

ASSISTING LIVES IN LAS VEGAS
FINANCIAL STATEMENTS
MAY 31, 2025 AND 2024

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FINANCIAL STATEMENTS
MAY 31, 2025 AND 2024**

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Independent Auditor's Report

To the Board of Directors of
Assisting Lives In Las Vegas

Opinion

We have audited the accompanying financial statements of Assisting Lives in Las Vegas (a nonprofit organization), which comprise the statements of financial position as of May 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assisting Lives in Las Vegas (the "Organization") as of May 31, 2025 and 2024, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Ellsworth & Stout, LLC

Las Vegas, Nevada
August 18, 2025

ASSISTING LIVES IN LAS VEGAS
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 825,384	\$ 718,127
Investments	4,571,108	3,743,779
Other receivables	-	20,000
Prepaid expenses and other assets	5,628	16,300
Inventory	412,565	608,433
Total current assets	<u>5,814,685</u>	<u>5,106,639</u>
Property and Equipment, net	3,326,513	3,499,556
Other Assets:		
Investments	<u>759,547</u>	<u>759,547</u>
Total Assets	<u><u>\$ 9,900,745</u></u>	<u><u>\$ 9,365,742</u></u>
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 43,347	\$ 41,982
Deferred membership dues	<u>19,910</u>	<u>21,945</u>
Total current liabilities	<u>63,257</u>	<u>63,927</u>
Net Assets:		
Without donor restrictions	7,907,114	7,212,431
With donor restrictions	<u>1,930,374</u>	<u>2,089,384</u>
Total net assets	<u>9,837,488</u>	<u>9,301,815</u>
Total Liabilities and Net Assets	<u><u>\$ 9,900,745</u></u>	<u><u>\$ 9,365,742</u></u>

See accompanying notes to the financial statements.

**ASSISTING LIVES IN LAS VEGAS
STATEMENTS OF ACTIVITIES
YEARS ENDED MAY 31, 2025 AND 2024**

	2025	2024
Net Assets without Donor Restrictions		
Revenue and other support:		
Thrift store revenues:		
Contributions of merchandise	\$ 824,279	\$ 789,219
Sales of donated merchandise	678,902	773,888
Less value of merchandise sold	(678,902)	(773,888)
Special events, net of expenses of \$8,892 and \$8,442	12,898	9,984
Contributions and other	518,417	409,640
Membership dues and other fees	28,293	25,111
Net assets released from donor restrictions	498,761	162,127
	<u>1,882,648</u>	<u>1,396,081</u>
Expenses:		
Program services	887,152	1,123,432
Supporting services:		
Fundraising - Thrift Shop	259,152	258,407
Management and general	58,785	55,266
Membership development	50,178	49,970
	<u>1,255,267</u>	<u>1,487,075</u>
Other income (expense):		
Investment income, net of expenses of \$46,105 and \$42,012	79,189	63,708
Loss on disposals of assets	(40,890)	-
Net realized and unrealized gain (loss) on investments	174,381	311,878
Change in accounting estimate	(145,378)	-
Total other income	<u>67,302</u>	<u>375,586</u>
Increase in net assets without donor restrictions	<u>694,683</u>	<u>284,592</u>
Net Assets with Donor Restrictions		
Contributions	214,063	-
Investment income	36,019	23,857
Net realized and unrealized loss on investments	89,669	174,651
Net assets released from donor restrictions	(498,761)	(162,127)
Increase (decrease) in net assets with donor restrictions	<u>(159,010)</u>	<u>36,381</u>
Increase in Net Assets	535,673	320,973
Net Assets, Beginning of Year	9,301,815	8,980,842
Net Assets, End of Year	<u>\$ 9,837,488</u>	<u>\$ 9,301,815</u>

See accompanying notes to the financial statements.

ASSISTING LIVES IN LAS VEGAS
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2025
(With Summarized Financial Information For The Year Ended May 31, 2024)

	Program Services								2024 Total Programs
	Our School Boutique	Scholarships	AL's Closet	Community Outreach	Desert Sage Programs	Bear Program	Other	2025 Total Programs	
Depreciation	\$ 55,394	\$ -	\$ 6,924	\$ 6,924	\$ 6,765	\$ 6,924	\$ 4,314	\$ 87,245	\$ 83,752
Education	97	-	97	243	98	50	97	682	1,258
Member relations	-	-	-	-	-	-	-	-	-
National dues	-	-	-	-	-	-	-	-	-
Occupancy expenses	117,904	-	11,769	11,769	11,506	11,769	7,325	172,042	159,066
Office supplies and other	11,748	-	636	1,046	621	636	396	15,083	10,129
Professional services	19,358	-	1,936	2,581	2,581	1,936	2,581	30,973	30,257
Program supplies	335,799	-	67,001	25,124	12,538	16,358	4,130	460,950	638,072
Public relations and advertising	8,990	-	2,214	2,214	2,214	2,214	1,772	19,618	16,578
Scholarships	-	100,559	-	-	-	-	-	100,559	184,320
	<u>\$ 549,290</u>	<u>\$ 100,559</u>	<u>\$ 90,577</u>	<u>\$ 49,901</u>	<u>\$ 36,323</u>	<u>\$ 39,887</u>	<u>\$ 20,615</u>	<u>\$ 887,152</u>	<u>\$ 1,123,432</u>

See accompanying notes to the financial statements.

ASSISTING LIVES IN LAS VEGAS
STATEMENTS OF FUNCTIONAL EXPENSES – CONTINUED
YEAR ENDED MAY 31, 2025
(With Summarized Financial Information For The Year Ended May 31, 2024)

	Supporting Services				2025	2024
	Fundraising - Thrift Shop	Management and General	Membership Development	Total Supporting Services	Total Functional Expenses	Total Functional Expenses
Depreciation	\$ 53,318	\$ 13,849	\$ -	\$ 67,167	\$ 154,412	\$ 149,558
Education	49	877	97	1,023	1,705	6,289
Member relations	-	-	20,211	20,211	20,211	17,821
National dues	-	-	14,235	14,235	14,235	14,350
Occupancy expenses	130,060	23,564	-	153,624	325,666	323,096
Office supplies and other	38,652	1,979	602	41,233	56,316	44,856
Professional services	19,358	16,302	8,388	44,048	75,021	67,268
Program supplies	-	-	-	-	460,950	638,072
Public relations and advertising	17,715	2,214	6,645	26,574	46,192	41,445
Scholarships	-	-	-	-	100,559	184,320
	<u>\$ 259,152</u>	<u>\$ 58,785</u>	<u>\$ 50,178</u>	<u>\$ 368,115</u>	<u>\$ 1,255,267</u>	<u>\$ 1,487,075</u>

See accompanying notes to the financial statements.

ASSISTING LIVES IN LAS VEGAS
STATEMENTS OF CASH FLOW
YEARS ENDED MAY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Increase in net assets	\$ 535,673	\$ 320,973
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Depreciation	154,412	149,558
Loss on sale of assets	40,890	-
Net realized and unrealized gain on investments	(264,050)	(486,529)
Changes in operating assets and liabilities:		
(Increase) decrease in other receivables	20,000	(20,000)
(Increase) decrease in prepaid expenses and other assets	10,672	4,538
(Increase) decrease in inventory	195,868	(19,553)
Increase (decrease) in accounts payable and accrued expenses	1,365	14,161
Increase (decrease) in deferred membership dues	(2,035)	1,935
Net cash provided by (used in) operating activities	<u>692,795</u>	<u>(34,917)</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(22,259)	(18,420)
Proceeds from sale of investments	2,599,973	1,526,143
Purchase of investments	(3,163,252)	(1,446,498)
Net cash provided by (used in) investing activities	<u>(585,538)</u>	<u>61,225</u>
Net Change in Cash and Cash Equivalents	107,257	26,308
Cash and Cash Equivalents, Beginning of Year	<u>718,127</u>	<u>691,819</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 825,384</u></u>	<u><u>\$ 718,127</u></u>

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies for Assisting Lives in Las Vegas (the “Organization”) is presented to assist in understanding the Organization’s financial statements. The financial statements and notes are representations of the Organization’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of the Organization

The Organization is a nonprofit corporation registered in Nevada. The accompanying financial statements include the activities of the Organization. The Organization provides the following programs:

- Our School Boutique is a philanthropic program that provides a week’s worth of new clothing, shoes and other essentials to students from kindergarten through eighth grade in the Clark County School District (“CCSD”).
- The Scholarships program provides need-based financial assistance to Clark County students who plan to attend trade, two-year, or four-year schools in Nevada.
- AL’s Closet is an on-site clothing closet in at-risk, low-income schools, providing new clothing to children with immediate needs.
- Desert Sage, our evening auxiliary has a program called Angel Assistance which provides non-profit county hospitals with baby health care essentials. They also partner with UNLV and CCSD to assist graduating seniors that qualify as Unaccompanied Homeless by providing these students with gift cards for their daily needs as well as helping with the purchase of students’ textbooks.
- Operation Bear Hug provides teddy bears to firefighters, police, and other local agencies for children in crisis.

The Organization’s support and revenues come primarily from contributions and other fundraising efforts including special events and the operation of a thrift shop.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The Organization presents a classified statement of financial position with additional qualitative information about availability of resources and liquidity in Note 2.

The accompanying financial statements have been presented in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations, principally Accounting Standard Codification (“ASC”) 958, *Not-for-Profit Entities*. Under ASC 958 (as amended by Accounting Standards Update (“ASU”) 2016-14), the Organization is required to report information regarding its financial position and changes in financial position according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The classification of net assets is based on the existence or absence of donor-imposed restrictions. Net assets are released by donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

Concentration of Credit and Market Risk

Cash and cash equivalents are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of May 31, 2025, the Organization had no uninsured balances at these institutions. The Organization has not experienced any losses on its cash or cash equivalents.

The Organization has investments in a various brokerage firms, which at times may exceed amounts covered by the Securities Investor Protection Corporation (“SIPC”). SIPC protects up to \$500,000 of the Organization’s securities of which \$250,000 may be free cash balances. The brokerage firm accounts have excess SIPC like coverage to cover the net equity of customer accounts subject to an aggregate firm limit. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to investments.

Inventory

The Organization maintains an inventory of new clothing, shoes and health kits for use in its programs that is stated at cost determined by the average cost method.

The Organization also maintains inventory for resale in a thrift shop operated by the Organization. During the current fiscal year, the Board of Directors elected not to perform a physical inventory count. This decision was based on a cost-benefit analysis, which concluded that the cost of conducting a physical count would outweigh the benefits to the users of the financial statements.

In accordance with accounting principles generally accepted in the United States of America (“GAAP”) and the Organization’s accounting policies, thrift shop inventory is typically stated at fair market value at the date of donation. However, due to the absence of a physical count and the uncertainty surrounding the valuation of inventory on hand, the Board of Directors determined that reporting a zero balance for inventory on the statement of financial position would be the most conservative approach. This treatment is intended to avoid the risk of overstating assets and aligns with the principle of prudence in financial reporting. The Board of Directors believes this approach does not materially misstate the financial position of the Organization and is consistent with the overall objective of providing reliable and relevant financial information to stakeholders.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in marketable equity and debt securities that do not qualify as cash equivalents are reported at fair value based on quoted market prices on national exchanges. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that the estimated fair values may differ from the amount that might ultimately be realized, and those differences could be material. Gains or losses on sales of investments are determined on a specific cost identification method. Sales and purchases of investments are recognized based upon trade date of each transaction. Unrealized gains and losses are determined based on year-end fair value fluctuations.

Property and Equipment

The Organization capitalizes significant expenditures for property and equipment at cost, generally those that exceed \$1,000. Property and equipment that are contributed to the Organization are recorded at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range between five to thirty-nine years.

Deferred Revenue

Membership dues collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues relate.

Revenue Recognition

All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

Contributions may be considered conditional or unconditional. A conditional contribution exists if both a) one or more barriers exist and b) the right of return to the contributor for assets transferred (or a right of release of the promisor from its obligation) depends on overcoming the stated barriers before a recipient is entitled to the assets transferred or promised. In cases of ambiguous donor stipulations or stipulations that are not clearly unconditional, contributions are presumed to be conditional. Conditional contributions are recognized when conditions have been substantially met or waived by the donor. Unconditional contributions are recognized when received or when the right to receive is obtained through documentation.

Thrift store revenue is related to clothing or consignment sales. The performance obligation is satisfied when a transfer of goods has taken place. Revenue is recognized at a point in time when sales occur.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Materials and Services

Generally, donated materials, if significant in amount, are recorded at their fair market value, provided the Organization has a clearly measurable and objective basis for determining the fair value. Used clothing and household items donated by Organization members and others for resale by a thrift shop operated by the Organization are also reflected as donated merchandise. In the case of materials where such values cannot reasonably be determined, the donation is not recorded.

Donated professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Unpaid volunteers have donated their time to the Organization's programs. The value of such services has not been reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition as contributed services.

During the years ended May 31, 2025 and 2024, these volunteers donated 65,187 and 66,846 hours with an estimated value of \$2,267,856 and \$2,238,673, respectively. This value was computed using an estimated hourly rate of \$34.79 and \$33.49 for fiscal years ended May 31, 2025 and 2024, respectively, based upon the Organization's estimation.

Income Taxes

In September 1976, the Organization received notification from the Internal Revenue Service that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a public charity under Section 509(a)(1) and 170(b)(1)(A)(vi). Therefore, no provision for income taxes is made in the accompanying financial statements.

Management has evaluated the tax positions taken within their tax returns and does not believe there are any significant uncertain positions taken on the returns. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

The Organization is no longer subject to potential income tax examinations by tax authorities for years for which the statute of limitations has expired.

Allocation Methodology

The statement of functional expenses presents expenditures by both their nature and their function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on management's estimate of time and effort and also incorporates square footage and use of space, except for expenses that are considered direct expenses.

Advertising

Advertising costs are expensed as incurred.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 2 – LIQUIDITY AND AVAILABILITY

As of May 31, 2025, the Organization has \$1,377,055 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$591,411 and investments of \$785,644. As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Contractual or donor-imposed restrictions are not available for general expenditure. Amounts not available include amounts set aside for investing in the board-designated reserve for one year of operating expenses of \$1,828,700 and a board-designated reserve for philanthropic purposes of \$1,000,000 that could be drawn upon if the governing board approves the action (as further discussed in Note 6 and 7).

The reserve is for one year of operating expenses and was not included because the intention of the designation was to support unanticipated liquidity needs and not general expenditure. Although the Organization does not intend to spend from its board-designated reserves other than amounts appropriated for general expenditure as part of its annual budget approval and appropriate process, amounts from its board-designated reserves could be made available if necessary.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Organization measures certain financial assets and liabilities at fair value on a recurring basis, and certain non-financial assets and liabilities on a nonrecurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Fair value disclosures are reflected in a three-level hierarchy, maximizing the use of observable inputs and minimizing the use of unobservable inputs. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.

Level 2 – inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

Fair values of assets measured as of May 31, 2025 are as follows:

	Total	Level 1	Level 2	Level 3
<u>Recurring fair value measurements:</u>				
Fixed maturities	\$ 1,501,156	\$ 1,332,047	\$ 169,109	\$ -
Mutual funds	3,765,238	3,765,238	-	-
Stocks and ETFs	64,261	64,261	-	-
	<u>\$ 5,330,655</u>	<u>\$ 5,161,546</u>	<u>\$ 169,109</u>	<u>\$ -</u>

Fair values of assets measured as of May 31, 2024 are as follows:

	Total	Level 1	Level 2	Level 3
<u>Recurring fair value measurements:</u>				
Fixed maturities	\$ 1,254,945	\$ 1,145,306	\$ 109,639	\$ -
Mutual funds	3,197,279	3,197,279	-	-
Stocks and ETFs	51,102	51,102	-	-
	<u>\$ 4,503,326</u>	<u>\$ 4,393,687</u>	<u>\$ 109,639</u>	<u>\$ -</u>

To limit exposure to concentrations of credit risk, the Organization's investment policy limits investments in certain categories. The fair value of Level 2 investments is based on a market approach with prices obtained from third-party pricing services. Observable inputs used to value these investments can include, but are not limited to, reported trades, benchmark yields, issuer spreads and nonbinding broker quotes.

The Board of Directors reviews and approves the Organization's fair value measurement policies and procedures on an as-needed basis. The finance committee and the Board determine if the valuation techniques used in fair value measurements are still appropriate. The policies, procedures, and valuation techniques used in fair value measurements have remained unchanged for the years ended May 31, 2025 and 2024.

NOTE 4 – INVENTORY

Inventory consisted of the following as of May 31:

	2025	2024
New items to be used in Our School Boutique program	\$ 383,838	\$ 429,781
Used clothing etc. for sale at Thrift Shop (see Note 1)	-	145,378
New clothing for use in the AL's Closet program	28,727	33,274
	<u>\$ 412,565</u>	<u>\$ 608,433</u>

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of May 31:

	2025	2024
Building and improvements	\$ 4,727,510	\$ 4,766,971
Equipment	77,586	77,586
Furniture and fixtures	163,588	163,588
Land	1,023,927	1,023,927
Website	4,900	-
	<u>5,997,511</u>	<u>6,032,072</u>
Less: accumulated depreciation	<u>(2,670,998)</u>	<u>(2,532,516)</u>
	<u><u>\$ 3,326,513</u></u>	<u><u>\$ 3,499,556</u></u>

Depreciation expense for the years ended May 31, 2025 and 2024 was \$154,412 and \$149,558, respectively.

NOTE 6 – NET ASSETS

Net Assets without Donor Restrictions

The Organization's governing board has designated, from net assets without donor restrictions, amounts for the purpose of maintaining an operating reserve and establishing a fund for philanthropic purposes. Net assets without donor restrictions consisted of the following as of May 31:

	2025	2024
Designated reserve for one year's operating expenses	\$ 1,828,700	\$ 1,603,600
Designated reserve for philanthropic purposes	1,000,000	1,000,000
Undesignated	<u>5,078,414</u>	<u>4,608,831</u>
Total net assets without donor restrictions	<u><u>\$ 7,907,114</u></u>	<u><u>\$ 7,212,431</u></u>

Net Assets with Donor Restrictions

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 6 – NET ASSETS (Continued)

Net assets with donor restrictions consisted of the following as of May 31:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specified purpose and/or passage of time:		
Endowment income, restricted for programs and building improvements	\$ 956,764	\$ 845,907
Our School Boutique	204,954	-
Reynolds program grant, restricted program activities	-	483,930
Thrift Shop Programs	9,109	-
	<u>1,170,827</u>	<u>1,329,837</u>
Not subject to appropriation or expenditure:		
Endowments held in perpetuity	<u>759,547</u>	<u>759,547</u>
Total net assets with donor restrictions	<u><u>\$ 1,930,374</u></u>	<u><u>\$ 2,089,384</u></u>

Net assets with donor restrictions consist of cash and cash equivalents of \$214,063 and \$0 and investments of \$1,716,311 and \$2,089,384 as of May 31, 2025 and 2024, respectively.

NOTE 7 – ENDOWMENT

The Organization's endowment fund is summarized as follows for the years ended May 31:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 23,384	\$ 17,137
Investments	<u>1,964,711</u>	<u>1,828,837</u>
	<u><u>\$ 1,988,095</u></u>	<u><u>\$ 1,845,974</u></u>

The Organization's endowment funds include donor-restricted funds and board designated endowments. As required by generally accepted accounting principles ("GAAP"), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

In accordance with the Organization's interpretation of applicable laws and as set forth in the endowment declarations, the Organization has the following endowment funds: (a) Philanthropic Endowment includes donor-stipulated perpetual endowment principal of which generated income is unrestricted and can be used to support programs of the Organization, and (b) Building Endowment includes donor-stipulated perpetual endowment principal of which generated income has a purpose restriction for the maintenance and repairs of the Organization's building. The management of the endowments is delegated to an outside investment manager.

NOTE 7 – ENDOWMENT (Continued)

Interpretation of Relevant Law (Continued)

The Board of Trustees of the Organization has interpreted the State Prudent Management of Institutional Funds Act (“SPMIFA”) 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 Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the donor-restricted endowment fund
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 Organization
7. The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment fund while also maintaining the purchasing power of those endowment assets. Endowment assets include those assets of donor-designated funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results while assuming a low level of investment risk.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. In accordance with U.S. GAAP, there were no deficiencies of this nature reported in net assets with donor restrictions as of May 31, 2025 and 2024.

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
MAY 31, 2025 AND 2024

NOTE 7 – ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions if needed, while growing the fund if possible. 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 and How the Investment Objectives Relate to Spending Policy

The Organization's spending policy is limited to earned income of 5%, as determined on an annual basis. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment fund, and the effects of inflation. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Endowment net asset composition by type of fund as of May 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 1,716,312	\$ 1,716,312
Board-designated endowment funds	271,783	-	271,783
	<u>\$ 271,783</u>	<u>\$ 1,716,312</u>	<u>\$ 1,988,095</u>

Changes in endowment net assets as of May 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning	\$ 233,938	\$ 1,612,036	\$ 1,845,974
Contributions	-	-	-
Investment income (loss)	39,528	125,688	165,216
Appropriation of endowment assets for expenditure	(1,683)	(21,412)	(23,095)
Endowment net assets, ending	<u>\$ 271,783</u>	<u>\$ 1,716,312</u>	<u>\$ 1,988,095</u>

ASSISTING LIVES IN LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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NOTE 8 – SPECIAL EVENTS

The Organization conducts fundraising events to help fund current operations. The revenue and related expenses from such events for the year ended May 31, 2025, are as follows:

Event	Revenue	Cost of Direct Benefits to Attendees	Net Revenue
Holiday Bazaar & Other	\$ 21,790	\$ 8,892	\$ 12,898

The revenue and related expenses from such events for the year ended May 31, 2024, are as follows:

Event	Revenue	Cost of Direct Benefits to Attendees	Net Revenue
Holiday Bazaar & Other	\$ 17,904	\$ 7,920	\$ 9,984

NOTE 9 – SUBSEQUENT EVENTS

Management of the Organization has evaluated subsequent events through August 18, 2025, which is the date the financial statements were available to be issued. No events were identified that would require disclosure.