

L'ARCHE CLEVELAND, INC.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018



L'ARCHE CLEVELAND, INC.

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July 24, 2020

The Board of Directors
L'Arche Cleveland, Inc.
Cleveland, Ohio

Independent Auditors' Report

We have audited the accompanying financial statements of L'Arche Cleveland, Inc. (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, 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 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 auditors' 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 circumstance, 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 financial statement presentation.

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 L'Arche Cleveland, Inc. as of December 31, 2019 and 2018 and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Koester, DiSalvo and Fried

L'ARCHE CLEVELAND, INC.
STATEMENTS OF FINANCIAL POSITION

	ASSETS		
	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>	<u>Increase (Decrease)</u>
Current Assets			
Cash and cash equivalents	\$ 342,411	\$ 238,028	\$ 104,383
Grants and accounts receivable	130,728	108,338	22,390
Current portion l/t receivable	2,156	-	2,156
Prepaid expenses	8,673	-	8,673
Investments-S/T	<u>165,713</u>	<u>147,246</u>	<u>18,467</u>
Total Current Assets	649,681	493,612	156,069
Property and Equipment			
Vehicles	146,216	152,738	(6,522)
Furniture & fixtures	11,882	9,596	2,286
Office equipment	31,330	31,330	-
Residences & land	365,992	475,094	(109,102)
Less: accumulated depreciation	<u>(384,667)</u>	<u>(412,058)</u>	<u>27,391</u>
Net Property and Equipment	170,753	256,700	(85,947)
Other Assets			
Deposits	1,214	1,214	-
Loan receivable	118,778	-	118,778
Less current portion	(2,156)	-	(2,156)
Other	<u>1,700</u>	<u>1,700</u>	<u>-</u>
Total Other Assets	<u>119,536</u>	<u>2,914</u>	<u>116,622</u>
TOTAL ASSETS	<u>\$ 939,970</u>	<u>\$ 753,226</u>	<u>\$ 186,744</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND NET ASSETS

	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>	Increase (Decrease)
Current Liabilities			
Accounts payable	\$ 24,147	\$ 12,943	\$ 11,204
Accrued expenses	2,112	2,727	(615)
Taxes withheld	3,733	2,378	1,355
Accrued payroll expenses	54,426	50,886	3,540
Accrued compensated absences	<u>41,258</u>	<u>34,665</u>	<u>6,593</u>
Total Current Liabilities	125,676	103,599	22,077
Long-Term Liabilities			
Total Liabilities	125,676	103,599	22,077
Net Assets			
Without donor restrictions	814,294	649,627	164,667
With donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Assets	<u>814,294</u>	<u>649,627</u>	<u>164,667</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 939,970</u>	<u>\$ 753,226</u>	<u>\$ 186,744</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support			
State & county grants	\$ -	\$ 1,215,582	\$ 1,215,582
Social Security support	-	65,956	65,956
Other grants	-	23,000	23,000
Contributions-non cash	48,398	-	48,398
Contributions	63,796	-	63,796
Miscellaneous	21,672	-	21,672
Investment income	21,255	-	21,255
Gain on disposal of fixed assets	16,701	-	16,701
Released from restrictions	<u>1,304,538</u>	<u>(1,304,538)</u>	<u>-</u>
Total Revenue and Support	1,476,360	-	1,476,360
Expenses			
Program expenses	1,054,199	-	1,054,199
Management services	220,086	-	220,086
Fundraising expenses	<u>37,408</u>	<u>-</u>	<u>37,408</u>
Total Expenses	<u>1,311,693</u>	<u>-</u>	<u>1,311,693</u>
Change in Net Assets	164,667	-	164,667
Net assets at beginning of year	<u>649,627</u>	<u>-</u>	<u>649,627</u>
NET ASSETS AT END OF YEAR	<u>\$ 814,294</u>	<u>\$ -</u>	<u>\$ 814,294</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support			
State & county grants	\$ -	\$ 1,239,125	\$ 1,239,125
Social Security support	-	65,908	65,908
Other grants	-	12,000	12,000
Contributions	57,833	-	57,833
Miscellaneous	3,851	-	3,851
Interest income	(4,504)	-	(4,504)
Released from restrictions	<u>1,317,033</u>	<u>(1,317,033)</u>	<u>-</u>
Total Revenue and Support	1,374,213	-	1,374,213
Expenses			
Program expenses	1,099,556	-	1,099,556
Management services	182,751	-	182,751
Fundraising expenses	<u>29,551</u>	<u>-</u>	<u>29,551</u>
Total Expenses	<u>1,311,858</u>	<u>-</u>	<u>1,311,858</u>
Change in Net Assets	62,355	-	62,355
Net assets at beginning of year	<u>587,272</u>	<u>-</u>	<u>587,272</u>
NET ASSETS AT END OF YEAR	<u>\$ 649,627</u>	<u>\$ -</u>	<u>\$ 649,627</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Program Expenses</u>	<u>Management Services</u>	<u>Fundraising Expenses</u>	<u>Total</u>
Salaries and Related Costs				
Salaries	\$ 707,019	\$ 110,506	\$ 28,203	\$ 845,728
Employee benefits	59,133	9,373	2,392	70,898
Payroll taxes	62,744	8,364	2,483	73,591
	<hr/>	<hr/>	<hr/>	<hr/>
Total Salaries and Related Costs	828,896	128,243	33,078	990,217
Allowances	7,200	-	-	7,200
Computer / technology expense	6,824	1,082	276	8,182
Depreciation	29,298	1,747	-	31,045
Dues & subscriptions	25,896	5,389	-	31,285
Food	37,701	-	-	37,701
Insurance	8,355	1,324	338	10,017
Licenses and fees	5,521	-	-	5,521
Medical expense	3,241	-	-	3,241
Maintenance	22,708	-	-	22,708
Miscellaneous	2,145	19,562	2,512	24,219
Foundation grant expenses	-	-	240	240
Office expense	-	6,841	964	7,805
Outside services	10,200	-	-	10,200
Postage	-	276	-	276
Professional fees	-	35,034	-	35,034
Lease-equipment	5,504	839	-	6,343
Rent	-	16,781	-	16,781
Travel expense	10,452	62	-	10,514
Security	937	-	-	937
Supplies	9,744	-	-	9,744
Telephone	710	2,906	-	3,616
Taxes	150	-	-	150
Utilities	25,681	-	-	25,681
Training	2,430	-	-	2,430
Transportation	10,606	-	-	10,606
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 1,054,199</u>	<u>\$ 220,086</u>	<u>\$ 37,408</u>	<u>\$ 1,311,693</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program Expenses</u>	<u>Management Services</u>	<u>Fundraising Expenses</u>	<u>Total</u>
Salaries and Related Costs				
Salaries	\$ 737,999	\$ 93,141	\$ 20,362	\$ 851,502
Employee benefits	77,733	9,510	2,732	89,975
Payroll taxes	59,696	7,664	1,737	69,097
	<hr/>	<hr/>	<hr/>	<hr/>
Total Salaries and Related Costs	875,428	110,315	24,831	1,010,574
Allowances	7,200	-	-	7,200
Computer / technology expense	7,061	916	200	8,177
Depreciation	29,116	-	-	29,116
Dues & subscriptions	21,024	478	-	21,502
Food	45,525	-	-	45,525
Insurance	8,666	654	187	9,507
Licenses and fees	5,604	-	-	5,604
Medical expense	1,840	-	-	1,840
Maintenance	27,743	-	-	27,743
Miscellaneous	4,725	3,437	3,333	11,495
Foundation grant expenses	-	-	1,000	1,000
Office expense	-	6,256	-	6,256
Outside services	14,607	-	-	14,607
Postage	-	571	-	571
Professional fees	-	32,789	-	32,789
Lease-equipment	-	5,929	-	5,929
Rent	-	16,448	-	16,448
Security checks	615	-	-	615
Travel expense	3,360	4,958	-	8,318
Supplies	5,187	-	-	5,187
Telephone	3,974	-	-	3,974
Utilities	24,694	-	-	24,694
Training	3,610	-	-	3,610
Transportation	9,577	-	-	9,577
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 1,099,556</u>	<u>\$ 182,751</u>	<u>\$ 29,551</u>	<u>\$ 1,311,858</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED

	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>
Cash Flows From Operating Activities		
Change in Net Assets	\$ 164,667	\$ 62,355
Adjustments to Reconcile Change in Net Assets to Net		
Cash Provided by Operating Activities		
Depreciation and Amortization	31,045	29,116
(Gains) on sales of		
Fixed Assets	(16,701)	-
Investments	(18,467)	8,451
(Increase) Decrease in Operating Assets:		
Accounts receivable	(22,390)	16,645
Prepays	(8,673)	8,856
Increase (Decrease) in Operating Liabilities:		
Accounts payable	10,589	(5,622)
Payroll taxes	1,355	(13,012)
Accrued liabilities	10,134	(3,206)
Total Adjustments	<u>(13,108)</u>	<u>41,228</u>
Net Cash Provided By Operating Activities	151,559	103,583
Cash Flows From Investing Activities		
Proceeds from sale of fixed asset	120,000	-
Collection of long term receivable	1,221	-
Issue long term receivable	(120,000)	
(Purchase) of investments	-	(3,947)
(Purchase) of property and equipment	<u>(48,397)</u>	<u>(27,280)</u>
Net Cash (Used in) Investing Activities	(47,176)	(31,227)
Cash Flows From Financing Activities		
Net Cash Provided By Financing Activities	<u>-</u>	<u>-</u>
Net Increase In Cash and Cash Equivalents	104,383	72,356
Cash and Cash Equivalents at Beginning of Period	<u>238,028</u>	<u>165,672</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 342,411</u>	<u>\$ 238,028</u>
Supplemental information		
The amount of interest paid on all indebttness was	<u>\$ -</u>	<u>\$ -</u>

The Accompanying Notes are an Integral Part of These Financial Statements

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1- Description of Organization

- A. Purpose- L'Arche Cleveland, Inc. (L'Arche) is a not for profit, incorporated, faith-based community/agency which provides homes and services to adults with developmental disabilities. Individuals with and without developmental disabilities create home and shared life together in this intentional community through relationships of mutuality. The principal sources of public support for the organization are the Ohio Department of Developmental Disabilities and the Cuyahoga County Board of Developmental Disabilities. These organizations stipulate how the monies they provide may be used.
- B. Tax Status- The organization is tax exempt under Section 501 (c) (3) of the Internal Revenue Code.

NOTE 2- Summary of Significant Accounting Policies

- A. General Methods- The accompanying financial statements have been prepared as prescribed in the American Institute of Certified Public Accountants' guide for Not-For-Profit Organizations.
- B. Accrual Basis- The organization records transactions on an accrual basis.
- C. Statements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC)

ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, issued in August 2016 by the FASB, requires a not-for-profit (NFP) to present on the face of the statement of financial position amounts for two classes of net assets (without donor restrictions and with donor restrictions) rather than the previously required three classes. The amendments also enhance disclosures about the amount and purposes of board designations, appropriations, and similar actions and qualitative and quantitative information that communicates how an NFP manages its liquid resources available to meet cash needs within one year of the statement of financial position date. Additional disclosures are required surrounding the amounts of expenses by both their natural classification and the method(s) used to allocate costs among program and support functions. The effective date for this ASU is for fiscal years beginning after December 15, 2017.

As required by ASU No. 2016-14, contributions received are recorded as support without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. For the years ended December 31, 2019 and 2018, there were no net assets with donor restrictions. During fiscal year ended December 31, 2019, \$1,304,538 net assets were released from restrictions, all of which were by expenditure. During fiscal year ended December 31, 2018, \$1,317,033 net assets were released from restrictions by expenditure. There were no net assets released by time for fiscal year ended December 31, 2019 or 2018.

See Auditors' Report

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019 AND 2018

NOTE 2- Summary of Significant Accounting Policies (continued)

L'Arche complies with FASB ASC 958-605-25, which affects the timing of revenue recognition with regard to donor restricted net assets. For service contracts, if any, L'Arche complies with FASB Topic 606, Revenue from Contracts with Customers

- D. Depreciation-Property and equipment are depreciated using the straight-line method over estimated useful lives. (See Note 6- Property and Equipment)
- E. 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 at the date of financial statements and the amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- F. Donated Goods and Services- L'Arche complies with FASB ASC 958-605, Revenue recognition for donated goods and services. In accordance with accounting principles generally accepted in the United States of America, only those services which require a specialized skill and would have been purchased had the service not been donated are recorded as an in-kind donations and corresponding expenses.

During fiscal year ended 2019, L'Arche received \$48,398 in donated goods, which were recorded as revenue and an increase in property and equipment. No amounts have been reflected in the statement of activities for donated services for 2019 or 2018.

- G. L'Arche complies with FASB ASC 958-320, which requires that investments in debt securities and some equity securities be reported at fair market value, with gains and losses included in the statement of activities and changes in net assets. The standard also established rules for reporting losses on investments held because of a donor's stipulation to invest a gift in perpetuity or for a specified term.
- H. L'Arche complies with FASB ASC 740- Accounting for Uncertainty in Income Taxes. FASB ASC 740 details how companies should recognize, measure, present and disclose uncertain tax positions that have been or are expected to be taken. As such, the financial statements would reflect expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the position and all relevant facts, if they existed. Management believes that there are no uncertain tax positions. The organization's tax years that remain subject to examination by the Internal Revenue Service are 2016 and forward.

See Auditors' Report

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019 AND 2018

NOTE 2- Summary of Significant Accounting Policies (continued)

- I. Recently issued pronouncements - From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) and are adopted by the organization as of the specified effective date. Unless otherwise discussed, the organization believes that the impact of other recently issued accounting pronouncements will not have a material impact on its financial position, statements of activities, changes in net deficit, and cash flows, or do not apply to the organization's operations.
- J. Advertising Costs- L'Arche expenses advertising costs when incurred.
- K. Investments (if any)- Initial valuation- Pursuant to FASB ASC 958-320 and FASB ASC 958-325, L'Arche initially measures investments at acquisition cost (including brokerage cost and transaction fees) if they are purchased. If they are received as a donation they are recorded at estimated fair value.

Subsequent valuation- L'Arche complies with FASB ASC 958-320, which requires investments in equity securities with readily determined fair value and all investments in debt securities to be measured at fair value in the statement of financial position. With regard to other investments, such as real estate, L'Arche values the investment at lower of cost or management's estimate of fair value.

Valuation hierarchy- FASB ASC 820-10-50 Fair Value Measurements and Disclosures requires categorization of applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). For L'Arche the financial assets and liabilities reported at fair value are based upon quoted prices for identical assets or liabilities in an active market (Level 1).

NOTE 3- Cash

There are no bank restrictions on cash accounts. All funds are held in federally-insured institutions. Cash includes all highly-liquid debt instruments purchased with an original maturity of three months or less. Cash balances may, at times, exceed the Federal Deposit Insurance Corporation limit. L'Arche has not experienced any losses and believes that it is not exposed to any significant credit risk related to cash.

NOTE 4- Grants and Accounts Receivable

L'Arche considers all receivables to be fully collectible, based upon review of specific receivables; accordingly, no allowance for doubtful accounts is required.

See Auditors' Report

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019 AND 2018

NOTE 5- Investments

As discussed in Note 2(G), L'Arche complies with FASB 958-320, which requires that investments in equity securities with a readily determined fair market value and all investments in debt securities be measured at fair value in the statement of financial position. Gains or losses are included in the statement of activities and change in net assets. The cost and value are as follows:

Unrestricted Investments held at Charles Schwab:

	<u>2019</u>		<u>2018</u>	
	<u>Cost</u>	<u>FMV</u>	<u>Cost</u>	<u>FMV</u>
Money market funds	\$ 43,662	\$ 40,173	\$ 42,302	\$ 40,302
Certificates of Deposit	-	-		
Bond funds	54,608	56,627	56,498	57,033
Equity Funds	<u>63,372</u>	<u>68,913</u>	<u>57,488</u>	<u>49,911</u>
Unrestricted Investments	<u>\$161,642</u>	<u>\$165,713</u>	<u>\$156,288</u>	<u>\$147,246</u>

The intention of the board is to observe the guidelines of a five percent (5%) spending policy, multiplied by the average market value of the fund for the twelve consecutive calendar quarters ending the previous June 30th. The principal of the fund may be distributed upon the affirmative vote of a majority of the voting members of the executive committee. Investment fees paid during 2019 and 2018 were \$0 and \$0.

NOTE 6- Property and Equipment

Property and equipment are stated at cost, if purchased or at the fair market value on the date of donation, if donated. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of assets as follows:

<u>Category</u>	<u>Estimated Useful Life</u>
Residence	15 and 27.5 Years
Furniture and fixtures	7 Years
Equipment	5 Years
Vehicle	5 Years

Maintenance and Repairs- Costs of maintenance and repairs are charged to expense. Costs of renewals and betterments, where significant in amount, are capitalized. L'Arche owns three properties which are used as residences for its core members.

- East 127th Street, Cleveland, Ohio
- Monticello Drive, Cleveland, Ohio

- Rochelle Drive, Maple Heights, Ohio

See Auditors' Report

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019 AND 2018

Note 6-Property and Equipment (Continued)

Operations of L'Arche are also conducted at three additional locations in the Cleveland area, which are not owned or leased by L'Arche. These are residences where the core members pay the rental expenses directly to the property owners.

NOTE 7- Long term receivable

During fiscal year 2019, L'Arche sold one of its houses and accepted a long-term loan receivable as payment. The loan receivable requires monthly payments of \$573 and is secured by the property located at Monticello. Interest is calculated at 5%

NOTE 8- Other

L'Arche received a donation of a cemetery plot. The plot is valued at management's estimate of the net proceeds L'Arche will receive when the plot is sold.

NOTE 9- Income Taxes

L'Arche is a not-for-profit organization exempt from income taxes under section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been reported in the financial statements.

NOTE 10-Operating Leases

L'Arche leases:

- A. Office space at the Shaker West Professional Building, located at 11811 Shaker Boulevard, Cleveland, Ohio. The lease, which requires monthly payments of \$1,325, expires November 30, 2020.
- B. A copier, which requires monthly payments of \$457 through June 16, 2021.

The following is a schedule of the future minimum lease payments:

2020	\$ 20,059
2021	2,742
2022	-
2023	-
2024	-
Thereafter	-
	<u>\$22,801</u>

See Auditors' Report

L'ARCHE CLEVELAND, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019 AND 2018

NOTE 11- Functional Allocation of Expenses

The cost of providing the programs and other activities has been summarized on a functional basis in the statement of functional expenses. Expenses are charged to each program as incurred. Minor, incidental expenses are allocated among the programs and supporting services benefited based on management estimates.

NOTE 12- Contingencies

Part of the services L'Arche provides to its core members is assistance with the management of their financial affairs. Although L'Arche is insured against the possibility of mismanagement of core member funds, the organization is responsible for the insurance deductible of \$10,000.

NOTE 13- Retirement Plan

L'Arche terminated its retirement plan during fiscal year ended December 31, 2018.

NOTE 14- Special Events

L'Arche held special events during the years ended December 31,

	<u>2019</u>	<u>2018</u>
Event Revenue	\$ 3,103	\$ 4,020
Direct Expenses	<u>(61)</u>	<u>(915)</u>
Total	<u>\$ 3,042</u>	<u>\$ 3,105</u>

These amounts are included in miscellaneous income.

NOTE 15- Subsequent Events

L'Arche has evaluated subsequent events through August 15, 2020; which is the date the financial statements were available to be issued.

NOTE 16-Liquid Assets Available for General Expenditures

L'Arche's policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. All of the current assets, shown on L'Arche's Statement of Financial Position are available for general expenditures within one year of the date of the financial statements, with the exception of current assets restricted or designated for specific purposes, as described in Note 2(C)-Summary of Significant Accounting Policies. Of course, receivables are subject to implied time restrictions but are expected to be collected within one year.

See Auditors' Report