



**Darrell L. Keller, CPA, PA**

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**UNITED WAY OF LINCOLN COUNTY, INC.**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2021 and 2020**

**(704) 739-0771**

UNITED WAY OF LINCOLN COUNTY, INC.  
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YEAR ENDED MARCH 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

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

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, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Lincoln County, Inc. as of March 31, 2021, 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.

## **Report on Summarized Comparative Information**

We have previously audited the United Way of Lincoln County, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 2, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2020, 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 on page 16 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

October 14, 2021

UNITED WAY OF LINCOLN COUNTY, INC.  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED MARCH 31, 2021 WITH COMPARATIVE TOTALS FOR 2020

	Without Donor Restriction	With Donor Restriction	Total 2021	Prior 2020
<b>ASSETS</b>				
Cash and cash equivalents	\$ 284,383	\$ 4,739	\$ 289,122	\$ 253,266
Unconditional Promises To Give-				
Net of Allowance for Uncollectible Promises	-	186,958	186,958	180,901
Refunds receivable	562	-	562	498
Prepaid expenses	917	-	917	917
Security Deposit	400	-	400	400
Fixed Assets-net of depreciation	-	-	-	118
	<u>\$ 286,262</u>	<u>\$ 191,697</u>	<u>\$ 477,959</u>	<u>\$ 436,100</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 53,992	\$ 888	\$ 54,880	\$ 7,295
Payroll taxes withheld	-	-	-	1,672
Unearned Revenue-Special Event	-	-	-	-
Total liabilities	<u>53,992</u>	<u>888</u>	<u>54,880</u>	<u>8,967</u>
<b>Net assets:</b>				
<b>Without Donor Restrictions</b>				
Fixed Assets	-	-	-	118
Board Designated for Reserves	75,151	-	75,151	75,198
Undesignated	157,119	-	157,119	158,812
<b>With Donor Restrictions</b>				
Events and Special Projects	-	4,739	4,739	15,708
Campaign Receivables	-	186,070	186,070	177,297
Total net assets	<u>232,270</u>	<u>190,809</u>	<u>423,079</u>	<u>427,133</u>
<b>Total liabilities and net assets</b>	<u>\$ 286,262</u>	<u>\$ 191,697</u>	<u>\$ 477,959</u>	<u>\$ 436,100</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, 2021 WITH PRIOR YEAR COMPARATIVE TOTALS

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2021</u>	<u>Prior 2020</u>
Public support and revenue:				
Public support:				
Campaign contributions	\$ -	\$ 349,339	\$ 349,339	\$ 428,861
Less provision for uncollectible pledges	-	(20,893)	(20,893)	(33,651)
Less designations	-	(5,695)	(5,695)	(41,918)
Net campaign contributions	-	322,751	322,751	353,292
Contributions	48,940	524	49,464	16,536
Gifts in-kind	-	-	-	900
Admin Fee	1,902	-	1,902	-
Fundraisers	-	-	-	6,057
Interest income	381	-	381	391
Net assets released from restriction (Note 5)	426,393	(426,393)	-	-
Total public support	<u>477,616</u>	<u>(103,118)</u>	<u>374,498</u>	<u>377,176</u>
 Expenses:				
Allocations to agencies	251,886	-	251,886	287,480
Allocation and agency relations	83,655	-	83,655	72,237
Management and general	29,495	-	29,495	15,100
Fundraising	13,516	-	13,516	43,941
Total expenses	<u>378,552</u>	<u>-</u>	<u>378,552</u>	<u>418,758</u>
 Change in net assets	99,064	(103,118)	(4,054)	(41,582)
 Net assets:				
Beginning	215,946	252,769	427,133	468,715
Transfer	-	-	-	-
Ending	<u>\$ 315,010</u>	<u>\$ 149,651</u>	<u>\$ 423,079</u>	<u>\$ 427,133</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, 2021 WITH COMPARATIVE TOTALS FOR 2020

	Allocation and Agency Relations	Management and General	Fund Raising	Funds Awarded to Other Agencies	Total 2021	Prior 2020
Salaries and benefits	\$ 57,637	\$ 22,168	\$ 8,867	\$ -	88,672	72,535
Payroll taxes	4,222	1,624	650	-	6,496	5,289
Contract Labor	-	67	-	-	67	4,080
Insurance	1,368	526	210	-	2,104	2,091
Conference, conventions, and travel	-	-	-	-	-	611
Postage	132	51	20	-	203	242
Advertising	-	-	-	-	-	-
Professional services	2,600	1,000	400	-	4,000	4,000
Telephone	854	328	131	-	1,313	914
Supplies and printing	480	185	74	-	739	2,535
Promotional expenses	-	-	1,649	-	1,649	3,627
Equipment maintenance	1,045	402	161	-	1,608	1,739
Utilities	-	-	-	-	-	624
Luncheons	173	66	27	-	266	324
Dues and memberships	174	67	27	-	268	132
Website	2,093	805	322	-	3,220	495
Dues to state and national	2,069	796	318	-	3,183	3,739
211/Day of Caring/Teen Board/Asbury	7,140	-	-	-	7,140	11,839
Events	-	-	-	-	-	6,057
Fees from Other United Ways	-	-	95	-	95	5,010
Rent	3,591	1,381	553	-	5,525	5,102
Donated Goods*	-	-	-	-	-	-
Funds Awarded	-	-	-	251,886	251,886	287,480
Miscellaneous	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
Total expenses before depreciation	<u>83,578</u>	<u>29,466</u>	<u>13,504</u>	<u>251,886</u>	<u>378,434</u>	<u>418,465</u>
Depreciation	77	29	12	-	118	293
Total expenses	<u>\$ 83,655</u>	<u>\$ 29,495</u>	<u>\$ 13,516</u>	<u>\$ 251,886</u>	<u>\$ 378,552</u>	<u>\$ 418,758</u>

\* Includes Gift in Kind, see note 7

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, 2021 WITH COMPARATIVE TOTALS FOR 2020

Years Ended March 31,	2021	2020
<b>Cash Flows from operating activities</b>		
Cash received from donors	368,060	451,436
Interest and dividends received	381	391
Other Cash Received	-	390
Cash Paid to vendors	(32,942)	(49,631)
Cash paid for payroll and benefits	(96,840)	(77,600)
Designations paid to other United Ways/Non-partner agencies	-	(11,718)
Allocations paid to Partner Agencies	(202,803)	(287,480)
<b>Net cash flows provided by (used in) operating activities</b>	<b>35,856</b>	<b>25,788</b>
<b>Cash flows from investing activities</b>		
Purchase of Property and Equipment	-	-
<b>Net cash flows provided by (used in) operating activities</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Contributions received with permanent donor restriction	-	-
<b>Net cash flows provided by (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash, cash equivalents, restricted cash and cash equivalents</b>	<b>35,856</b>	<b>25,788</b>
<b>Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents</b>		
Beginning of Year	253,266	227,478
End of Year	\$ 289,122	\$ 253,266

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, 2021

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, 2021. 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. 86% of revenue was derived through campaign contributions.

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, 2021

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, 2021

Property and Equipment

The United Way capitalizes property and equipment with a value over \$5,000 (increased from \$500 in fiscal year ending March 31, 2020) 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, 2021

Contributions

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America. Under those standards, contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Contributions are recognized when the donor makes a promise to give to the United Way that is, in substance, unconditional.

Contributed Services

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 995 volunteer hours from 24 volunteers in fiscal year ending March 31, 2021 and 2,021 volunteer hours from 229 volunteers in fiscal year ending March 31, 2020.

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 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.

Advertising

The United Way expenses advertising costs as incurred.

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, 2021 the deposits had a carrying value of \$289,122 and a bank balance of \$294,790. Of this amount \$250,326 is covered by FDIC and \$44,464 was uninsured. Management does not consider this concentration to be a significant risk.

UNITED WAY OF LINCOLN COUNTY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

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	\$476,642
Less those available for general expenditure within one Year, due to:	
Donor Restricted:	
As designations to other United Ways	( 888)
Unavailable to management without Board approval Board designated for future allocations	( 75,151)
Financial assets available to meet cash needs for general Expenditure within one year	<u>\$400,603</u>

Note 3. PROMISES TO GIVE

Unconditional Promises to Give as of March 31, 2021 is summarized as follows:

	Pledges due in less than one year	Pledges due within 1-5 years	Less: unamortized present value discount	Pledges receivable balance, net of discount	Allowance	Pledges receivable balance, net of discount and allowance
Campaign pledges receivable:						
2019/2020 Campaign	\$ 29,764	\$ -	\$ -	\$ 29,764	\$ 24,820	\$ 4,944
2020/2021 Campaign	202,908	-	-	202,908	20,894	182,014
Subtotal	<u>\$ 232,672</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,672</u>	<u>\$ 45,714</u>	<u>\$ 186,958</u>

Allowance for uncollectible pledges was \$45,714 resulting in a net receivable of \$186,958. Because pledges are short term pledges there is no discount for present value.

UNITED WAY OF LINCOLN COUNTY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

Unconditional Promises to Give as of March 31, 2020 is summarized as follows:

	Pledges due in less than one year	Pledges due within 1-5 years	Less: unamortized present value discount	Pledges receivable balance, net of discount	Allowance	Pledges receivable balance, net of discount and allowance
Campaign pledges receivable:						
2018/2019 Campaign	\$ 15,504	\$ -	\$ -	\$ 15,504	\$ 14,864	\$ 640
2019/2020 Campaign	<u>227,406</u>	<u>-</u>	<u>-</u>	<u>227,406</u>	<u>47,145</u>	<u>180,261</u>
Subtotal	<u>\$ 242,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,910</u>	<u>\$ 62,009</u>	<u>\$ 180,901</u>

Allowance for uncollectible pledges was \$62,009 resulting in a net receivable of \$180,901. 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. For the 2019/2020 campaign the Organization elected to use 12.5% of the net campaign due to the COVID-19 pandemic. Actual uncollectible was 6.60%. Management elected to use 6.5% for the 2020/2021 campaign due to the continuing COVID-19 pandemic and the prior year history. See Note 13 for a discussion of COVID-19. Management reviewed all outstanding accounts for the 2019/2020 campaign and adjusted the allowance to expected uncollectible amount. It is management's policy that the uncollectible amounts be written off in the August after the campaign year (e.g. 2019/2020 actual uncollectible will be written off in August 2021).

Note 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>3/31/2021</u>	<u>3/31/2020</u>
Property and Equipment	\$ 4,254	\$ 4,254
Less Accumulated Depreciation	<u>(4,254)</u>	<u>(4,136)</u>
Net Property and Equipment	<u>\$ -</u>	<u>\$ 118</u>

Note 5. LONG TERM DEBT

As of March 31, 2021 and 2020 the United Way did not have any long term debt.

UNITED WAY OF LINCOLN COUNTY, INC.  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2021

Note 6. LEASES

Beginning in fiscal year March 31, 2020 the United Way began leasing space at a cost of \$350 per month. The lease is for a period of twelve months, May 1, 2020 through April 30, 2021. It may be renewed for an additional twelve month term at the end of the current lease period.

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 received several gifts in kind in the current year as follows:

	<u>3/31/21</u>	<u>3/31/20</u>
Lease	\$ -0-	\$ 900
Advertising	\$ -0-	\$ -0-
Goods/Services	\$ -0-	\$ -0-
	<u>\$ -0-</u>	<u>\$ 900</u>

These gifts were recorded as income and expense. The lease is for the fair market rental value of the office space leased from Lincoln County in the prior year.

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, 2021 and 2020:

	<u>3/31/21</u>	<u>3/31/20</u>
Undesignated	\$157,119	158,812
Fixed Assets	0	118
Board Designated for Reserves	<u>75,151</u>	<u>75,198</u>
Total	<u>\$232,270</u>	<u>\$215,946</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.

UNITED WAY OF LINCOLN COUNTY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

Note 9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	<u>3/31/2021</u>	<u>3/31/2020</u>
Net Promises to give	\$ 186,958	\$ 180,901
Day of Caring	1,608	1,608
Teen Center	849	849
Specific Event	-	-
Christmas Fund	1,121	597
DIS Assistance	961	1,063
Asbury Project	4	4
Asbury Restricted	-	-
Specific Purpose	163	1,979
COVID	-	9,388
West ARC	33	220
Accounts Payable restricted to other agencies	(888)	(3,604)
Total temporarily restricted net assets	<u>\$ 190,809</u>	<u>\$ 193,005</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.

Note 10. ACCOUNTS PAYABLE, INCLUDING DESIGNATIONS TO OTHER AGENCIES

	<u>3/31/2021</u>	<u>3/31/2020</u>
Accounts Payable-Expenses	\$ 4,909	\$ 3,691
Payroll Liabilities	-	1,672
Accounts Payable-Allocations	49,083	-
Accounts Payable-Designations	888	3,604
Total Accounts Payable	<u>\$ 54,880</u>	<u>\$ 8,967</u>

UNITED WAY OF LINCOLN COUNTY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

Note 11. SUBSEQUENT EVENTS

The United Way has evaluated its financial statements for subsequent events through October 14, 2021, the date the financial statements were available to be issued.

Note 12. COVID-19 PANDEMIC

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact campaign collections. The disruption was originally expected to be temporary but has continued throughout 2021. COVID-19 has caused business disruption through mandated and voluntary closings of multiple businesses. This has caused widespread unemployment throughout North Carolina. Management has made the decision to increase the provision for uncollectible campaign pledges from the average of 5 years uncollectible which would be \$19,112 (5.95%) to 6.5% of net campaign \$20,893 because the majority of campaign collections are through payroll deductions. However, this is an estimate and actual results may differ because the potential impact cannot be reasonably estimated at this time.

UNITED WAY OF LINCOLN COUNTY, INC.  
SCHEDULE OF ALLOCATIONS DISTRIBUTED TO AGENCIES  
FOR THE YEAR ENDED MARCH 31, 2021 WITH COMPARATIVE TOTALS FOR 2020

	<u>2021</u>	<u>2020</u>
A Place To Grow	\$ 3,534	\$ 8,000
American Red Cross	7,000	7,000
Boy Scouts	5,500	12,000
Communities In Schools	22,000	30,000
Community Friends/Senior Services	5,000	10,000
Gaston Family Health Services Lincolnton	14,000	28,500
Hessed House of Hope	15,000	20,000
Hospice and Palliative Care	15,000	15,000
LC Coalition Against Child Abuse	25,000	37,000
LC Coalition Against Domestic Violence	30,000	30,000
Lincoln County Family YMCA	15,000	30,000
Salem Industries	26,000	18,861
Sally's YMCA	15,000	20,000
Special Olympics	-	20,000
Other		
Direct Assistance	2,682	428
COVID-19 Assistance	51,170	691
 Total allocation to agencies	 <u>\$ 251,886</u>	 <u>\$ 287,480</u>

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