



Darrell L. Keller, CPA, PA

UNITED WAY OF LINCOLN COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024 and 2023

(704) 739-0771

UNITED WAY OF LINCOLN COUNTY, INC.
TABLE OF CONTENTS
YEAR ENDED MARCH 31, 2024

<u>FINANCIAL STATEMENTS</u>	<u>PAGE</u>
Independent Auditor's Report	1-2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-15
Supplementary Statement:	
Schedule of Allocations Distributed to Agencies	16



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of Lincoln County, Inc.
Lincolnton, North Carolina

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Lincoln County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

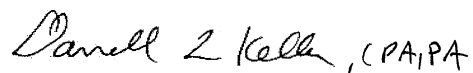
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the United Way of Lincoln County, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 22, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Allocations Distributed to Agencies is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Darrell L. Keller, CPA, PA
Kings Mountain, North Carolina

November 1, 2024

UNITED WAY OF LINCOLN COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2024 WITH COMPARATIVE TOTALS FOR 2023

	Without Donor Restriction	With Donor Restriction	Total 2024	Prior 2023
ASSETS				
Cash and cash equivalents	\$ 188,755	\$ 115,395	\$ 304,150	\$ 331,823
Unconditional Promises To Give-				
Net of Allowance for Uncollectible Promises	-	160,085	160,085	187,800
Refunds receivable	673	-	673	912
Grant Receivable	-	-	-	15,600
Prepaid expenses	-	-	-	-
Security Deposit	400	-	400	400
Right of Use - Leased Assets	7,024	-	7,024	-
Fixed Assets-net of depreciation	-	-	-	-
	<u>\$ 196,852</u>	<u>\$ 275,480</u>	<u>\$ 472,332</u>	<u>\$ 536,535</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 6,516	\$ 7,818	\$ 14,334	\$ 12,237
Payroll taxes withheld	580	-	580	293
Lease Liability - Current Portion	3,938	-	3,938	-
Unearned Revenue-Special Event	-	-	-	-
Total Current Liabilities	<u>11,034</u>	<u>7,818</u>	<u>18,852</u>	<u>12,530</u>
Lease Liability - Non Current	<u>3,086</u>	<u>-</u>	<u>3,086</u>	<u>0</u>
Net assets:				
Without Donor Restrictions				
Fixed Assets	-	-	-	-
Board Designated for Reserves	55,715	-	55,715	55,437
Undesignated	127,017	-	127,017	66,996
With Donor Restrictions				
Events and Special Projects	-	9,911	9,911	8,237
Grant Funds	-	105,484	105,484	212,373
Campaign Receivables	-	152,267	152,267	180,962
Total net assets	<u>182,732</u>	<u>267,662</u>	<u>450,394</u>	<u>524,005</u>
Total liabilities and net assets	<u>\$ 196,852</u>	<u>\$ 275,480</u>	<u>\$ 472,332</u>	<u>\$ 536,535</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

UNITED WAY OF LINCOLN COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2024 WITH PRIOR YEAR COMPARATIVE TOTALS FOR 2023

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2024</u>	<u>Prior 2023</u>
Public support and revenue:				
Public support:				
Campaign contributions	\$ -	\$ 387,184	\$ 387,184	\$ 377,667
Less provision for uncollectible pledges	-	(35,579)	(35,579)	(49,336)
Less designations	-	(6,703)	(6,703)	(8,551)
Net campaign contributions	<u>-</u>	<u>344,902</u>	<u>344,902</u>	<u>319,780</u>
Emergency Funds Grant	-	-	-	200,000
Contributions	-	28,794	28,794	54,454
Gifts in-kind	-	-	-	-
Admin Fee	-	-	-	-
Fundraisers	-	10,885	10,885	4,657
Interest income	3,599	-	3,599	255
Net assets released from restriction (Note 5)	<u>518,491</u>	<u>(518,491)</u>	<u>-</u>	<u>-</u>
Total public support	<u>522,090</u>	<u>(133,910)</u>	<u>388,180</u>	<u>579,146</u>
Expenses:				
Allocations to agencies	296,717	-	296,717	219,400
Allocation and agency relations	104,964	-	104,964	104,993
Management and general	35,279	-	35,279	33,947
Fundraising	<u>24,831</u>	<u>-</u>	<u>24,831</u>	<u>28,658</u>
Total expenses	<u>461,791</u>	<u>-</u>	<u>461,791</u>	<u>386,998</u>
Change in net assets	60,299	(133,910)	(73,611)	192,148
Net assets:				
Beginning	122,433	401,572	524,005	331,857
Transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ 182,732</u>	<u>\$ 267,662</u>	<u>\$ 450,394</u>	<u>\$ 524,005</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

UNITED WAY OF LINCOLN COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2024 WITH COMPARATIVE TOTALS FOR 2023

	Allocation and Agency Relations	Management and General	Fund Raising	Funds Awarded to Other Agencies	Total 2024	Prior 2023
Salaries and benefits	\$ 69,224	\$ 25,450	\$ 7,126	\$ -	101,800	105,161
Payroll taxes	5,056	1,859	520	-	7,435	7,731
Insurance	1,544	568	159	-	2,271	1,383
Conference, conventions, and travel	306	113	32	-	451	308
Postage	183	67	19	-	269	254
Professional services	2,720	1,000	280	-	4,000	4,000
Telephone	1,085	399	112	-	1,596	1,596
Supplies and printing	200	74	21	-	295	1,727
Promotional expenses	-	-	1,675	-	1,675	3,047
Software - Fees & Sub	4,073	1,497	419	-	5,989	5,445
Meeting Expense	263	97	27	-	387	240
Dues and memberships	361	133	37	-	531	518
Website	896	330	92	-	1,318	1,318
Dues to state and national	2,400	882	247	-	3,529	3,561
211/Day of Caring/Teen Board/Asbury	9,010	-	-	-	9,010	9,069
Events	-	-	10,885	-	10,885	4,657
Fees from Other United Ways	-	-	2,393	-	2,393	4,236
Rent	3,468	1,275	357	-	5,100	5,100
Funds Awarded	-	-	-	296,717	296,717	219,400
Miscellaneous	4,175	1,535	430	-	6,140	8,247
Total expenses before depreciation	104,964	35,279	24,831	296,717	461,791	386,998
Depreciation	-	-	-	-	-	-
Total expenses	<u>\$ 104,964</u>	<u>\$ 35,279</u>	<u>\$ 24,831</u>	<u>\$ 296,717</u>	<u>\$ 461,791</u>	<u>\$ 386,998</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF LINCOLN COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024 WITH COMPARATIVE TOTALS FOR 2023

Years Ended March 31,	2024	2023
Cash Flows from operating activities		
Cash received from donors	431,312	568,198
Interest and dividends received	3,599	255
Other Cash Received	836	2,607
Cash Paid to vendors	(55,319)	(54,242)
Cash paid for payroll and benefits	(108,948)	(114,451)
Designations paid to other United Ways/Non-partner agencies	(2,436)	(963)
Allocations paid to Partner Agencies	(296,717)	(277,602)
Net cash flows provided by (used in) operating activities	(27,673)	123,802
Cash flows from investing activities		
Purchase of Property and Equipment	-	-
Net cash flows provided by (used in) operating activities	-	-
Cash flow from financing activities		
Contributions received with permanent donor restriction	-	-
Net cash flows provided by (used in) financing activities	-	-
Net increase (decrease) in cash, cash equivalents, restricted cash and cash equivalents	(27,673)	123,802
Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents		
Beginning of Year	331,823	208,021
End of Year	\$ 304,150	\$ 331,823

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note 1. SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF ACTIVITIES

Organizational History

United Way of Lincoln County, Inc. (United Way) is a non-profit organization incorporated on November 4, 1960 and is governed by a volunteer Board of Directors. Its mission is to connect people, resources and ideas to create a thriving community characterized by stability, educational success, and healthy members of the community.

The United Way is a tax exempt organization under section 501(c)(3) of the Internal Revenue Code. However, income generated from activities unrelated to the exempt purpose of the United Way is subject to tax. There was no unrelated business income in the year ended March 31, 2024. The United Way has been classified as an entity that is not a private foundation within the meaning of section 509(a) and contributions to the United Way are tax-deductible within the limitations prescribed by law. The United Way is also classified as a non-profit health and welfare service agency. 89% of revenue was derived through campaign contributions, 7% through other contributions, and 3% from Fundraising.

Basis of Accounting

The United Way prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Under those standards, United Way is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restriction and net assets without donor restriction. In addition, the United Way is required to present a statement of cash flows. The United Way uses the accrual method of accounting. Under this method, revenue is recognized when earned, and expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates include allowance for uncollectible promises to give. Because of the inherent uncertainties in estimating uncollectible promises to give, it is reasonably possible that management's estimates could change in the near term.

Income Taxes

United Way is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for Federal or State income taxes has been made in the accompanying financial statements.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Cash and Cash Equivalents

For purposes of the statements of cash flows, the United Way considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of demand deposits in banks, cash on hand, and deposits in money market accounts. Restricted Cash is donor restricted cash that has yet to be released from restriction.

Campaign Promises to Give Receivable

Unconditional promises to give are recorded as pledges receivable and contribution revenue when the promise is made. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

The United Way uses the allowance method to determine uncollectible pledges receivable. Pledges receivable and related contributions are initially recorded at their net realizable value based on amounts expected to be collected from donors. This valuation reflects net pledge balances at a level which, in the judgment of management, is adequate to meet the present and potential risks of uncollectibility of the pledges receivable. Management's judgment is based on a variety of factors, which include experience related to charge offs and recoveries, previous collection history and scrutiny of individual accounts. Specific accounts are written off only upon notification from donors that the pledges are no longer collectible.

Provision for uncollectible promises to give is computed based upon a five-year historical adjusted average adjusted by management estimates of current economic factors, applied to gross campaign.

Donor-designated promises are not assessed any fees deduction other than the normal provision for uncollectibles.

Accounts Receivable

United Way's accounts receivable are made up of balances due to be received after year end that are not campaign related such as sales tax refunds receivable. Due to the nature of the receivables, management has determined that an allowance for doubtful accounts is not necessary.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and expensed as the items are used.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Property and Equipment

The United Way capitalizes property and equipment with a value over \$5,000 and a useful life over one year. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value on the date of the gift. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the United Way reports expirations of donor restrictions when the donated or acquired assets are placed in service. United Way reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years. Management annually reviews these assets to determine whether carrying values have been impaired.

Net Asset Classifications

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board has designated a portion of net assets without donor restrictions as reserved for future allocations in the event of closure of the United Way.

See note 8 for more information on the composition of net assets without donor restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time, and/or purpose restrictions.

The United Way reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

See Note 9 for more information on the composition of net assets with donor restrictions.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Revenue Recognition and Contributions

The Organization adopted the requirements of Financial Accounting Standards Board's Accounting Standards Update No. 2014-09, "Revenue from Contracts with Customers" (ASU 2014-09), during a prior fiscal year. The core principle of this standard is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Contributions are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of cash and other assets are considered to be available for undesignated use unless specifically restricted by the donor. Amounts received that are restricted for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the 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.

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local grants, which are conditioned upon certain performance requirements and or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization 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. No funds have been received in advance that have not been utilized and meet the requirements to be considered conditional and therefore recorded as refundable advances.

Contributed Goods and Services

Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. No amounts have been reflected in the financial statements for donated services. United Way generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the United Way carrying out its fundraising and special programs, but these services do not meet the criteria for recognition as contributed services. The United Way had 785 volunteer hours from 176 volunteers in fiscal year ending March 31, 2024 and 669 volunteer hours from 150 volunteers in fiscal year ending March 31, 2023.

The Organization did not receive any support in the form of contributed goods.

Functional Allocation of Expenses

Expenses are summarized and categorized based on their functional classification as Allocation and Agency Relations, Management and General, or Fundraising in the statement of functional expenses. Specific expenses that are readily identifiable to a single program or activity are charged directly to that

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

function. However, some expenses relate to more than one function and must be allocated among the program and supporting services benefited. Salaries and related expenses are allocated based on the estimated time the employee spends on each function.

Concentration of Credit Risk

The United Way is subject to a credit risk in relation to outstanding promises to give. These promises to give receivables come from corporate and individual donors in a concentrated geographic area. Management does not consider this concentration to be a significant credit risk.

The United Way maintains demand deposits at one bank in North Carolina which are secured by the Federal Deposit Insurance Corporation.

At March 31, 2024 the deposits had a carrying value of \$304,150 and a bank balance of \$314,636. Of this amount \$250,000 is covered by FDIC and \$64,636 was uninsured. Management does not consider this concentration to be a significant risk.

At March 31, 2023 the deposits had a carrying value of \$331,823 and a bank balance of \$331,607. Of this amount \$250,000 is covered by FDIC and \$81,608 was uninsured. Management does not consider this concentration to be a significant risk.

Advertising

The United Way expenses advertising costs as incurred.

Note 2. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the United Way'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.

Financial Assets at Year End	\$472,332
Less those available for general expenditure within one Year, due to:	
Donor Restricted:	
As designations to other United Ways	(7,818)
Grant Funding	(103,427)
Special Events and Projects	(9,911)
Unavailable to management without Board approval	
Board designated for future allocations	(<u>55,715</u>)
Financial assets available to meet cash needs for general Expenditure within one year	<u>\$295,461</u>

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note 3. PROMISES TO GIVE

Unconditional Promises to Give as of March 31, 2024 is summarized as follows:

	<u>Pledges due in less than one year</u>	<u>Pledges due within 1-5 years</u>	<u>Less: unamortized present value discount</u>	<u>Pledges receivable balance, net of discount</u>	<u>Allowance</u>	<u>Pledges receivable balance, net of discount and allowance</u>
Campaign pledges receivable:						
2022/2023 Campaign	\$ 32,019	\$ -	\$ -	\$ 32,019	\$ 27,841	\$ 4,178
2023/2024 Campaign	186,990	-	-	186,990	31,083	155,907
Subtotal	<u>\$ 219,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,009</u>	<u>\$ 58,924</u>	<u>\$ 160,085</u>

Allowance for uncollectible pledges was \$58,924 resulting in a net receivable of \$160,085. Because pledges are short term pledges there is no discount for present value.

Unconditional Promises to Give as of March 31, 2023 is summarized as follows:

	<u>Pledges due in less than one year</u>	<u>Pledges due within 1-5 years</u>	<u>Less: unamortized present value discount</u>	<u>Pledges receivable balance, net of discount</u>	<u>Allowance</u>	<u>Pledges receivable balance, net of discount and allowance</u>
Campaign pledges receivable:						
2021/2022 Campaign	\$ 55,891	\$ -	\$ -	\$ 55,891	\$ 51,020	\$ 4,871
2022/2023 Campaign	210,770	-	-	210,770	27,841	182,929
Subtotal	<u>\$ 266,661</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,661</u>	<u>\$ 78,861</u>	<u>\$ 187,800</u>

Allowance for uncollectible pledges was \$78,861 resulting in a net receivable of \$187,800. Because pledges are short term pledges there is no discount for present value.

Management typically uses the actual average uncollectible amount for the past 5 years to determine the estimated allowance on the current year campaign. Management reviewed all outstanding accounts for the 2022/2023 campaign and adjusted the allowance to expected uncollectible amount. Actual bad debt is 9.60%. Management elected to use the 5 year average calculation. The allowance for the 2023/2024 campaign is calculated as 8.33% of campaign. It is management's policy that the uncollectible amounts be written off in the August after the campaign year (e.g. 2022/2023 actual uncollectible will be written off in August 2024).

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>3/31/2024</u>	<u>3/31/2023</u>
Property and Equipment	\$ -	\$ -
Less Accumulated Depreciation	-	-
Net Property and Equipment	<u>\$ -</u>	<u>\$ -</u>

Note 5. LONG TERM DEBT

As of March 31, 2024 and 2023 the United Way did not have any long term debt.

Note 6. LEASES

Beginning in fiscal year March 31, 2020 the United Way began leasing space at a cost of \$350 per month. The current lease is for a period of twelve months, January 1, 2024 through December 31, 2024 with an option to renew for an additional year. The lease is expected to be renewed. The right to use lease asset and lease liability were calculated based on the present value of future lease payments over the lease term. The Organization has elected to use an interest rate of 5% which is its incremental borrowing rate.

Future maturities of the lease liability is as follows:

March 31, 2025	\$ 4,200
March 31, 2026	<u>3,150</u>
Total Lease Payments	7,350
Less Present Value Discount	<u>(326)</u>
Total Lease Obligations	<u>\$ 7,024</u>

The Organization also leases storage space for \$75.00 per month on a month-to-month lease.

Note 7. GIFTS IN KIND

The United Way did not receive gifts in kind or contributed goods or services in March 31, 2024 or 2023.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note 8. NET ASSETS WITHOUT DONOR RESTRICTIONS

The United Way's net assets without donor restrictions is comprised of undesignated and Board designated amounts for the following purposes at March 31, 2024 and 2023:

	<u>3/31/24</u>	<u>3/31/23</u>
Undesignated	\$ 127,017	66,996
Fixed Assets	0	0
Board Designated for Reserves	<u>55,715</u>	<u>55,437</u>
Total	<u>\$182,732</u>	<u>\$122,433</u>

Board Designated for Reserves

The Board has designated funds be set aside as reserves to pay allocations in the event that the United Way does not have the funds to pay allocations or ceases operations.

Note 9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	<u>3/31/2024</u>	<u>3/31/2023</u>
Net Promises to give	\$ 160,085	\$ 187,800
Day of Caring	1,565	2,079
Teen Center	808	808
Specific Event	-	-
Christmas Fund	3,697	1,697
DIS Assistance	961	961
Asbury Project	4	4
Asbury Restricted	-	-
Specific Purpose	843	655
West ARC	33	33
Cultural Humanity Training	2,000	2,000
Emergency Funding	93,075	198,075
Carolina Across 100	8,443	14,298
Outreach	3,966	
Accounts Payable restricted to other agencies	<u>(7,818)</u>	<u>(6,838)</u>
Total temporarily restricted net assets	<u>\$ 267,662</u>	<u>\$ 401,572</u>

Net promises to give are considered net assets with donor restrictions until collected.

Amounts contributed to the projects listed above are restricted for use for these activities. The amounts above represent the contributions/cash that has yet to be expended.

UNITED WAY OF LINCOLN COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note 10. ACCOUNTS PAYABLE, INCLUDING DESIGNATIONS TO OTHER AGENCIES

	<u>3/31/2024</u>	<u>3/31/2023</u>
Accounts Payable-Expenses	\$ 6,516	\$ 5,399
Payroll Liabilities	580	293
Accounts Payable-Allocations	-	-
Accounts Payable-Designations	7,818	6,838
Total Accounts Payable	<u>\$ 14,914</u>	<u>\$ 12,530</u>

Note 11. SUBSEQUENT EVENTS

The United Way has evaluated its financial statements for subsequent events through November 1, 2024, the date the financial statements were available to be issued. The Organization is not aware of any such events which would require recognition or disclosure in the financial statements.

Note 12. ACCOUNTING STANDARDS ADOPTION

Allowance for Credit Losses – In June 2016, the FASB issued guidance (FASB ASC 326) effective for years beginning after December 15, 2022, which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivable and campaign receivable. The Organization adopted the standard effective April 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

UNITED WAY OF LINCOLN COUNTY, INC.
SCHEDULE OF ALLOCATIONS DISTRIBUTED TO AGENCIES
FOR THE YEAR ENDED MARCH 31, 2024 WITH COMPARATIVE TOTALS FOR 2023

	<u>2023</u>	<u>2023</u>
A Place To Grow	\$ 8,000	\$ 7,114
Boy Scouts	10,700	10,450
Communities In Schools	25,000	22,000
Community Friends/Senior Services	10,000	10,000
Gaston Family Health Services Lincolnton	15,000	15,000
Hessed House of Hope	20,000	15,000
Hospice and Palliative Care	23,000	20,000
LC Coalition Against Child Abuse	22,000	20,000
LC Coalition Against Domestic Violence	30,000	30,000
Lincoln County Family YMCA	28,000	25,000
Salem Industries	1,000	6,310
Sally's YMCA	15,000	15,000
Special Olympics	17,000	15,000
Other		
Direct Assistance	1,863	1,440
Emergency Funding Assistance	70,154	7,086
 Total allocation to agencies	 <u><u>\$ 296,717</u></u>	 <u><u>\$ 219,400</u></u>

The Accompanying Notes are an Integral Part of these Financial Statements.