THE LIGHTHOUSE FOUNDATION

FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2019 AND 2018
&
INDEPENDENT AUDITORS’ REPORT
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INDEPENDENT AUDITORS’ REPORT</strong></td>
<td>2</td>
</tr>
<tr>
<td><strong>FINANCIAL STATEMENTS:</strong></td>
<td></td>
</tr>
<tr>
<td>Statements of Financial Position</td>
<td>4</td>
</tr>
<tr>
<td>Statements of Activities</td>
<td>5</td>
</tr>
<tr>
<td>Statements of Functional Expenses</td>
<td>7</td>
</tr>
<tr>
<td>Statements of Cash Flows</td>
<td>9</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>10</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITORS’ REPORT

To the Board of Directors of
The Lighthouse Foundation:

We have audited the accompanying financial statements of The Lighthouse Foundation (the “Foundation”), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 The Lighthouse Foundation as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Foundation adopted new accounting policies relating to the recognition of revenue and contributions received. Prior year disclosures have been revised to reflect the modified retrospective and modified prospective applications of adopting these changes in accounting. Our opinion is not modified with respect to this matter.

McCall Scanlon & Tice, LLC
Pittsburgh, Pennsylvania
September 15, 2020
# THE LIGHTHOUSE FOUNDATION

## STATEMENTS OF FINANCIAL POSITION

### DECEMBER 31, 2019 AND 2018

### ASSETS

<table>
<thead>
<tr>
<th>Details</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$59,593</td>
<td>$60,943</td>
</tr>
<tr>
<td>Cash - board designated</td>
<td>250,000</td>
<td>-</td>
</tr>
<tr>
<td>Cash - restricted to use</td>
<td>101,065</td>
<td>78,057</td>
</tr>
<tr>
<td>Total cash</td>
<td>410,658</td>
<td>139,000</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>3,052</td>
<td>6,529</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>72,917</td>
<td>31,672</td>
</tr>
<tr>
<td>Vehicle inventory</td>
<td>4,191</td>
<td>8,892</td>
</tr>
<tr>
<td>Prepaid insurance</td>
<td>8,390</td>
<td>8,813</td>
</tr>
<tr>
<td>Total current assets</td>
<td>499,208</td>
<td>194,906</td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIPMENT, net</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,237,784</td>
<td>1,258,943</td>
</tr>
<tr>
<td><strong>LONG-LIVED ASSETS HELD FOR SALE, net</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>82,822</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$1,736,992</td>
<td>$1,536,671</td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Details</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT LIABILITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of notes payable</td>
<td>$7,585</td>
<td>$15,040</td>
</tr>
<tr>
<td>Current portion of capital lease obligation</td>
<td>4,219</td>
<td>4,023</td>
</tr>
<tr>
<td>Line of credit</td>
<td>22,000</td>
<td>58,000</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>7,752</td>
<td>10,302</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>5,071</td>
<td>4,698</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>46,627</td>
<td>92,063</td>
</tr>
<tr>
<td><strong>NONCURRENT LIABILITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes payable</td>
<td>98,115</td>
<td>102,144</td>
</tr>
<tr>
<td>Capital lease obligation</td>
<td>4,424</td>
<td>8,643</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>102,539</td>
<td>110,787</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>149,166</td>
<td>202,850</td>
</tr>
<tr>
<td><strong>NET ASSETS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>1,163,844</td>
<td>1,224,092</td>
</tr>
<tr>
<td>Board Designated</td>
<td>250,000</td>
<td>-</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>173,982</td>
<td>109,729</td>
</tr>
<tr>
<td>Total net assets</td>
<td>1,587,826</td>
<td>1,333,821</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$1,736,992</td>
<td>$1,536,671</td>
</tr>
</tbody>
</table>

See Notes To Financial Statements

- 4 -
THE LIGHTHOUS E FOUNDATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
<th>Board</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Undesignated</td>
<td>Designated</td>
<td></td>
</tr>
<tr>
<td>SUPPORT AND REVENUES:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Churches and institutions</td>
<td>$244,876</td>
<td>$ -</td>
<td>- $</td>
</tr>
<tr>
<td>Food bank</td>
<td>$20,512</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Vehicles</td>
<td>$66,634</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>$332,778</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Government grants - transitional housing</td>
<td>-</td>
<td>-</td>
<td>102,285</td>
</tr>
<tr>
<td>Private grants</td>
<td>-</td>
<td>-</td>
<td>202,902</td>
</tr>
<tr>
<td>Program income</td>
<td>$156,803</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous revenue</td>
<td>$71,088</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Donated rent</td>
<td>$102,048</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>$240,934</td>
<td>-</td>
<td>(240,934)</td>
</tr>
<tr>
<td>Total support and revenues</td>
<td>$1,235,673</td>
<td>-</td>
<td>64,253</td>
</tr>
</tbody>
</table>

EXPENSES:

Program services:

|                              |       |            |       |
| Transitional housing         | $379,046 | - | - | $379,046 |
| Food bank                    | $231,269 | - | - | $231,269 |
| Low income car ownership     | $187,546 | - | - | $187,546 |
| General programs             | $143,302 | - | - | $143,302 |
| Fundraising                  | $97,652 | - | - | $97,652 |
| Supporting services          | $159,801 | - | - | $159,801 |
| Total expenses               | $1,198,616 | - | - | $1,198,616 |

OTHER INCOME AND (EXPENSE):

|                              |       |            |       |
| Gain (loss) on sale of property and equipment | $4,743 | 250,000 | - | $254,743 |
| Donated rent expense          | (102,048) | - | - | (102,048) |
| Total other income and (expense) | (97,305) | 250,000 | - | 152,695 |

INCREASE (DECREASE) IN NET ASSETS

|                              |       |            |       |
| (60,248)                     | $250,000 | 64,253 | | 254,005 |

NET ASSETS, BEGINNING OF YEAR

|                              |       |            |       |
| 1,224,092                    | - | 109,729 | | 1,333,821 |

NET ASSETS, END OF YEAR

|                              |       |            |       |
| $1,163,844                   | $250,000 | $173,982 | $1,587,826 |

See Notes To Financial Statements
## THE LIGHTHOUSE FOUNDATION

### STATEMENT OF ACTIVITIES
**FOR THE YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPORT AND REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Churches and institutions</td>
<td>$ 211,403</td>
<td>-</td>
<td>$ 211,403</td>
</tr>
<tr>
<td>Food bank</td>
<td>18,301</td>
<td>-</td>
<td>18,301</td>
</tr>
<tr>
<td>Vehicles</td>
<td>100,706</td>
<td>-</td>
<td>100,706</td>
</tr>
<tr>
<td>Others</td>
<td>236,434</td>
<td>-</td>
<td>236,434</td>
</tr>
<tr>
<td>Government grants - transitional housing</td>
<td>-</td>
<td>30,872</td>
<td>30,872</td>
</tr>
<tr>
<td>Private grants</td>
<td>1,500</td>
<td>129,800</td>
<td>131,300</td>
</tr>
<tr>
<td>Program income</td>
<td>318,650</td>
<td>-</td>
<td>318,650</td>
</tr>
<tr>
<td>Miscellaneous revenue</td>
<td>48,363</td>
<td>-</td>
<td>48,363</td>
</tr>
<tr>
<td>Donated rent</td>
<td>76,538</td>
<td>-</td>
<td>76,538</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>293,917</td>
<td>(293,917)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support and revenues</strong></td>
<td>1,305,812</td>
<td>(133,245)</td>
<td>1,172,567</td>
</tr>
</tbody>
</table>

|                      |                            |                         |       |
| **EXPENSES:**        |                            |                         |       |
| Program services:    |                            |                         |       |
| Transitional housing | 364,668                    | -                       | 364,668 |
| Food bank            | 197,729                    | -                       | 197,729 |
| Low income car ownership | 240,351                   | -                       | 240,351 |
| General programs     | 161,923                    | -                       | 161,923 |
| Fundraising          | 98,612                     | -                       | 98,612 |
| Supporting services  | 140,273                    | -                       | 140,273 |
| **Total expenses**   | 1,203,556                  | -                       | 1,203,556 |

|                      |                            |                         |       |
| **OTHER INCOME AND (EXPENSE):** |                        |                         |       |
| Gain (loss) on sale of property and equipment | (731)                    | -                       | (731) |
| Donated rent expense  | (76,538)                   | -                       | (76,538) |
| **Total other income and (expense)** | (77,269)                  | -                       | (77,269) |

| **INCREASE (DECREASE) IN NET ASSETS** | 24,987 | (133,245) | (108,258) |

| **NET ASSETS, BEGINNING OF YEAR** | 1,199,105 | 242,974 | 1,442,079 |

| **NET ASSETS, END OF YEAR** | $ 1,224,092 | $ 109,729 | $ 1,333,821 |

See Notes To Financial Statements
## THE LIGHTHOUSE FOUNDATION

### STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Transitional Housing</th>
<th>Food Bank</th>
<th>LICO</th>
<th>General Programs</th>
<th>Fundraising</th>
<th>Supporting Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$168,933</td>
<td>$99,070</td>
<td>$25,831</td>
<td>$54,900</td>
<td>$27,196</td>
<td>$42,387</td>
<td>$418,317</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>14,398</td>
<td>8,418</td>
<td>2,214</td>
<td>4,667</td>
<td>2,335</td>
<td>3,616</td>
<td>35,648</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>14,962</td>
<td>6,375</td>
<td>1,471</td>
<td>4,076</td>
<td>1,345</td>
<td>6,015</td>
<td>34,244</td>
</tr>
<tr>
<td>Contracted labor</td>
<td>-</td>
<td>1,162</td>
<td>35,000</td>
<td>-</td>
<td>-</td>
<td>1,163</td>
<td>37,325</td>
</tr>
<tr>
<td>Vehicle expense</td>
<td>3,979</td>
<td>18,975</td>
<td>1,679</td>
<td>2,162</td>
<td>35</td>
<td>-</td>
<td>26,830</td>
</tr>
<tr>
<td>Fundraising expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>57,020</td>
<td>-</td>
<td>57,055</td>
</tr>
<tr>
<td>Direct program costs</td>
<td>7,026</td>
<td>206</td>
<td>33,447</td>
<td>27,304</td>
<td>-</td>
<td>-</td>
<td>67,983</td>
</tr>
<tr>
<td>Utilities</td>
<td>81,085</td>
<td>14,363</td>
<td>4,507</td>
<td>5,440</td>
<td>4,711</td>
<td>10,667</td>
<td>120,773</td>
</tr>
<tr>
<td>Accounting</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,018</td>
<td>29,018</td>
</tr>
<tr>
<td>Equipment and rental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>157</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>20,991</td>
<td>4,464</td>
<td>44</td>
<td>80</td>
<td>66</td>
<td>162</td>
<td>25,807</td>
</tr>
<tr>
<td>Advertising</td>
<td>-</td>
<td>-</td>
<td>9,618</td>
<td>-</td>
<td>-</td>
<td>330</td>
<td>9,948</td>
</tr>
<tr>
<td>Supplies</td>
<td>2,224</td>
<td>3,784</td>
<td>419</td>
<td>739</td>
<td>425</td>
<td>346</td>
<td>7,937</td>
</tr>
<tr>
<td>Printing and publishing</td>
<td>2,057</td>
<td>2,459</td>
<td>1,295</td>
<td>3,856</td>
<td>4,244</td>
<td>3,111</td>
<td>17,022</td>
</tr>
<tr>
<td>Insurance</td>
<td>23,808</td>
<td>9,977</td>
<td>1,290</td>
<td>-</td>
<td>5,089</td>
<td>40,164</td>
<td>40,164</td>
</tr>
<tr>
<td>Professional fees</td>
<td>-</td>
<td>85</td>
<td>594</td>
<td>-</td>
<td>11,839</td>
<td>12,518</td>
<td>12,518</td>
</tr>
<tr>
<td>Training</td>
<td>498</td>
<td>2,279</td>
<td>-</td>
<td>800</td>
<td>137</td>
<td>2,131</td>
<td>5,845</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>976</td>
<td>184</td>
<td>92</td>
<td>327</td>
<td>138</td>
<td>8,122</td>
<td>9,839</td>
</tr>
<tr>
<td>Food purchases</td>
<td>-</td>
<td>41,763</td>
<td>-</td>
<td>36,332</td>
<td>-</td>
<td>-</td>
<td>78,095</td>
</tr>
<tr>
<td>Cost of sales of donated LICO vehicles</td>
<td>-</td>
<td>-</td>
<td>71,335</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>71,335</td>
</tr>
<tr>
<td>Interest</td>
<td>6,134</td>
<td>599</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,742</td>
<td>8,475</td>
</tr>
<tr>
<td>Depreciation</td>
<td>31,975</td>
<td>16,949</td>
<td>-</td>
<td>1,294</td>
<td>-</td>
<td>34,063</td>
<td>84,281</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$379,046</strong></td>
<td><strong>$231,269</strong></td>
<td><strong>$187,546</strong></td>
<td><strong>$143,302</strong></td>
<td><strong>$97,652</strong></td>
<td><strong>$159,801</strong></td>
<td><strong>$1,198,616</strong></td>
</tr>
</tbody>
</table>

See Notes To Financial Statements
## THE LIGHTHOUSE FOUNDATION

### STATEMENT OF FUNCTIONAL EXPENSES
**FOR THE YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Transitional Housing</th>
<th>Food Bank</th>
<th>LICO</th>
<th>General Programs</th>
<th>Fundraising</th>
<th>Supporting Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$155,759</td>
<td>$65,690</td>
<td>$29,823</td>
<td>$86,921</td>
<td>$32,153</td>
<td>$49,562</td>
<td>$419,908</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>13,254</td>
<td>5,609</td>
<td>2,540</td>
<td>7,402</td>
<td>2,744</td>
<td>4,218</td>
<td>35,767</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>14,186</td>
<td>4,609</td>
<td>1,436</td>
<td>7,503</td>
<td>2,572</td>
<td>8,064</td>
<td>38,370</td>
</tr>
<tr>
<td>Contracted labor</td>
<td>-</td>
<td>900</td>
<td>39,667</td>
<td>-</td>
<td>-</td>
<td>900</td>
<td>41,467</td>
</tr>
<tr>
<td>Vehicle expense</td>
<td>6,739</td>
<td>17,361</td>
<td>1,796</td>
<td>1,535</td>
<td>24</td>
<td>33</td>
<td>27,488</td>
</tr>
<tr>
<td>Fundraising expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>53,874</td>
<td>-</td>
<td>53,874</td>
</tr>
<tr>
<td>Direct program costs</td>
<td>10,395</td>
<td>937</td>
<td>32,563</td>
<td>22,442</td>
<td>-</td>
<td>66</td>
<td>66,403</td>
</tr>
<tr>
<td>Utilities</td>
<td>73,492</td>
<td>17,698</td>
<td>1,837</td>
<td>3,917</td>
<td>880</td>
<td>5,905</td>
<td>103,729</td>
</tr>
<tr>
<td>Accounting</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equipment and rental</td>
<td>-</td>
<td>5,390</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,390</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>26,349</td>
<td>11,434</td>
<td>116</td>
<td>988</td>
<td>116</td>
<td>2,681</td>
<td>41,684</td>
</tr>
<tr>
<td>Advertising</td>
<td>-</td>
<td>-</td>
<td>9,727</td>
<td>1,786</td>
<td>199</td>
<td>11,726</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>991</td>
<td>8,505</td>
<td>541</td>
<td>1,107</td>
<td>461</td>
<td>1,345</td>
<td>12,950</td>
</tr>
<tr>
<td>Printing and publishing</td>
<td>1,546</td>
<td>3,036</td>
<td>1,682</td>
<td>4,008</td>
<td>3,481</td>
<td>2,507</td>
<td>16,260</td>
</tr>
<tr>
<td>Insurance</td>
<td>23,993</td>
<td>13,323</td>
<td>-</td>
<td>1,742</td>
<td>-</td>
<td>4,131</td>
<td>43,189</td>
</tr>
<tr>
<td>Professional fees</td>
<td>150</td>
<td>177</td>
<td>134</td>
<td>627</td>
<td>-</td>
<td>10,324</td>
<td>11,412</td>
</tr>
<tr>
<td>Training</td>
<td>-</td>
<td>90</td>
<td>-</td>
<td>385</td>
<td>38</td>
<td>3,794</td>
<td>4,307</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,009</td>
<td>464</td>
<td>232</td>
<td>835</td>
<td>483</td>
<td>4,832</td>
<td>7,855</td>
</tr>
<tr>
<td>Food purchases</td>
<td>-</td>
<td>30,590</td>
<td>-</td>
<td>19,556</td>
<td>-</td>
<td>-</td>
<td>50,146</td>
</tr>
<tr>
<td>Cost of sales of donated LICO vehicles</td>
<td>-</td>
<td>118,257</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>118,257</td>
</tr>
<tr>
<td>Interest</td>
<td>4,587</td>
<td>262</td>
<td>-</td>
<td>-</td>
<td>585</td>
<td>5,434</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>32,218</td>
<td>11,654</td>
<td>-</td>
<td>2,941</td>
<td>-</td>
<td>13,824</td>
<td>60,637</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$364,668</strong></td>
<td><strong>$197,729</strong></td>
<td><strong>$240,351</strong></td>
<td><strong>$161,923</strong></td>
<td><strong>$98,612</strong></td>
<td><strong>$140,273</strong></td>
<td><strong>$1,203,556</strong></td>
</tr>
</tbody>
</table>

See Notes To Financial Statements

- 8 -
## THE LIGHTHOUSE FOUNDATION

### STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in net assets</td>
<td>$254,005</td>
<td>$(108,258)</td>
</tr>
<tr>
<td>Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>84,281</td>
<td>60,637</td>
</tr>
<tr>
<td>Amortization of debt issuance costs</td>
<td>198</td>
<td>116</td>
</tr>
<tr>
<td>(Gain) loss on sale of property and equipment</td>
<td>(254,743)</td>
<td>731</td>
</tr>
<tr>
<td>(Increase) decrease in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>3,477</td>
<td>(6,529)</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>(41,245)</td>
<td>(2,262)</td>
</tr>
<tr>
<td>Vehicle inventory</td>
<td>4,701</td>
<td>16,551</td>
</tr>
<tr>
<td>Prepaid insurance</td>
<td>423</td>
<td>(4,771)</td>
</tr>
<tr>
<td>Increase (decrease) in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(2,550)</td>
<td>(1,312)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>373</td>
<td>(1,564)</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>48,920</td>
<td>(46,661)</td>
</tr>
</tbody>
</table>

| **CASH FLOWS FROM INVESTING ACTIVITIES:** |            |            |
| Proceeds from sale of property and equipment | 338,615    | -          |
| Purchases of property and equipment | (64,172)   | (238,926)  |
| Net cash provided by (used in) investing activities | 274,443  | (238,926)  |

| **CASH FLOWS FROM FINANCING ACTIVITIES:** |            |            |
| Principal payments on notes payable | (11,682)   | (13,908)   |
| Principal payments on capital lease obligation | (4,023)    | -          |
| Net change in line of credit | (36,000)   | 58,000     |
| Debt issuance costs paid | -          | (2,973)    |
| Net cash provided by (used in) financing activities | (51,705)  | 41,119     |

| **NET INCREASE (DECREASE) IN CASH** | 271,658    | (244,468)  |

| **CASH, BEGINNING OF YEAR** | 139,000    | 383,468    |

| **CASH, END OF YEAR** | $410,658   | $139,000   |

| **SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION,** |            |            |
| Interest paid | $8,277      | $5,318     |

| **SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:** |            |            |
| Assets acquired with debt | -          | $68,400    |
| Assets acquired with capital lease obligation | -          | $12,666    |

See Notes To Financial Statements - 9 -
1. **Nature of Operations and Summary of Significant Accounting Policies**

**Nature of Operations**

The Lighthouse Foundation (the “Foundation”) is a not-for-profit corporation established in December 1986. The Foundation provides the following programs:

**Housing Opportunities**

- The Foundation offers transitional housing to individuals and families to achieve their goals of education, employment, parenting skills, job training, and ultimately obtaining permanent housing.
- Safe Harbor is an interim housing program, which is jointly operated by the Foundation and Catholic Charities of Butler to provide temporary housing to homeless individuals or families until appropriate stable housing can be obtained.
- Johnny’s Place is a recovery-focused transitional housing which provides a safe, drug-free environment for residents to focus on recovery and achieve their goals.

**Food Programs**

- The Foundation offers a weekly food pantry to over 300 families which provides fresh produce, canned goods, meat, frozen food, and fresh bakery items.
- Wellness for Everyone is a nutrition and fitness education program designed to provide low income families the opportunity to learn healthier eating habits and discover the benefits of regular exercise.
- The Foundation has partnered with the Greater Pittsburgh Community Food Bank (“GPCFB”) to operate the Produce to People program, which is a monthly distribution of fresh produce for residents of Butler County at the Butler City Farmer’s Market.
- The Full Table Weekend Backpack Feeding program is also offered by the Foundation and Grace Community Church to provide needed food to children who would otherwise not have adequate access to food during the weekends or school breaks.

**Low Income Car Ownership (“LICO”)**

- The Foundation provides quality vehicles at a low cost to individuals/families who are able to maintain and insure the vehicle.
GENERAL PROGRAMS

- The Foundation also offers a Whole Life Ministry to help address the immediate and emergent financial needs of individuals, families, and seniors, and provide the first steps towards rehabilitation and development. Programs offered within this ministry include Jobs For Life, Faith and Finances, Emergency Financial Assistance, and Parenting Classes.
- The Foundation offers a six week class in basic computer, Microsoft Word, and Adobe Photoshop Elements.

BASIS OF ACCOUNTING

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, report all significant receivables, payables, and other liabilities as prescribed by accounting principles generally accepted in the United States of America (“GAAP”).

COMPARATIVE DATA

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

FINANCIAL STATEMENT PRESENTATION

Accounting Standards require the Foundation to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The following is a description of the two net asset categories:

NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of resources available for the various programs and administration of the Foundation, which have not been restricted by donor or grantor. During 2019, the Board designated $250,000 to obtain a long term headquarters for the Foundation.

NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are those assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time, or are those required to be maintained permanently by donors.
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. The Foundation considers all of its receivables to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary.

VEHICLE INVENTORY

The Foundation accepts contributions of vehicles for resale. These contributed vehicles are recorded at their National Automobile Dealers Association private party value at the date of receipt and are classified as vehicle inventory in the statements of financial position.

PROPERTY AND EQUIPMENT

It is the Foundation’s policy to capitalize property and equipment expenditures over $1,000. Purchased property and equipment is recorded at cost. Donated property and equipment is recorded at the estimated fair value on the date of transfer. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, which are generally 40 years for buildings and improvements to real property, 15 years for equipment, and 5 years for office equipment and software. Leasehold improvements are depreciated over the life of the lease.

LONG-LIVED ASSETS HELD FOR SALE

Long-lived assets held for sale in the accompanying statements of net position represents the assets associated with the Foundation’s previous office space. The Foundation measures its assets held for sale at the lower of the carrying amount or estimated fair value less costs to sell.
SUPPORT AND REVENUES

The Foundation’s primary funding sources consist of grants and contributions from local churches and other religious organizations and individuals, substantially all of whom are situated in or near Southwestern Pennsylvania. Support that is restricted by the donor and is received up front is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a donor-restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Program income is recognized when control of the promised goods or services is transferred to the Foundation’s residents or customers, in an amount that reflects the consideration the Foundation expects to be entitled to in exchange for those goods or services. Program income is recognized ratably over the period in which the program is offered.

USE OF ESTIMATES

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

DEBT ISSUANCE COSTS

Debt issuance costs represent costs associated with financing long-term debt. Accounting standards require that debt issuance costs be shown net of the related long-term debt. The costs are amortized over the term of the related debt and recorded as interest expense. Accumulated amortization was $314 and $116 as of December 31, 2019 and 2018, respectively. Amortization of debt issuance costs was $198 and $116 for the years ended December 31, 2019 and 2018, respectively.

INCOME TAXES

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation’s policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

In general, the Foundation’s tax positions for open tax years remain subject to examination by the tax authorities in the jurisdictions in which the Foundation operates.
ADOPTED PRONOUNCEMENTS

The requirements of the following Financial Accounting Standards Board ("FASB") statements were adopted for the Foundation's financial statements:

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). ASU 2014-09, along with related amendments, is a comprehensive new revenue recognition standard that supersedes most existing revenue recognition guidance under GAAP. The standard's core principle is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration it expects to be entitled in exchange for those goods or services. ASU 2014-09 prescribes a five-step process to accomplish this core principle, including: (1) identification of the contract with the customer; (2) identification of the performance obligation(s) under the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the identified performance obligation(s); (5) recognition of revenue as (or when) an entity satisfies the identified performance obligation(s). The Foundation adopted the new guidance effective January 1, 2019 using the modified retrospective approach and applied the new guidance to all open contracts at the date of adoption. The impact of adopting this standard on the Foundation's financial statements was not material and there was no cumulative transition adjustment required.

In June 2018, the FASB issued Accounting Standards Update ("ASU") 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, which reduces diversity in reporting by clarifying (1) whether transactions should be accounted for as contributions within the scope of Topic 958 or as exchange transactions subject to other guidance, and (2) whether a contribution is conditional. The amendment in ASU 2018-08 is effective for fiscal years beginning after December 15, 2018 and has been adopted utilizing the modified prospective approach. The Foundation adopted the new standard as of and for the year ended December 31, 2019, and there were no material changes to the statements of financial position, statements of activities, statements of functional expenses, or statements of cash flows as a result of the adoption.

SUBSEQUENT EVENTS

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through September 15, 2020, the date the financial statements were available to be issued.
Subsequent to December 31, 2019, there was a global outbreak of a new strain of coronavirus, COVID-19. The global and domestic response to the COVID-19 outbreak continues to rapidly evolve. Thus far, certain responses to the COVID-19 outbreak have included mandates from federal, state, and/or local authorities to mitigate the spread of the virus which have adversely impacted global commercial activity and has contributed to significant volatility in financial markets. The COVID-19 outbreak and associated responses could result in a material impact to the Foundation’s future results of operations, cash flows, and financial condition.

Also subsequent to December 31, 2019, the Foundation applied for and was approved a $81,895 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Foundation is eligible for loan forgiveness up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government.

2. GRANTS RECEIVABLE

Grants receivable consisted of the following as of December 31, 2019 and 2018:

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>12/31/18 Balance</th>
<th>Grants Awarded During 2019</th>
<th>Grants Received During 2019</th>
<th>12/31/19 Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butler County - CSBG</td>
<td>$2,272</td>
<td>$39,075</td>
<td>$8,630</td>
<td>$32,717</td>
</tr>
<tr>
<td>Butler County - HSDF &amp; HAP</td>
<td>20,800</td>
<td>57,210</td>
<td>60,810</td>
<td>17,200</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>-</td>
<td>6,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Total government grants</td>
<td>23,072</td>
<td>102,285</td>
<td>72,440</td>
<td>52,917</td>
</tr>
<tr>
<td>Private grants</td>
<td>8,600</td>
<td>202,902</td>
<td>191,502</td>
<td>20,000</td>
</tr>
<tr>
<td>Total</td>
<td>$31,672</td>
<td>$305,187</td>
<td>$263,942</td>
<td>$72,917</td>
</tr>
</tbody>
</table>
### Grants

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>12/31/17 Balance</th>
<th>Grants Awarded During 2018</th>
<th>Grants Received During 2018</th>
<th>12/31/18 Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butler County - CSBG</td>
<td>$1,000</td>
<td>$7,272</td>
<td>$6,000</td>
<td>$2,272</td>
</tr>
<tr>
<td>Butler County - HSDF &amp; HAP</td>
<td>28,410</td>
<td>23,600</td>
<td>31,210</td>
<td>20,800</td>
</tr>
<tr>
<td>Total government grants</td>
<td>29,410</td>
<td>30,872</td>
<td>37,210</td>
<td>23,072</td>
</tr>
<tr>
<td>Private grants</td>
<td>-</td>
<td>131,300</td>
<td>122,700</td>
<td>8,600</td>
</tr>
<tr>
<td>Total</td>
<td>$29,410</td>
<td>$162,172</td>
<td>$159,910</td>
<td>$31,672</td>
</tr>
</tbody>
</table>

### Property and Equipment, Net

A summary of property and equipment at December 31, 2019 and 2018 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and improvements</td>
<td>$1,253,116</td>
<td>$1,218,984</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>171,011</td>
<td>171,011</td>
</tr>
<tr>
<td>Equipment</td>
<td>110,384</td>
<td>102,246</td>
</tr>
<tr>
<td>Software</td>
<td>9,870</td>
<td>9,870</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>43,062</td>
<td>43,062</td>
</tr>
<tr>
<td>Vehicles</td>
<td>82,447</td>
<td>62,645</td>
</tr>
<tr>
<td>Land</td>
<td>134,019</td>
<td>134,019</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,803,909</td>
<td>1,741,837</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>566,125</td>
<td>482,894</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td><strong>$1,237,784</strong></td>
<td><strong>$1,258,943</strong></td>
</tr>
</tbody>
</table>

Depreciation expense was $84,281 and $60,637 for the years ended December 31, 2019 and 2018, respectively.
4. **LONG-LIVED ASSETS HELD FOR SALE, NET**

Long-lived assets held for sale, net were comprised of the following as of December 31, 2018:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and improvements</td>
<td>$ 417,711</td>
</tr>
<tr>
<td>Equipment</td>
<td>14,442</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>5,725</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$437,878</strong></td>
</tr>
</tbody>
</table>

Less accumulated depreciation | $355,056

Long-lived assets held for sale | $82,822

During May 2019, the Foundation sold the long-lived assets held for sale for approximately $338,000, which resulted in a gain of approximately $255,000.

5. **NOTES PAYABLE**

The Foundation has the following notes payable at December 31, 2019 and 2018:

<table>
<thead>
<tr>
<th>Note Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note payable to First National Bank of Pennsylvania, payable in 180 monthly installments. The first 60 installments will be at $845 with an annual interest rate of 4.97%. The remaining 120 installments will be at $539 with an annual interest rate based on The Federal Home Loan Bank of Pittsburgh Five Year Rate, plus a margin of 3.00%. All principal and accrued interest are due in January 2029. The note is secured by a first lien on the property at 819-821 East Brady Street, Butler, Pennsylvania.</td>
<td>$ 45,171</td>
<td>$ 49,144</td>
</tr>
<tr>
<td>Note payable to First National Bank of Pennsylvania, payable in monthly installments of $406 with the balance paid in full during November 2019, at an annual interest rate of 3.99%. The note was secured by the vehicle purchased.</td>
<td>-</td>
<td>4,368</td>
</tr>
</tbody>
</table>
Note payable to First National Bank of Pennsylvania, payable in 180 monthly installments. The first 60 installments will be at $526 with an annual interest rate of 4.50%. The remaining 120 installments will be at $581 with an annual interest rate based on The Federal Home Loan Bank of Pittsburgh Five Year Rate, plus a margin of 3.50%. All principal and accrued interest are due in May 2033. The note is secured by a first lien on the property at 450 E. Jefferson Street, Butler, Pennsylvania.

<table>
<thead>
<tr>
<th></th>
<th>63,188</th>
<th>66,529</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total notes payable</td>
<td>108,359</td>
<td>120,041</td>
</tr>
<tr>
<td>Less current portion</td>
<td>7,585</td>
<td>15,040</td>
</tr>
<tr>
<td>Less debt issuance costs</td>
<td>2,659</td>
<td>2,857</td>
</tr>
<tr>
<td>Long-term portion</td>
<td>$98,115</td>
<td>$102,144</td>
</tr>
</tbody>
</table>

Scheduled principal payments on notes payable are as follows:

<table>
<thead>
<tr>
<th>Years Ending December 31</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$7,585</td>
</tr>
<tr>
<td>2021</td>
<td>7,836</td>
</tr>
<tr>
<td>2022</td>
<td>8,258</td>
</tr>
<tr>
<td>2023</td>
<td>8,463</td>
</tr>
<tr>
<td>2024</td>
<td>8,812</td>
</tr>
<tr>
<td>Thereafter</td>
<td>67,405</td>
</tr>
<tr>
<td>Total</td>
<td>$108,359</td>
</tr>
</tbody>
</table>

6. LINE OF CREDIT

The Foundation had a secured line of credit with First National Bank, which was paid in full and closed during June 2019. The line of credit was in the amount of $100,000 with interest charged at the prime rate plus 0.5%. There was no outstanding balance as of December 31, 2019. The outstanding balance as of December 31, 2018 was $58,000.
The Foundation opened a secured line of credit in August 2019 with NexTier Bank. The line of credit is in the amount of $100,000 with interest charged at the prime rate (4.75% at December 31, 2019) plus 0.5%. The outstanding balance on this line of credit as of December 31, 2019 was $22,000.

7. Operating Leases

During 2016, the Foundation entered into a two year operating lease for equipment, which ended November 2018. Rent expense was $5,390 for the year ended December 31, 2018.

During April 2018, the Foundation entered into an operating lease for 7,850 square feet of office space that expires March 2026. The lease calls for base rent of $8,504 per month; however, the lessor is donating the office space to the Foundation. As a result, the Foundation has recorded $102,048 and $76,538 as donated rent income and expense on the statements of activities for the years ended December 31, 2019 and 2018, respectively.

8. Obligation Under Capital Lease

The Foundation entered into a capital lease agreement on December 31, 2018 to purchase a forklift, bearing interest at 4.75%. The lease is payable in 36 monthly installments of $378. The lease agreement is collateralized by the related forklift. The forklift held under this capital lease as of December 31, 2019 had a cost of $12,666 and accumulated depreciation of $1,809.

Scheduled capital lease payments are as follows for the years ending December 31:

<table>
<thead>
<tr>
<th>Years Ending December 31</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ 4,538</td>
</tr>
<tr>
<td>2021</td>
<td>4,538</td>
</tr>
<tr>
<td>Total</td>
<td>9,076</td>
</tr>
<tr>
<td>Less amount representing interest</td>
<td>(433)</td>
</tr>
</tbody>
</table>

Present value of net minimum lease payments | 8,643 |
Less current portion | (4,219) |

Long term obligation | $ 4,424 |
9. **Net Assets With Donor Restrictions**

Net assets with donor restrictions consisted of the following as of December 31, 2019 and 2018:

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>12/31/18 Balance</th>
<th>Grants Awarded During 2019</th>
<th>Net Assets Released During 2019</th>
<th>12/31/19 Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butler County - CSBG</td>
<td>$39,075</td>
<td>$39,075</td>
<td>$19,075</td>
<td>$20,000</td>
</tr>
<tr>
<td>Butler County - HSDF &amp; HAP</td>
<td>1,232</td>
<td>57,210</td>
<td>53,580</td>
<td>4,862</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>-</td>
<td>6,000</td>
<td>506</td>
<td>5,494</td>
</tr>
<tr>
<td>Private grants</td>
<td>108,497</td>
<td>202,902</td>
<td>167,773</td>
<td>143,626</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$109,729</strong></td>
<td><strong>$305,187</strong></td>
<td><strong>$240,934</strong></td>
<td><strong>$173,982</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>12/31/17 Balance</th>
<th>Grants Awarded During 2018</th>
<th>Net Assets Released During 2018</th>
<th>12/31/18 Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butler County - CSBG</td>
<td>$7,272</td>
<td>$7,272</td>
<td>$7,272</td>
<td>-</td>
</tr>
<tr>
<td>Butler County - HSDF &amp; HAP</td>
<td>31,000</td>
<td>23,600</td>
<td>53,368</td>
<td>1,232</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>-</td>
<td>5,200</td>
<td>5,200</td>
<td></td>
</tr>
<tr>
<td>Private grants</td>
<td>211,974</td>
<td>124,600</td>
<td>228,077</td>
<td>108,497</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$242,974</strong></td>
<td><strong>$160,672</strong></td>
<td><strong>$293,917</strong></td>
<td><strong>$109,729</strong></td>
</tr>
</tbody>
</table>

10. **Donated Goods And Services**

During the years ended December 31, 2019 and 2018, the Foundation’s food programs distributed approximately 683,000 pounds and 852,000 pounds, respectively, of donated products received from the GPCFB. The fair value of the donated products is determined by the GPCFB, and approximates $1.1 million and $1.3 million for the years ended December 31, 2019 and 2018, respectively. The contract with the GPCFB does not transfer control (i.e. variance power) of the donated products to the Foundation; therefore, the Foundation has not recognized the fair value of the donated products on the accompanying financial statements.

A substantial number of volunteers have donated significant amounts of their time to the Foundation’s program services. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers’ time does not meet the criteria for recognition under Accounting Standards.
11. FUNCTIONAL ALLOCATIONS OF EXPENSES

Expenses are summarized and categorized based upon their functional classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis (i.e. time and effort) that was consistently applied.

12. CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances in three financial institutions located in Pittsburgh, Pennsylvania. The balances are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000. The Foundation’s uninsured cash balances totaled $105,238 as of December 31, 2019. The Foundation did not have any uninsured cash balances that exceeded the FDIC limit as of December 31, 2018.

13. LIQUIDITY

In managing the Foundation’s financial assets, an important consideration is to ensure sufficient liquidity. Financial asset liquidity as of December 31, 2019 is as follows:

<table>
<thead>
<tr>
<th>Financial assets, at year end:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$410,658</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>3,052</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>72,917</td>
</tr>
<tr>
<td><strong>Total financial assets at year end</strong></td>
<td><strong>486,627</strong></td>
</tr>
</tbody>
</table>

Less those unavailable for general expenditures within one year, due to,

<table>
<thead>
<tr>
<th>Board designations,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>250,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Donor restrictions:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>101,065</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>72,917</td>
</tr>
<tr>
<td><strong>Total donor restrictions</strong></td>
<td><strong>423,982</strong></td>
</tr>
</tbody>
</table>

**Financial assets available to meet cash needs for general expenditures within one year** $ 62,645

The Foundation is primarily supported by donations, grants, and program revenues, which are used to provide services to individuals and families in northern Allegheny and Butler Counties, as well as pay for the management and administrative expenses of the Foundation.