

TWILIGHT WISH FOUNDATION
FINANCIAL STATEMENTS AND ACCOUNTANTS' AUDIT REPORT
YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To Board of Directors
Twilight Wish Foundation
Doylestown, Pennsylvania

We have audited the accompanying statement of financial position of the Twilight Wish Foundation, (a non-profit organization), which comprise the statement of financial position as of June 30, 2021 and 2020, 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 general 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 of 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 Twilight Wish Foundation as of June 30, 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.

Charles W. Browning, CPA
Warminster Pennsylvania
December 31, 2021

**TWILIGHT WISH FOUNDATION
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2021 AND 2020**

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Current Assets:		
Cash (Note 1)	\$ 423,027	\$ 174,614
Investments (Note 8)	185,942	-
Legacy Gift Receivable (Note 5)	-	314,598
Refund Receivable	2,500	-
Inventory	2,182	2,182
Security Deposit	954	954
Deposits	500	4,500
Prepaid Rent	1,012	1,012
Total Current Assets	<u>616,117</u>	<u>497,860</u>
Property and Equipment		
Net Property and Equipment (Note 7)	<u>21,056</u>	<u>32,075</u>
TOTAL ASSETS	<u>\$ 637,173</u>	<u>\$ 529,935</u>
 LIABILITIES AND NET ASSETS 		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 6,535	\$ -
PPP loan (Note 9)	9,444	12,089
Lease Payable (Note 4)	12,042	11,691
Security Deposit	250	250
Accrued Payroll Taxes	4,406	249
Accrued Payroll	2,100	118
Total Current Liabilities	<u>34,777</u>	<u>24,397</u>
Lease Payable Long-term (Note 4)	<u>3,542</u>	<u>15,584</u>
Total Liabilities	<u>38,319</u>	<u>39,981</u>
Net Assets: Net Assets without Donor Restrictions Net	588,704	480,198
Assets with Donor Restrictions (Note 6)	<u>10,150</u>	<u>9,756</u>
	<u>598,854</u>	<u>489,954</u>
Total Liabilities and Net Assets	<u>\$ 637,173</u>	<u>\$ 529,935</u>

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

**TWILIGHT WISH FOUNDATION
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30,2021 AND 2020**

	Without Donor Restrictions	With Donor Restrictions	June 30,2021	June 30,2020
Public Support and Revenue				
Grants	\$ 77,775	\$ 2,500	\$ 80,275	\$ 82,350
Donations	76,331	8,372	84,703	69,902
Donations • Legacy Gift	90,726	-	90,726	314,598
In-Kind Donations (Note 3)	35,913	-	35,913	12,460
Donated Services (Note 3)	176,967	-	176,967	155,590
Fundraising Income	9,663	-	9,663	26,730
Product Sales	-	-	-	-
PPP Loan Forgiveness	12,089	-	12,089	-
Dividends and capital gains	19,099	-	19,099	-
Interest	202	-	202	173
Total revenues and support	<u>498,765</u>	<u>10,872</u>	<u>509,637</u>	<u>661,803</u>
Expenses:				
Program	329,461	10,478	339,939	260,796
General and administrative	45,578	-	45,578	43,232
Fundraising	25,461	-	25,461	14,918
Total expenses	<u>400,500</u>	<u>10,478</u>	<u>410,978</u>	<u>318,946</u>
Increase (decrease) in unrestricted net assets	98,265	394	98,659	342,857
Other Comprehensive Income:				
Unrealized gain on investments	10,241	-	-	-
Increase (decrease) in total net assets	108,506	394	108,900	342,857
Assets	<u>480,198</u>	<u>9,756</u>	<u>489,954</u>	<u>147,097</u>
Ending Total Net Assets	<u>\$ 588,704</u>	<u>\$ 10,150</u>	<u>\$ 598,854</u>	<u>\$ 489,954</u>

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

TWILIGHT WISH FOUNDATION
STATEMENTS OF CHANGES IN NET ASSETS WITH AND WITHOUT
DONOR RESTRICTIONS
YEAR ENDED JUNE 30,2021 and 2020

	June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets, Beginning	\$ 480,198	\$ 9,756	\$ 489,954
Increase (decrease) in net assets from operations	87,787	10,872	98,659
Net assets relieved from restrictions (Note 6)	10,478	(10,478)	-
Other Comprehensive Income: Unrealized gains on Investments	10,241	-	10,241
Net assets, ending	<u>\$ 588,704</u>	<u>\$ 10,150</u>	<u>\$ 598,854</u>

	June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets, Beginning	\$ 132,640	\$ 14,457	\$ 147,097
Increase (decrease) in net assets from operations	322,553	20,304	342,857
Net assets relieved from restrictions (Note 6)	25,005	(25,005)	-
Net assets, ending	<u>\$ 480,198</u>	<u>\$ 9,756</u>	<u>\$ 489,954</u>

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

TWILIGHT WISH FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30,2021

	Program	Support Services		June 30, 2021
	Services	General and	Fundraising	Total
	Program	Administrative		
Board Expenses	\$ 79	\$ 11	\$ 3	\$ 93
Chapter Expenses	1,635	231	57	1,923
Depreciation Expense	.	8,745	-	8,745
Dues & Seminars	-	-	-	-
Fundraising Expenses	-	-	16,369	16,369
Governmental Filing Fees	1,449	205	51	1,705
Insurance	3,028	428	107	3,563
Interest Expense	80	11	3	94
Maintenance and Repairs	1,241	175	44	1,460
Marketing Expense	8,891	1,255	314	10,460
Office Supplies	3,629	512	128	4,269
Payroll Expense	69,166	9,765	2,441	81,372
Program Direct Costs-Donated Services	145,180	20,496	5,124	170,800
Program Direct Costs	82,306	-	-	82,306
Professional Fees	5,163	729	182	6,074
Rent	11,030	1,557	389	12,976
Staff Appreciation	1,269	179	45	1,493
Staff Hiring	-	441	-	441
Taxes and Licenses	-	20	-	20
Travel Expenses	1,054	149	37	1,240
Utilities	4,739	669	167	5,575
Total	\$ 339,939	\$ 45,578	\$ 25,461	\$ 410,978

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

**TWILIGHT WISH FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30,2020**

	Program	Support Services		June 30. 2020
	Services	General and	Fundraising	Total
	Program	Administrative		
Depreciation Expense	\$ -	\$ 10,299	\$ -	\$ 10,299
Dues & Seminars	-	165	-	165
Fundraising Expenses	-	-	7,898	7,898
Government Filing Fees	-	445	-	445
Insurance	2,931	414	103	3,448
Interest Expense	-	334	-	334
Maintenance and Repairs	-	1,250	-	1,250
Marketing Expense	3,874	547	137	4,558
Moving Expenses	-	2,662	-	2,662
Office Supplies	3,649	515	129	4,293
Payroll Expense	41,286	5,829	1,457	48,572
Program Direct Costs-Donated Services	132,088	18,648	4,662	155,398
Program Direct Costs	61,921	-	-	61,921
Professional Fees	6,563	927	232	7,722
Rent	3,125	441	110	3,676
Travel Expenses	1,347	190	48	1,585
Utilities	4,012	566	142	4,720
Total	\$ 260,796	\$ 43,232	\$ 14,918	\$ 318,946

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

**TWILIGHT WISH FOUNDATION
STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30, 2021 AND 2020**

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
OPERATING ACTIVITIES		
Increase in total net assets	<u>\$ 98,659</u>	<u>\$ 342,857</u>
Net Increase in Net Assets	98,659	342,857
Adjustments to reconcile increase in total net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
(Increase) decrease in operating assets:		
Refunds Receivable	(2,500)	-
Legacy Gift Receivable	314,598	(314,598)
Deposits	4,000	(4,500)
Prepaid Rent	-	(1,012)
Security Deposit	-	(954)
Depreciation	8,745	10,299
Increase (decrease) in operating liabilities:		
Accrued Expenses	6,534	(1,025)
Accrued Payroll Taxes	4,288	(1,878)
Accrued Payroll	1,854	(1,818)
Lease Payable TWF' Office	(11,691)	27,275
PPP loan procurement - 2nd Loan	9,444	-
PPP loan forgiveness - 1st loan	(12,089)	12,089
Net Cash provided (Used) by operating activities	<u>421,842</u>	<u>66,735</u>
INVESTING ACTIVITIES		
Purchase of Investments	(175,701)	-
Fixed Assets, Computers	(8,719)	(435)
Fixed Assets, Furniture	(700)	-
Fixed Assets, Right to Use Office	11,691	(35,385)
Net Cash provided (Used) by Investing Activities	<u>(173,429)</u>	<u>(35,820)</u>
Net Cash Increase for the period	248,413	30,915
Cash Balance, beginning	<u>174,614</u>	<u>143,699</u>
Cash Balance, ending	<u>\$ 423,027</u>	<u>\$ 174,614</u>

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

**TWILIGHT WISH FOUNDATION.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 ORGANIZATION

Twilight Wish Foundation (The "Foundation"), is a not-for-profit organization incorporated under laws of the Commonwealth of Pennsylvania in December 2003. The Foundation was organized for charitable purposes. Their mission is to enrich the lives of deserving seniors through individual wish granting celebrations that connect generations. Their vision is to make our world a nicer place to age, one wish at a time. The Foundation seeks to increase awareness of the importance of thanking older generations and to provide a mechanism to facilitate elder wish granting. The major sources of revenue are in-kind services, donations, grants, corporate sponsorship and special events.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The Foundation's financial statements are prepared on the accrual basis of accounting in accordance with FASB ACS 958-205-45) Formerly SFAS 117), "*Financial Statements of Not-for-Profit Organizations*". Under FASB ACS 958-205-45, the Organization is required to report information regarding its financial position and activities including a description of donor-imposed restriction on the use of particular assets.

Financial Statement Presentation:

Net assets and revenues, gains and losses are classified into two classes of **net assets** based on **the existence** or absence or donor-imposed restrictions. The two classes of net asset categories are as follows:

Without Donor Restrictions – Net assets which are free of **donor-imposed restrictions**; all revenue, gains and losses that are not changes in purpose restricted, time restricted or **perpetually restricted**.

With Donor Restriction – Net assets whose use by the Organization is **limited** by donor-imposed stipulations.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Promises to Give and Contributions:

The Organization accounts for **contributions** received in accordance with FASB ASC 958-605-25 *Accounting for Contributions made*. Contributions are recognized **when the donor makes a promise to give** to the organization that is in substance, unconditional. Contributions received are recorded as **with donor restrictions** or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction **expires**, donor restricted net assets are reclassified to without donor restrictions and reported in the statement of activities as net assets from restrictions.

Net Assets with Donor Restrictions:

Donor restrictions are categorized as follows:

Purpose Restrictions - Net assets whose use is restricted for a specific purpose designated by the Donor.

Time Restricted – Restrictions that either expire by passage of time or that can be fulfilled or removed by actions of the Organization pursuant to those stipulations.

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

**TWILIGHT WISH FOUNDATION.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Net Assets with Donor Restrictions: (Cont'd)

Perpetual in Nature – Net assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor that can be fulfilled or otherwise removed by actions of the Organization.

Revenue Recognition:

Grants and contributions are considered unrestricted and available for general operations unless specifically restricted by the donor. The Foundation reports gifts and grants of cash and other assets as restricted if they are received with donor stipulations that limit the use of the donated assets as to a particular purpose or to future periods. When a stipulated time restriction ends or purpose restriction is accomplished, Donor restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from Donor restrictions.

Cash and cash equivalents:

In general, for purposes of the statement of cash flows, The Foundation considers all highly liquid investments with maturities of six months or less and certificates of deposit to be cash equivalents.

Investments:

Under SFAS No. 124, *Accounting for Certain Investments Held by Not-For-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Inventory:

Supplies and fundraising items purchased or donated for use in programs or for fundraising are carried at the lower of cost or market on the first in first out basis.

Property and Equipment and related depreciation:

Property and equipment are stated at cost. Expenditures for major additions, renewals and betterments are capitalized; conversely, expenditures for repairs and maintenance are charged to expense when incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is included in revenue or expenses. Depreciation of property and equipment is computed using the straight-line method over the estimated useful service lives of the assets ranging from one to five years. Depreciation expense for the year ended June 30, 2021 was \$8,745 and \$10,299 for 2020. Depreciation is provided on the straight-line basis over the estimated useful lives of the Property and Equipment which is estimated at 5 years.

Advertising and marketing:

Advertising and marketing costs are expensed as incurred. There was \$10,460 of advertising and marketing costs incurred for the year ended June 30, 2021 and \$4,557 during 2020.

Income Taxes:

The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Internal revenue Code. The Organization is also exempt from Pennsylvania taxation under the applicable provisions of the Commonwealth's non-profit organization statutes.

US GAO requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their income tax returns. Management has evaluated the impact of this standard on its financial statements and believes that there are no uncertain tax positions.

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

**TWILIGHT WISH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income Taxes: (Cont'd)

The income tax returns of the Foundation are subject to examination by the Internal Revenue Service and other taxing authorities, generally for three years after they are filed.

The Foundation recognizes accrued interest and penalties associated with uncertain tax positions, if any, as a miscellaneous expense. There were no income tax related interest and penalties recorded for the year ended June 30, 2021 and 2020

Functional Expense Allocation:

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. Depreciation, utilities, telephone/internet and repairs and maintenance are allocated based on the location of the asset or service. Salaries, payroll taxes, employee benefits, insurance, office supplies are allocated on the basis of estimates of time and effort. Other expenses are based on actual costs directly related to the program services and support services categories.

NOTE 3 IN-KIND DONATIONS AND DONATED SERVICES:

The Foundation follows the practice of recording the estimated value of materials and services as contributions in there is an objective basis available to measure the value of such materials and services. In-kind donations in the form of medical and other supplies for the Foundation's programs had an estimated value of \$35,562 and \$12,460 for the years ended June 30, 2021 and 2020 respectively.

There were \$170,800 of donated other services during the year ending June 30, 2021 compared to \$155,590 during 2020. Included in the Donated Services is the value of donated time from the Board Chair, other board members and Chapter Directors of the Foundation, which is calculated on the hours donated valued at a competitive hourly rate. This information is included in the financial statements because it is useful in understanding the magnitude of the organization's operations, including its dependency on these in-kind contributions.

The financial statements show Twilight Wish Foundation is a highly efficient non-profit, with 83% of total expense going directly to granting wishes and program services during the year ended June 30, 2021 and 82% during the year ended June 20, 2020. Donated services and in-kind products in the amount of \$206,362 comprise over 41% of the Foundation's total revenue of \$509,008, enabling the Foundation to continue its mission and to add value to the amount of every dollar donated in cash.

NOTE 4 LEASE:

The Financial Accounting Standards Board (FASB) has released new standards for lease accounting *Accounting Standards Update 2016-02 Leases*. The Foundation has implemented the new standard which requires operating leases greater than 12 months be reported as a "Right to Use" assets and the Lease payable be reported as a liability.

The Foundation entered into a thirty-six (36) month lease for office space on October 15, 2019 terminating on October 14, 2022 which is classified as an operating lease. Monthly rents are \$954.00 for the first year, \$982.652 for the second year and \$1,012.10 for the third year. Annual rents for the fiscal years ending June 30, 2021 and 2022 and partial year ending October 14, 2022 when the lease terminates are as follows:

Rental period	Rents
7/01/2021-6/30/2022	\$ 12,042.02
7/01/2022-10/14/2022	<u>3,542.35</u>
Total Rents	<u>\$ 15,584.55</u>

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

**TWILIGHT WISH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LEGACY GIFT RECEIVABLE:

For the year ended June 30, 2020, the Foundation was the 100% sole beneficiary of assets held in an account at Fidelity Brokerage Services, LLC. The inherited assets were reported at the Fair Market value (FMV) of assets held in the account as of the owner's date of death which was June 5, 2020 which was the best estimate of the value as of the account as of June 30, 2020. In the current fiscal year, an additional \$90,726 was paid from the holdings in the Fidelity Brokerage Services account and is recognized as income.

NOTE 6 NET ASSETS:

As of June 30, 2021, \$10,150 of net assets were identified as with donor restrictions. These funds are restricted by the donor for the purpose and use of granting wishes. The funds are recorded as purpose restricted until the wishes are granted. There were \$9,756 of net assets with donor restrictions as of June 30, 2020.

NOTE 7 PROPERTY AND EQUIPMENT:

Property and Equipment are summarized by major classification as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Computers	\$ 32,901	\$ 22,625
Equipment	6,460	6,460
Website	5,250	5,250
Furniture	2,253	1,553
Right to Use: TWF Office	<u>23,693</u>	<u>35,385</u>
Sub-total	<u>68,999</u>	71,273
Less: accumulated depreciation and amortization	<u>47,943</u>	<u>39,198</u>
	<u>\$ 21,056</u>	<u>\$ 32,075</u>

NOTE 8 FAIR VALUE MEASUREMENTS:

The Foundation reports **fair value measures** of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to **measure** fair value. **This** hierarchy, established by GAAP, requires that entities maximize the use of **observable inputs** and minimize the use of **unobservable inputs** when measuring fair value. The asset or liability's measurement **within** the fair value hierarchy **is** based on the lowest level of input that is significant to the measurement. The **three** levels of inputs used to measure fair value are as follows:

Level 1. Quoted prices for **identical assets or liabilities** in active markets to which the organization has access at the measurement date.

Level 2. Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value if observable inputs are not available.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy, as applicable:

Mutual Funds – Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

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

TWILIGHT WISH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 FAIR VALUE MEASUREMENTS: (Cont'd)

The following table sets forth the Foundation's investments at fair value within the fair value hierarchy as of June 30, 2021, using the net asset values of the shares held by the Foundation at year-end:

2021	Cost	Fair Value (Level 1)	Unrealized Gain
Mutual Funds – equities			
Large Cap	\$26,841	\$ 29,742	\$ 2,901
Index Funds	78,624	82,517	3,893
Bond Funds	48,259	48,960	701
Growth Funds	<u>21,976</u>	<u>24,723</u>	<u>2,747</u>
Total	\$176,699	\$185,942	\$10,241

NOTE 9 PAYROLL PROTECTION PROGRAM LOAN:

On May 16, 2020, the Foundation received \$12,089 under Payroll Protection Program (PPP) available to businesses due to the COVID-19 pandemic. These funds are disbursed by the Small Business Administration (SBA) through Customer Bank. Under the agreement with Customer Bank, these funds are treated as a loan with the maturity date of April 20, 2022. This loan was forgiven during the current year and is reflected on the statement of activities for the year ended June 30, 2021.

Additionally, the Foundation received a second Payroll Protection Program (PPP) loan on March 10, 2021 for \$9,444. According to the PPP Rules, the entire loan can be forgiven if a majority of the loan is spent on payroll and other pre-approved expenses. The Organization believes that almost all funds will be used for payroll and other approved expenses, and therefore, expects that the entire balance will be forgiven.

NOTE 10 SIGNIFICANT CONCENTRATION OF CREDIT RISK:

The Foundation maintains bank accounts in a single financial institution. The standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category. The Foundation maintains a sweep account with a separate financial institution if the cash balances exceed the maximum insured amount.

NOTE 11 LIQUIDITY:

As part of the Foundation's liquidity management, it has a goal to maintain cash and short-term investments on hand to meet 9 months of normal operating expenses, which on average total approximately \$180,133. Any cash in excess of daily requirements is invested in an interest-bearing savings account.

In addition, the foundation also has a line of credit from Customers Bank in the amount of \$25,000, which it could draw upon in the event of unanticipated liquidity need.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash	\$ 423,028
Donor Imposed Restrictions	<u>(10,150)</u>
Financial assets available to meet cash needs for general expenditures within 3 months	<u>\$ 412,878</u>

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

TWILIGHT WISH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 LITIGATION:

There Are no pending or threatened litigations, claims and/or assessments. As of the date of this report, the Foundation's legal counsel is unaware of any unasserted claims or assessments or any financing statements filed under the Uniform Commercial Code or any other assignment of the Foundation's assets.

NOTE 13 COVID-19

As a result of the COVID-19 outbreak in the United States, economic uncertainties have arisen that are likely to negatively impact public support and revenues. Voluntary, and then subsequently mandatory, shelter-in-place orders necessitated temporary business closing as the uncertainty continues. Though the extent of disruption is expensed is expected to be temporary, the extent of the financial impact and other possible impacting matters are unknown at this time.

NOTE 14 SUBSEQUENT EVENTS

As required by FASB ASC 85-10-50-1, subsequent events have been evaluated for the Twilight Wish Foundation from June 30, 2021 through the date of this report, which is the date the financial statements were available to be issued. During the subsequent period, the 2nd PPP loan of \$9,444 was forgiven and will be reflected on the June 30, 2022 statement of activities.