

Financial Statements

ALL SAINTS CHURCH

December 31, 2019



HENSIEK & CARON

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INDEPENDENT AUDITOR'S REPORT

To the Rector, Wardens and Vestry of
All Saints Church

We have audited the accompanying financial statements of All Saints Church (a nonprofit religious corporation), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and changes in net assets, cash flows and functional expenses 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 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.

Basis for Qualified Opinion

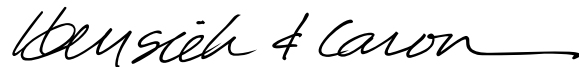
As described in Note 1 to the financial statements, the Church does not record depreciation in the financial statements. In our opinion, U.S. generally accepted accounting principles require that such depreciation be recorded. It was not practicable to determine the effects of the unrecorded depreciation on the financial statements.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of All Saints Church as of December 31, 2019, 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 All Saints Church's 2018 financial statements, and our report dated November 11, 2019, expressed a qualified opinion on those audited financial statements due to the church not recording depreciation. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Pasadena, CA
February 9, 2021

ALL SAINTS CHURCH
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019
WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2018

ASSETS

	2019		2018	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Assets				
Cash and cash equivalents	\$ 3,980,104	\$ 1,384,753	\$ 5,364,857	\$ 5,485,073
Pledges receivable	-	-	-	-
Prepaid expenses	29,044	-	29,044	28,554
Investments	-	2,009,015	2,009,015	1,785,975
Land, building and equipment	20,305,849	-	20,305,849	19,763,532
Total Assets	\$ 24,314,997	\$ 3,393,768	\$ 27,708,765	\$ 27,063,134

LIABILITIES AND NET ASSETS

Liabilities				
Accounts payable and accrued expenses	\$ 186,511	\$ -	\$ 186,511	\$ 140,991
Accrued salaries	81,801	-	81,801	103,254
Total Liabilities	268,312	-	268,312	244,245
Net Assets				
Without donor restrictions				
Board designated	1,989,282	-	1,989,282	1,776,562
Operating	22,057,403	-	22,057,403	21,583,391
With donor restrictions	-	3,393,768	3,393,768	3,458,936
Total Net Assets	24,046,685	3,393,768	27,440,453	26,818,889
Total Liabilities and Net Assets	\$ 24,314,997	\$ 3,393,768	\$ 27,708,765	\$ 27,063,134

ALL SAINTS CHURCH
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2018

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support, Revenue and Other Income				
Donations	\$ 4,465,540	\$ 583,548	\$ 5,049,088	\$ 5,374,288
Rental income	346,641	-	346,641	391,249
Investment returns	193,002	83,063	276,065	(116,387)
Trust income	-	4,153	4,153	12,630
Program income	67,170	-	67,170	75,950
Net assets released due to satisfaction of:				
Purpose restrictions	311,569	(311,569)	-	-
Time restrictions	424,538	(424,538)	-	-
Total Support, Revenue and Other Income	5,808,460	(65,343)	5,743,117	5,737,730
Expenses				
Program expenses				
Buildings and grounds	975,634	-	975,634	883,956
Worship	561,506	-	561,506	456,048
Diocesan pledge	480,000	-	480,000	480,000
Pastoral care	472,673	-	472,673	519,675
Children, youth & families	458,025	-	458,025	368,243
Music	301,714	-	301,714	487,406
Outreach	263,308	-	263,308	339,296
Program support	196,421	-	196,421	182,204
Parish life	155,841	-	155,841	96,062
Incorporation	106,776	-	106,776	56,807
Adult education	90,942	-	90,942	82,582
Total Program Expenses	4,062,840	-	4,062,840	3,952,279
Management and general	711,355	-	711,355	782,514
Stewardship	347,533	-	347,533	324,436
Total Expenses	5,121,728	-	5,121,728	5,059,229
Decrease in fair value of pledges	-	(175)	(175)	1,669
Total Expenses and Losses	5,121,728	(175)	5,121,553	5,060,898
Change in Net Assets	\$ 686,732	\$ (65,168)	\$ 621,564	\$ 676,832

ALL SAINTS CHURCH
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net Assets, December 31, 2017	\$ 22,498,000	\$ 3,644,057	\$ 26,142,057
Change in Net Assets - 2018	<u>861,953</u>	<u>(185,121)</u>	<u>676,832</u>
Net Assets, December 31, 2018	23,359,953	3,458,936	26,818,889
Change in Net Assets - 2019	<u>686,732</u>	<u>(65,168)</u>	<u>621,564</u>
Net Assets, December 31, 2019	<u>\$ 24,046,685</u>	<u>\$ 3,393,768</u>	<u>\$ 27,440,453</u>

ALL SAINTS CHURCH
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2018

	2019	2018
Cash Flows from Operating Activities		
Cash received from service recipients	\$ 413,811	\$ 467,199
Cash received from donors	5,053,241	5,389,487
Cash paid to suppliers and employees	(5,111,429)	(4,991,935)
Interest and dividends received	2,331	485
	357,954	865,236
Net Cash Provided by Operating Activities		
Cash Flows from Investing Activities		
Additions to land, building and equipment	(542,317)	(127,008)
Proceeds from sale of investments	64,232	102,571
Purchases of investments	(85)	(85)
	(478,170)	(24,522)
Net Cash Used in Investing Activities		
Net (Decrease) Increase in Cash	(120,216)	840,714
Cash, Beginning	5,485,073	4,644,359
Cash, Ending	\$ 5,364,857	\$ 5,485,073
Reconciliation of the Change in Net Assets		
To Net Cash Provided by Operating Activities		
Change in Net Assets	\$ 621,564	\$ 676,832
Adjustments to reconcile the change in net assets to net cash provided by operating activities		
Decrease in fair value of pledges	(175)	1,669
Realized and unrealized gains on investments	(287,187)	116,872
(Increase) Decrease in:		
Pledges receivable	175	900
Prepaid expenses and other assets	(490)	61,232
Increase (Decrease) in:		
Accounts payable	45,520	14,838
Accrued vacation	(21,453)	(7,107)
	357,954	865,236
Net Cash Provided by Operating Activities	\$ 357,954	\$ 865,236

ALL SAINTS CHURCH
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2018

	2019			2018	
	Programs	Management and General	Stewardship	Total	Total
Salaries	\$ 1,453,526	\$ 347,117	\$ 239,909	\$ 2,040,552	\$ 1,920,674
Diocesan pledge	480,000	-	-	480,000	480,000
Benefits	297,488	71,043	49,101	417,632	336,828
Program support and supplies	216,015	137,094	19,394	372,503	368,912
Outside services	256,260	65,331	-	321,591	327,602
Repairs and maintenance	285,096	-	-	285,096	235,995
Utilities	157,030	-	-	157,030	152,411
Payroll taxes	95,418	22,787	15,749	133,954	124,947
Housing	125,680	-	-	125,680	141,225
Retirement	87,418	20,876	14,428	122,722	122,032
Worship expenses	107,254	-	-	107,254	103,536
Computer expenses	93,461	-	-	93,461	82,761
Music expenses	73,550	-	-	73,550	190,402
Clergy pension	72,589	-	-	72,589	79,970
Insurance	56,532	-	-	56,532	56,947
Printing and copying	49,020	6,747	363	56,130	63,318
Outreach grants	46,852	-	-	46,852	117,237
Events and conferences	37,744	3,510	-	41,254	51,934
Taxes and licenses	37,675	-	-	37,675	43,169
Auto expense	23,208	-	-	23,208	18,105
Professional fees	-	21,249	-	21,249	15,145
Postage	11,024	1,228	8,589	20,841	13,495
Website	-	14,373	-	14,373	12,584
	<u>\$ 4,062,840</u>	<u>\$ 711,355</u>	<u>\$ 347,533</u>	<u>\$ 5,121,728</u>	<u>\$ 5,059,229</u>

ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Organization and Summary of Significant Accounting Policies

Organization – All Saints Church (the Church) was organized in 1895 as an inclusive, urban, liberal-spirited church committed to issues of social peace and justice and to the spirit of creativity in all aspects of life. The Church offers various ministries, worship and other activities to its members. The Church is part of the Diocese of Los Angeles; a community of 70,000 Episcopalians in 147 congregations, 40 schools and 20 institutions in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, and Ventura counties.

Public Support and Revenue – The Church reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Church, the environment in which it operates, the purposes specified in its corporate documents, its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

The Church's donor-restricted endowment funds, including the unspent appreciation of the endowment fund and the portion of the Church's donor-restricted endowment funds that the Church is committed to maintaining in perpetuity are classified in net assets with donor restrictions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

A substantial number of volunteers donate significant amounts of their time to the Church's programs and other services. However, since no objective basis exists for measuring and valuing these services, they are not reflected in the accompanying financial statements.

Cash and Cash Equivalents – All highly liquid investments with initial maturities of three months or less are considered to be cash equivalents.

Accounts Receivable – Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. There are no accounts receivable at December 31, 2019 and 2018.

ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Investments – Investments are valued at fair value, with realized and unrealized gains and losses reflected in the statements of activities. The fair value of investments is generally based on quoted market value.

Land, Building and Equipment – Land, building and equipment is stated at cost; assets acquired by gift or bequest are stated at market value at the date of acquisition. It is the Church's policy to capitalize expenditures for these items in excess of \$5,000. The Church does not provide for depreciation on its land, building and equipment.

Income Taxes – The Church is a nonprofit organization under Section 501(c)(3), and is not classified as a private foundation. Such organizations are not normally subject to income tax; therefore, no provision for income taxes is included in the statements.

The accounting standard on accounting for uncertainty in income taxes provides guidance on how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The Church believes that it has no uncertain tax positions that impact its financial statements.

Expense Allocation – Directly identifiable expenses are charged to programs and supporting services. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied based on periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Church.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 2 – Concentration of Credit Risk

The Church maintains its cash balances at various financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation or are backed by a federal or state government agency. At December 31, 2019, the Church's uninsured cash balances, as reported by the financial institutions, totaled \$4,869,572.

**ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Note 3 – Pledges Receivable

Unconditional promises to give (pledges) consist of the following:

	2019	2018
Receivable in less than one year	\$ 3,740,925	\$ 3,741,100
Receivable in one to five years	-	-
Thereafter	-	-
Total unconditional promises to give	3,740,925	3,741,100
Less discounts to net present value	-	-
Less allowance for uncollectible pledges	(3,740,925)	(3,741,100)
Net unconditional promises to give	\$ -	\$ -

The effective interest rate for the discount on receivables due in periods after one year is based on market interest rates in effect at the time of the pledge. The rate used in 2019 and 2018 was 1%. The pledges are restricted for renovations of existing buildings.

Note 4 – Investments and Fair Value Measurements

Fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2019 are as follows:

2019	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Money market funds	\$ 56,395	\$ 56,395	\$ -	\$ -
Pooled income funds	1,942,620	-	-	1,942,620
Community note	10,000	10,000	-	-
Investments	\$ 2,009,015	\$ 66,395	\$ -	\$ 1,942,620

Fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2018 are as follows:

2018	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Money market funds	\$ 56,251	\$ 56,251	\$ -	\$ -
Pooled income funds	1,719,724	-	-	1,719,724
Community notes	10,000	10,000	-	-
Investments	\$ 1,785,975	\$ 66,251	\$ -	\$ 1,719,724

**ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Note 4 – Investments and Fair Value Measurements (continued)

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

The reconciliation of the pooled investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

Balance at December 31, 2017	\$ 1,939,107
Distributions	(102,571)
Adjustments for change in valuation	<u>(116,812)</u>
Balance at December 31, 2018	\$ 1,719,724
Distributions	(64,233)
Adjustments for changes in valuation	<u>287,129</u>
Balance at December 31, 2019	<u><u>\$ 1,942,620</u></u>

Promises to Give – Fair Value Election

Unconditional promises to give are reported at net realizable value if at the time the promise is made payment is expected to be received in one year or less. Unconditional promises that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Institute elected that measure in accordance with SFAS No. 159, *The Fair Value Option of Financial Assets and Financial Liabilities*. Management believes that the use of fair value reduces the cost of measuring unconditional promises to give in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates.

Management considers the relationship with the donor, the donor's past history of making timely payments, and the donor's overall creditworthiness and incorporates this into a fair value measurement computation using present value techniques. The rate used in 2019 and 2018 was 1%. The interest element resulting from amortization of the discount for the time value of money, computed using the effective interest rate method, is reported as contribution income.

The table below presents information about unconditional promises to give at December 31, 2019 and 2018.

	2019	2018
Promises Measured at Fair Value		
Promised cash flows	\$ -	\$ -
Carrying amount	-	-
Fair value estimate	-	-
Measurement basis	Level 3	Level 3
Total changes included in the statement of activities	\$ (175)	\$ (1,669)
Promises Measured at Net Realizable Value		
Carrying amount	\$ -	\$ -
Total carrying amount for unconditional promises to give	\$ -	\$ -

ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 4 – Investments and Fair Value Measurements (continued)

The table below presents information about the changes in unconditional promises to give for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Beginning balance	\$ -	\$ 2,569
Collections	(175)	(900)
Contribution revenue	-	-
Management and general (write-offs)	175	(1,669)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Note 5 – Land, Building and Equipment

Land, building and equipment consist of the following:

	<u>2019</u>	<u>2018</u>
Land and buildings	\$19,557,269	\$19,096,969
Equipment	730,580	666,563
Construction in progress	18,000	-
	<u>\$20,305,849</u>	<u>\$19,763,532</u>

Note 6 – Line of Credit

The Church has a \$500,000 line of credit agreement with City National Bank, due and payable November 11, 2020, with an interest rate of the bank's prime rate, plus 1.25%, secured by accounts receivable, land, building and improvements and securities. At December 31, 2019 and 2018, there was no outstanding balance. Subsequent to year end, the line of credit was renewed for an additional year.

Note 7 – Pension Plan

The Church has a defined contribution retirement plan covering all non-clergy employees with one or more years of service at the Church. The Church contributes 5% of each non-clergy employee's eligible salary, and makes matching contributions up to 4% of the non-clergy employees' eligible salary. The Church's contribution to the plan for the years ended December 31, 2019 and 2018 was \$122,722 and \$122,032 respectively.

The Church also pays into an Episcopal Church pension plan for the clergy members. The Church contributes 18% of each clergy member's salary, including social security and housing allowances.

Note 8 – Trust Income

In 1929, the Church was named as the sole beneficiary to the income from an inter-vivos charitable trust. The distributions received by the Church are restricted to the Webb fund used for the relief of orphans and the elderly.

**ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Note 9 – Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following:

	<u>2019</u>	<u>2018</u>
Building campaign	\$ 2,071,066	\$ 2,182,013
Projects	147,840	132,999
Donations restricted for the upcoming year	402,471	424,538
Investment returns on endowment funds not yet appropriated for expenditure	171,227	118,222
	<u>2,792,604</u>	<u>2,857,772</u>
Endowment funds	601,164	601,164
Total net assets with donor restrictions	<u>\$ 3,393,768</u>	<u>\$ 3,458,936</u>

Note 10 – Endowment

The Church's endowment consists of one fund established for general operations. Its endowment includes only donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Warden and Vestry of the Church has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Church classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund and (d) amounts that have not been appropriated for by the Church in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Church considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Church, and (7) the Church's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The Church has adopted investment and spending policies, approved by the Vestry, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

**ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Note 10 – Endowment (continued)

Endowment assets are invested in money market funds, that are intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution equal to the lesser of 5% or the income generated by the underlying securities. The Church expects its endowment assets, over time, to produce an average rate of return of approximately 7% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy. The Church has a policy of appropriating for distribution each year an amount equal to the lesser of 5% or the income generated by the endowment assets for the prior year-end. In establishing this policy, The Church considered the long-term expected return on its investment assets, the nature and duration of the endowment fund, which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. This is consistent with the Church’s objective to maintain the purchasing power of the endowment assets.

Changes in donor-restricted endowment net assets are as follows:

	With Donor Restrictions
Endowment net assets, December 31, 2017	\$ 774,470
Investment income	(25,026)
Amounts appropriated for expenditure	(30,058)
Endowment net assets, December 31, 2018	719,386
Investment income	86,063
Amounts appropriated for expenditure	(30,058)
Endowment net assets, December 31, 2019	\$ 772,391

Note 11 – Liquidity and Availability of Financial Assets

The following reflects the Church’s financial assets at the statement of financial position date, reduced by amounts not available for general use within one year of the statement date because of contractual or donor-imposed restrictions. Financial assets at December 31, 2019 is comprised of:

Cash and cash equivalents	\$ 5,364,857
Investments	2,009,015
Total Financial Assets at December 31, 2019	7,373,874
Less those unavailable for general expenditures within one year:	
Perpetual endowments and accumulated earnings subject to appropriation beyond one year	742,333
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,631,541

ALL SAINTS CHURCH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 11 – Liquidity and Availability of Financial Assets

The Church has certain donor-restricted net assets that are available for general expenditures within one year of December 31, 2019, because the restrictions on the net assets are expected to be met by conducting the normal activities of the programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year.

The Church is substantially supported by contributions with restrictions and without restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Church must maintain sufficient resources to meet those responsibilities to its donors. Thus financial assets may not be available for general expenditure within one year. As part of the Church's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 12 – Subsequent Events

Subsequent events were evaluated through February 9, 2021, which is the date the financial statements were available to be issued. There were no subsequent events that would require adjustments or disclosures in these financial statements.

Coronavirus Pandemic

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Church's operations. Future potential impacts may include disruptions or restrictions on employees' ability to work or the ability to raise funds. The future effects of these issues are unknown.