expenses which are allocated based on square footage.

<u>Concentrations of Credit Risk</u> -

Financial instruments, which potentially subject PCWC to concentrations of credit risk, consist principally of cash. PCWC places its cash and deposits with high credit quality financial institutions; however, deposits may exceed the federally insured limits.

(1) NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Upcoming Accounting Pronouncements -

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02 *Leases*, which will amend the treatment of operating leases by requiring them to be recorded on the balance sheet as an asset and liability. The ASU will be in effect for the fiscal year ending 2023.

(2) PROPERTY AND EQUIPMENT:

Property and equipment on June 30, 2022 and 2021, amounted to the following:

	2022	2021
Land	$ 228,720	$ 228,720
Building	2,058,483	2,058,483
Building improvements	29,230	20,500
Furniture, fixtures, and equipment	144,200	138,405
Vehicles	42,171	42,171
Leasehold improvements	272,447	272,447
Software and technology	19,300	19,300
	2,794,551	2,780,026
Less - Accumulated depreciation	(1,244,219)	(1,062,039)
Net property and equipment	$ 1,550,332	$ 1,717,987

(3) PLEDGES RECEIVABLE:

Included in pledges receivable are the following unconditional promises to give:

	2022	2021
Pledges receivable	$ 1,225,000	$ 1,572,500
Less - Unamortized discounts	-	-
Net unconditional promises to give	$ 1,225,000	$ 1,572,500
Amounts due in:		
Less than one year	$ 475,000	$ 447,500
One to five years	750,000	1,125,000
	$ 1,225,000	$ 1,572,500

(4) LEASE COMMITMENTS:

PCWC leases space for use by administration and its interim housing program. Monthly payments range from approximately $18,000 to $27,000. The last of these leases expires in December 2027.

PCWC also leases three copiers and a phone system with monthly payments that range from approximately $180 to $520. The last of these leases expires in June 2023.

Future minimum lease payments are as follows:

Year ending June 30,	
2023	$ 579,505
2024	594,734
2025	481,449
2026	364,765
2027	375,709
Thereafter	190,630

For the years ended June 30, 2022 and 2021, PCWC paid $492,048 and $546,719 in rent, respectively.

(5) LINE OF CREDIT:

PCWC had a line of credit agreement with Bank of America in the amount of $750,000 which expired in June 2022. Interest is calculated using Bank of America's prime rate plus 1.75 percentage points. As of June 30, 2022 and 2021, the outstanding balance was $750,000 and $570,000, respectively. Subsequent to year end, PCWC paid down its line to a balance of $670,000 and the line was renegotiated at a maximum level of $670,000 and is due in June 2024.

As part of the agreement, PCWC must maintain a minimum of unrestricted, unencumbered liquid assets of not less than $750,000. As of June 30, 2022, PCWC was not in compliance with this requirement, but received a one-time waiver of the covenant from the bank.

(6) NOTES PAYABLE:

In December 2014, PCWC obtained and closed on a property subject to the Neighborhood Stabilization program, through a transfer from the City of Chicago. Pursuant to the agreement, the value of the property transferred was $2,287,203 and is subject to certain conditions for use. In order to pay for the property, PCWC obtained a 10-year loan (considered a "senior loan") at an interest rate of 5.75% computed on a 360-day basis from the IFF in the amount of $125,000, and a subordinated interest-free mortgage from the City of Chicago in the amount of $2,162,203. The subordinated mortgage will be forgiven ratably over a period of 15 years. The outstanding loan balance on June 30, 2022 and 2021, was $1,072,215 and $1,216,362, respectively.

(6) NOTES PAYABLE: (Continued)

In February 2015, PCWC obtained a program-related investment loan from an organization which was collateralized by equipment and a vehicle. The loan is payable in annual payments of $28,872, with an interest rate of 5%. The loan was due in October 2021, but was extended and is due on demand. The outstanding balance of the loan on June 30, 2022 and 2021, was $69,441

(7) CONCENTRATIONS:

PCWC's operations are concentrated in the social service sectors, and as such, PCWC operates in a heavily regulated environment. The operations of PCWC are subject to the administrative directives, rules, and regulations of regulatory agencies including, but not limited to, the City of Chicago and the United States Department of Housing and Urban Development.

For the year ended June 30, 2022 PCWC received support from two entities that accounted for approximately 60% of total revenues. For the year ended June 30, 2021 one entity that accounted for approximately 46% of total revenues.

(8) FUTURE COMMITTED REVENUE:

PCWC has received the following future committed revenue as of June 30, 2022:

Grants for reimbursable expenses	$ 1,390,123

(9) RETIREMENT PLAN:

PCWC has a 401(k)-retirement plan, which allows primarily all employees to defer payment of taxes on a portion of their salary by making contributions to the plan through payroll deductions. The Organization makes contributions based on a percentage of participant's eligible compensation. For the years ended June 30, 2022 and 2021, PCWC did not make any contributions.

(10) NET ASSETS WITH DONOR RESTRICTIONS:

	2022	2021
Time restrictions	$ 180,000	$ 160,000
Home visiting program	-	100,000
Kids Connected	1,125,000	1,350,000
Total	$ 1,305,000	1,610,000

(11) LIQUIDITY AND AVAILABILITY:

	2022	2021
Financial Assets:		
Cash and equivalents	$ 191,060	$ 955,425
Unconditional promises to give	1,225,000	1,572,500
Grants receivable, net	1,004,526	980,221
Total financial assets	2,420,586	3,508,146
Less: Assets with donor restrictions	(1,305,000)	(1,610,000)
Financial assets available to meet cash needs for general expenditures that are without donor or other restrictions limiting their use within one year	$ 1,115,586	$ 1,898,146

PCWC manages its liquidity and reserves adhering to the following principles:

- operating within a prudent range of financial soundness and stability
- incurring unbudgeted costs only when such costs are funded
- maintaining adequate liquid assets to fund near-term operating needs