

THE PINK FUND

AUDITED FINANCIAL STATEMENTS

Years ended June 30, 2022 and 2021

THE PINK FUND

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Pink Fund

Opinion

We have audited the accompanying financial statements of The Pink Fund (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omission, 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.

To the Board of Directors
The Pink Fund
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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 the Organization'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.

Other Information Included in the Annual Report

Management is responsible for the other information included in the Annual Report. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe in in our report.

The logo for UHY LLP, featuring the letters 'UHY' in a large, stylized, cursive font, with 'LLP' in a smaller, simpler font to the right.

Farmington Hills, Michigan
February 13, 2023

THE PINK FUND
STATEMENTS OF FINANCIAL POSITION

	June 30,	
	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 389,565	\$ 761,698
Prepaid expenses	11,683	3,573
Pledges receivable, net	200,000	593,705
Investments	616,702	326,975
Intangibles and other assets	4,219	-
Property and equipment, net	<u>72,695</u>	<u>61,398</u>
Total assets	<u><u>\$ 1,294,864</u></u>	<u><u>\$ 1,747,349</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 20,500	\$ 18,835
Accrued expenses	-	5,000
Accrued awards	76,886	38,502
Accrued payroll and related	<u>3,350</u>	<u>5,732</u>
Total liabilities	<u>100,736</u>	<u>68,069</u>
NET ASSETS		
Without donor restrictions	137,568	296,282
With donor restrictions	<u>1,056,560</u>	<u>1,382,998</u>
Total net assets	<u>1,194,128</u>	<u>1,679,280</u>
Total liabilities and net assets	<u><u>\$ 1,294,864</u></u>	<u><u>\$ 1,747,349</u></u>

THE PINK FUND
STATEMENTS OF ACTIVITIES

	Year ended June 30, 2022			Year ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT						
Contributions	\$ 1,194,229	\$ 270,314	\$ 1,464,543	\$ 957,915	\$ 467,212	\$ 1,425,127
Special events	44,968	-	44,968	40,657	-	40,657
In-kind donation	15,285	-	15,285	24,540	-	24,540
Realized/unrealized gain	(115,579)	-	(115,579)	62,662	-	62,662
Forgiveness Income	-	-	-	63,939	-	63,939
Investment income, net	11,440	-	11,440	6,703	-	6,703
Total revenues and other support	<u>1,150,343</u>	<u>270,314</u>	<u>1,420,657</u>	<u>1,156,416</u>	<u>467,212</u>	<u>1,623,628</u>
Net assets released from restrictions	<u>596,752</u>	<u>(596,752)</u>	<u>-</u>	<u>4,147</u>	<u>(4,147)</u>	<u>-</u>
EXPENSES						
Program services	1,455,151	-	1,455,151	1,077,650	-	1,077,650
Management and general	81,138	-	81,138	65,757	-	65,757
Fundraising	369,520	-	369,520	196,995	-	196,995
Total functional expenses	<u>1,905,809</u>	<u>-</u>	<u>1,905,809</u>	<u>1,340,402</u>	<u>-</u>	<u>1,340,402</u>
CHANGE IN NET ASSETS	<u>(158,714)</u>	<u>(326,438)</u>	<u>(485,152)</u>	<u>(179,839)</u>	<u>463,065</u>	<u>283,226</u>
NET ASSETS - Beginning of year	<u>296,282</u>	<u>1,382,998</u>	<u>1,679,280</u>	<u>476,121</u>	<u>919,933</u>	<u>1,396,054</u>
NET ASSETS - End of year	<u>\$ 137,568</u>	<u>\$ 1,056,560</u>	<u>\$ 1,194,128</u>	<u>\$ 296,282</u>	<u>\$ 1,382,998</u>	<u>\$ 1,679,280</u>

THE PINK FUND
STATEMENTS OF FUNCTIONAL EXPENSES

	Year ended June 30, 2022			Year ended June 30, 2021				
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 240,291	\$ 26,394	\$ 165,084	\$ 431,769	\$ 215,943	\$ 22,646	\$ 111,225	\$ 349,814
Payroll taxes	18,164	1,988	12,569	32,721	16,203	1,687	8,418	26,308
Awards and grants	1,040,904	-	-	1,040,904	754,541	-	-	754,541
Fundraising expense	-	-	43,217	43,217	-	-	19,840	19,840
Marketing and PR	96,859	72	98,998	195,929	62,124	-	33,941	96,065
Travel and entertainment	20,269	2,309	1,940	24,518	-	169	559	728
Occupancy	4,765	451	2,408	7,624	2,940	369	615	3,924
Dues and subscriptions	66	20	241	327	85	20	85	190
Professional fees	652	31,397	508	32,557	381	24,423	400	25,204
Insurance	210	2,684	210	3,104	-	1,775	-	1,775
Bank fees	-	242	3	245	-	2,664	2	2,666
Office expense	13,293	9,324	28,406	51,023	11,821	6,836	12,027	30,684
Telephone	6,056	1,889	4,280	12,225	2,761	1,403	1,427	5,591
Interest	-	-	-	-	-	739	-	739
Other expense	9,988	4,198	11,308	25,494	9,696	2,855	8,108	20,659
Depreciation	3,634	170	348	4,152	1,155	171	348	1,674
Total expenses	\$ 1,455,151	\$ 81,138	\$ 369,520	\$ 1,905,809	\$ 1,077,650	\$ 65,757	\$ 196,995	\$ 1,340,402

THE PINK FUND
STATEMENTS OF CASH FLOWS

	Year ended June 30,	
	2022	2021
OPERATING ACTIVITIES		
Change in net assets	\$ (485,152)	\$ 283,226
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	4,152	1,674
Net realized and unrealized loss (gain) on investments	115,579	(62,662)
Income from forgiveness of debt	-	(63,939)
Donated assets	(35,519)	(35,280)
Changes in assets and liabilities:		
Pledges receivable	393,705	(12,393)
Prepaid expenses	(8,110)	(2,049)
Accounts payable and accrued expenses	32,667	(12,428)
	<u>17,322</u>	<u>96,149</u>
Net cash provided by operating activities		
INVESTING ACTIVITIES		
Purchase of investments	(459,313)	(12,619)
Sale of investments	79,225	21,121
Purchase of intangible assets	(4,219)	-
Purchase of property and equipment	(5,148)	(20,595)
	<u>(389,455)</u>	<u>(12,093)</u>
Net cash used in investing activities		
NET CHANGE IN CASH	(372,133)	84,056
CASH AND CASH EQUIVALENTS, beginning of year	761,698	677,642
CASH AND CASH EQUIVALENTS, end of year	\$ 389,565	\$ 761,698
NON-CASH INVESTING ACTIVITY:		
Donation of stock	<u>\$ 25,218</u>	<u>\$ 10,740</u>
Donated property and equipment	<u>\$ 10,301</u>	<u>\$ 24,540</u>
Donated IT Services	<u>\$ 4,984</u>	<u>\$ -</u>

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain accounting policies followed in the preparation of these financial statements. The policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Activities

The Pink Fund (the “Organization”), a nonprofit organization founded in Michigan, is dedicated to providing short-term financial aid to women and men who are in treatment and recovering from breast cancer. Financial aid awards are to cover necessary living expenses such as mortgage or rent payments, utilities, insurance, and auto loans.

Basis of Presentation

The Organization follows accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets generally accepted accounting principles (GAAP) that the Organization follows to ensure they consistently report their financial condition, results of operations and cash flows. References to GAAP issued by the FASB in the following footnotes are the *FASB Accounting Standards Codification (ASC)*.

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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. These net assets may be used at the discretion of the Organization’s management and the board of directors.

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, whereby the donor has stipulated the funds be maintained in perpetuity.

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. Actual results could differ from those estimates.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents and Concentration of Credit Risk

The Organization considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased.

The Organization maintains, in certain financial institutions and with certain brokers throughout the year, cash balances which at times may exceed federally insured amounts. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Investments

The Organization records its investments in marketable securities and bond funds in accordance with ASC topic *Not for-Profit Entities Investments*. Investments are stated at fair values based upon quoted market prices using prevailing financial market information. Any related gains and losses are included in the Statement of Activities.

Pledges Receivable

Pledges receivables consist of unconditional promises to give that are recognized as contributions when the promise is received. Pledges receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using the present value technique applied to anticipated cash flows.

Property, Equipment and Depreciation

Property and equipment are stated at cost, if purchased or at fair value at the date of the donation, if contributed. Expenditures, including interest, are capitalized in connection with construction of qualified assets and recorded as construction-in-progress until the qualified assets are placed in service. Expenditures for maintenance and repairs are charged to operating expenses. Adjustments of the asset and the related accumulated depreciation accounts are made for property and equipment retirements and disposals, with the resulting gain or loss included in the Statement of Activities. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of assets at acquisition.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible Assets

Intangible assets, consisting of trademarks, are stated at cost. Legal fees incurred to submit the application and related documents to the United States Patent and Trademark Office are capitalized. The intangible assets are amortized over their estimated useful lives when their applications are approved. As of June 30, 2022, registrations of the trademarks were not complete. Trademarks in process as of June 30, 2022 and 2021 were \$4,219 and \$-0-, respectively.

Accrued Awards

Accrued awards represent commitments for grant awards to provide financial aid. Grants are typically awarded for a three-month period.

Revenue Recognition

Contributions

Unconditional contributions are recognized when pledged and are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a 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 reporting period are reported as net assets without donor restriction support.

Contributed Non-Financial Services and Assets

Businesses, individuals, and others contribute materials and services toward the fulfillment of the programs, fundraising campaigns and general managerial administration. To the extent that contributions of materials and services are objectively measurable and represent program or support expenditures that would otherwise be incurred by the Organization, they are reflected in both support service and program service expenses in the statement of activities. Donated material and services are recorded at the fair market value upon receipt. For a contributed asset that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Contributed Non-Financial Services and Assets (Continued)

For the years ended June 30, 2022 and 2021, donated services were recognized by the Organization in the amount of \$15,285 and \$24,540, respectively.

Total contributed non-financial assets, recorded as in-kind donation, consisted of the following:

	Year ended June 30,	
	2022	2021
Computer software development	\$ 10,301	\$ 24,540
IT Tech support	4,984	-
	<u>\$ 15,285</u>	<u>\$ 24,540</u>

The Organization received IT professional services, at deeply reduced rates, for general IT support as well as for software development. Based on current market rates for both general IT support and software development, the Organization would have paid additional \$15,285 and \$24,540, respectively, for the years ended June 30, 2022 and 2021.

A substantial number of volunteers have donated significant amounts of their time in the Organization’s program services and its fundraising campaigns. These donated services were not recognized in the financial statement since they did not meet the criteria for recognition under ASC topic *Contributions*.

All in-kind donations received by the Organization for the years ended June 30, 2022 and 2021 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

Special Events

Special event revenues are reported net of direct expenses. For the years ended June 30, 2022 and 2021, direct expense was \$20,877 and \$6,102, respectively.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Pink Fund is a non-profit organization exempt under Section 501(c) (3) of the Internal Revenue Code and therefore, is not subject to tax under Federal or state income tax laws. ASC guidance regarding accounting for uncertainty in income taxes clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement. At June 30, 2022 and 2021, there were no uncertain tax positions that require accrual.

Functional Expenses

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 personnel, occupancy, and general operating expenses on the basis of estimates of time and effort. All other expenses are allocated based on direct identification and utilization.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 2 – LIQUIDITY AND AVAILABILITY

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

	June 30,	
	<u>2022</u>	<u>2021</u>
Financial assets		
Cash	\$ 389,565	\$ 761,698
Receivables	200,000	593,705
Investments	<u>616,702</u>	<u>326,975</u>
Total financial assets	<u>1,206,267</u>	<u>1,682,378</u>
Amounts not available for general use		
Receivables to be collected in more than one year	-	(193,705)
Donor restricted funds	<u>(856,560)</u>	<u>(782,998)</u>
Total amounts not available for general use	<u>(856,560)</u>	<u>(976,703)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 349,707</u>	<u>\$ 705,675</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 3 – PLEDGES RECEIVABLE

Pledges receivable consist of the following:

	June 30,	
	<u>2022</u>	<u>2021</u>
Amounts due in:		
Less than one year	\$ 200,000	\$ 400,000
One to five years	-	200,000
	<u>200,000</u>	<u>600,000</u>
Total pledges receivable	\$ 200,000	\$ 600,000
Less Unamortized Discount, Using a Discount Rate of 4.75% for 2022 and 3.25% for 2021	<u>-</u>	<u>(6,295)</u>
Net pledges receivable	<u>\$ 200,000</u>	<u>\$ 593,705</u>

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using rates of 4.75% and 3.25% as of June 30, 2022 and 2021, respectively.

NOTE 4 – INVESTMENTS

Fair values and unrealized gains are summarized as follows:

	June 30, 2022		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized (Loss)</u>
Exchange traded funds	\$ 625,875	\$ 575,192	\$ (50,683)
Mutual funds	47,640	41,510	(6,130)
	<u>673,516</u>	<u>616,702</u>	<u>(56,813)</u>
Total investments	<u>\$ 673,516</u>	<u>\$ 616,702</u>	<u>\$ (56,813)</u>

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 4 – INVESTMENTS (Continued)

	June 30, 2021		
	Cost	Fair Value	Unrealized Gain
Exchange traded funds	\$ 231,392	\$ 297,213	\$ 65,821
Mutual funds	28,611	29,762	1,151
Total investments	<u>\$ 260,003</u>	<u>\$ 326,975</u>	<u>\$ 66,972</u>

Investment returns are summarized as follows:

	Year ended June 30,	
	2022	2021
Investment income, net	\$ 11,440	\$ 6,703
Unrealized gains (loss)	(123,785)	59,897
Net realized gains (loss)	<u>8,206</u>	<u>2,765</u>
	<u>\$ (104,139)</u>	<u>\$ 69,365</u>

NOTE 5 – FAIR VALUE MEASUREMENTS

ASC topic *Fair Value Measurements*, 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 under ASC topic *Fair Value Measurements* 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 abilities 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 asset 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 specific (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

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

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.

Mutual Funds, and Exchange-Traded Funds: Valued at the closing price reported in the active market in which the individual securities are traded.

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 Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value or 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:

	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Exchange traded funds	\$ 575,192	\$ -	\$ -	\$ 575,192
Mutual funds	41,510	-	-	41,510
Total investments	<u>\$ 616,702</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 616,702</u>
	June 30, 2021			
	Level 1	Level 2	Level 3	Total
Exchange traded funds	\$ 297,213	\$ -	\$ -	\$ 297,213
Mutual funds	29,762	-	-	29,762
Total investments	<u>\$ 326,975</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 326,975</u>

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	June 30,	
	2022	2021
Computer hardware and software	\$ 74,585	\$ 13,020
Furniture and fixtures	2,366	2,366
Construction in progress	12,019	58,135
	<u>88,970</u>	<u>73,521</u>
Less accumulated depreciation	16,275	12,123
	<u>\$ 72,695</u>	<u>\$ 61,398</u>

There was \$4,152 and \$1,674 of depreciation expense for the years ended June 30, 2022 and 2021, respectively.

NOTE 7 – PPP Loan

On April 20, 2020, the Organization entered into a U.S. Small Business Administration (“SBA”) Paycheck Protection Program (“PPP”) loan in the principal amount of \$63,200 payable to MiBank evidencing a PPP Loan. The PPP loan will bear interest at a rate of 1.00% per annum.

The principal amount of the PPP loan is subject to forgiveness by MiBank through the SBA under the PPP upon Organization’s request to the extent that PPP loan proceeds were used to pay expenses permitted by the PPP, including payroll, rent, and utilities. MiBank may forgive interest accrued on any principal forgiven if the SBA pays the interest. On June 21, 2021, the PPP loan was forgiven in full in the amount of \$63,200 in principal and \$739 in interest.

According to the rules of the SBA, the Organization is required to retain PPP loan documentation for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of the Organization’s judgements pertaining to satisfying PPP loan eligibility or forgiveness conditions, the Organization may be required to adjust previously reported amounts and disclosures in the financial statements.

THE PINK FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were comprised of the following:

	June 30,	
	2022	2021
Mary Herczog Fund	\$ 127,036	\$ 70,844
Community outreach	55,000	-
Time restricted	200,000	600,000
Transportation	347,144	433,633
Designated for grant awards by locale	153,641	171,912
Education	7,500	7,500
Housing	114,075	56,932
COVID relief	52,164	42,177
	<u>\$ 1,056,560</u>	<u>\$ 1,382,998</u>

NOTE 9 – RETIREMENT PLAN

The Organization contributes to a Simple IRA plan (the “Plan”) for its employees. The Plan is subject to a discretionary 3% employer match. Matching contributions to the plan were \$11,924, and \$10,249 for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 – SUBSEQUENT EVENTS

The Organization has performed a review of events subsequent to the statement of financial position through February 13, 2023, the date the financials were available to be issued.

Subsequent to year end, the Organization entered into a new agreement to sublease office space through May 31, 2024, with a monthly lease expense of \$3,250.

Due to the fact the Organization has not had enough applicants in a designated locale, The Organization decided to return the restricted contributions, totaling approximately \$41,000, to the donor subsequent to year end. The donations were included in net assets with donor restrictions under designated for grant awards by locale at June 30, 2022.