

Oxford Educational Foundation

Financial Statements

June 30, 2022 and 2021

Oxford Educational Foundation
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Independent Accountant's Review Report

To the Board of Directors of
Oxford Educational Foundation
Oxford, PA

Review of June 30, 2022 Financial Statements

I have reviewed the accompanying financial statements of Oxford Educational Foundation (a Pennsylvania nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

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.

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Oxford Educational Foundation and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Compilation of June 30, 2021 Financial Statements

The accompanying June 30, 2021 financial statements of Oxford Educational Foundation were previously compiled by me, and in my report dated October 5, 2021, I stated that I did not express an opinion, a conclusion, nor provide any assurance on the June 30, 2021 financial statements. I have not performed any compilation procedures since that date.

Julian Sur, CPA
Berwyn, Pennsylvania



December 2, 2022

Oxford Educational Foundation
Statements of Financial Position
June 30, 2022 and 2021
(See Independent Accountant's Review Report)

	<u>Reviewed 2022</u>	<u>Compiled 2021</u>
	<u>Assets</u>	
Assets:		
Cash & cash equivalents	\$ 111,557	\$ 130,994
Investments	496,543	358,091
Total current assets	<u>608,100</u>	<u>489,085</u>
Beneficial interest in CCCF Fund	399,755	425,417
Total assets	<u>\$ 1,007,855</u>	<u>\$ 914,502</u>
	<u>Liabilities and Net Assets</u>	
Liabilities:		
Accounts payable & accruals	\$ 3,500	\$ 1,300
Total current liabilities	<u>3,500</u>	<u>1,300</u>
Net assets without donor restrictions	215,304	113,279
Net assets with donor restrictions	789,051	799,923
Total net assets	<u>1,004,355</u>	<u>913,202</u>
Total liabilities and net assets	<u>\$ 1,007,855</u>	<u>\$ 914,502</u>

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

Oxford Educational Foundation
Statements of Activities
June 30, 2022 and 2021
(See Independent Accountant's Review Report)

	Reviewed 2022			Compiled 2021		
	With Donor Restrictions	Without Donor Restrictions	Total	With Donor Restrictions	Without Donor Restrictions	Total
Public Support and Revenues						
Contributions	\$ 147,532	\$ 246,089	\$ 393,621	\$ 12,301	\$ 93,822	\$ 106,123
Event income	-	3,910	3,910	-	-	-
Membership dues	-	305	305	-	270	270
Net investment income (loss)	(126,015)	(17,812)	(143,827)	163,329	2,157	165,486
Release from restrictions	(32,389)	32,389	-	-	-	-
Total support and revenue	(10,872)	264,881	254,009	175,630	96,249	271,879
Expenses						
Program	-	146,330	146,330	-	89,581	89,581
Administrative	-	15,018	15,018	-	13,315	13,315
Fundraising	-	1,508	1,508	-	1,176	1,176
Total expenses	-	162,856	162,856	-	104,072	104,072
Change in net assets	(10,872)	102,025	91,153	175,630	(7,823)	167,807
Beginning net assets	799,923	113,279	913,202	624,293	121,102	745,395
Ending net assets	<u>\$ 789,051</u>	<u>\$ 215,304</u>	<u>\$ 1,004,355</u>	<u>\$ 799,923</u>	<u>\$ 113,279</u>	<u>\$ 913,202</u>

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

Oxford Educational Foundation
Statements of Functional Expenses
June 30, 2022 and 2021
(See Independent Accountant's Review Report)

	Reviewed 2022				Compiled 2021			
	Program	General	Fundraising	Total	Program	General	Fundraising	Total
Grants	\$ 104,265	\$ -	\$ -	\$ 104,265	\$ 53,510	\$ -	\$ -	\$ 53,510
Payroll-officer	18,202	4,667	467	23,336	17,105	4,386	439	21,930
Payroll-staff	11,419	-	-	11,419	12,300	-	-	12,300
Printing	5,507	1,967	393	7,867	2,519	900	180	3,599
Accounting	-	5,500	-	5,500	-	2,250	-	2,250
Payroll taxes	2,702	426	43	3,171	1,121	167	17	1,305
Insurance	1,731	1,010	144	2,885	1,705	995	142	2,842
Office	1,261	450	90	1,801	224	80	16	320
Postage	1,003	418	251	1,672	666	278	166	1,110
Communications	240	240	120	600	431	431	216	1,078
Outside services	-	340	-	340	-	3,828	-	3,828
	<u>\$ 146,330</u>	<u>\$ 15,018</u>	<u>\$ 1,508</u>	<u>\$ 162,856</u>	<u>\$ 89,581</u>	<u>\$ 13,315</u>	<u>\$ 1,176</u>	<u>\$ 104,072</u>

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

Oxford Educational Foundation
Statements of Cash Flows
Years ended June 30, 2022 and 2021
(See Independent Accountant's Review Report)

	<u>Reviewed 2022</u>	<u>Compiled 2021</u>
Operating activities:		
Change in net assets	\$ 91,153	\$ 167,807
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Investment (gains) losses	144,197	(163,330)
Changes in assets and liabilities:		
Accounts payable & accruals	2,200	(448)
Net cash provided by operating activities	<u>237,550</u>	<u>4,029</u>
Investing activities:		
Net transfers to CCCF	(50,397)	(3,385)
Net transfers to investments	(206,590)	-
Net cash used in investing activities	<u>(256,987)</u>	<u>(3,385)</u>
Financing activities:		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net change in cash	<u>(19,437)</u>	<u>644</u>
Cash, beginning of year	130,994	130,350
Cash, end of year	<u>\$ 111,557</u>	<u>\$ 130,994</u>

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

Oxford Educational Foundation
Notes to Financial Statements
Years ended June 30, 2022 and 2021
(See Independent Accountant's Review Report)

1. Description of activities and summary of significant accounting policies:

Nature of activities:

The Oxford Educational Foundation (The "Foundation") is a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania. The Foundation was established to enhance the quality of education in the Oxford Area School District by providing mentoring and tutoring for students, volunteers in the schools, professional grants to teachers to enhance their work in the classroom, and grants to school principals for projects to serve all the students in a building.

Revenues are generated principally from contributions, grants, investment income, and membership dues. For the years ended June 30, 2022 and 2021, the Foundation received 63.5% and 37.7%, respectively, of its total contributions from a single donor.

Basis of accounting:

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial statement presentation:

The Foundation reports information regarding its financial position and activities according to two classes of net assets:

Without donor restrictions: Net assets that are not subject to donor-imposed restrictions

With donor restrictions: Included in this category are net assets with donor-imposed stipulations that may or will be met by actions of the Foundation or the passage of time. Additionally, the beneficial interest in Community Foundation Funds is included in this category. The Foundation does not own these assets and only has a right to its percentage of the annual distributable net income from this interest.

Promises to give:

Contributions received are recorded as net assets without donor restrictions or with donor restrictions, depending on the absence or existence and/or nature of any donor restrictions. Unconditional promises to give are recognized as revenues in the period the pledge is made. Donor restricted contributions are recorded as unrestricted support when the restrictions are met in the same reporting period. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), the net assets are reclassified to net assets without donor restriction and reported in the Statement of Activities as net assets released from restrictions.

Tax status:

The Foundation is organized as a not-for-profit corporation in the Commonwealth of Pennsylvania and is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation is registered with the Pennsylvania Bureau of Charitable Organizations.

As of June 30, 2022 and 2021, the Foundation had no uncertain tax positions that qualify for recognition or disclosure in the financial statements. The Foundation is no longer subject to tax exams by taxing authorities for years before June 30, 2019.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications:

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

Oxford Educational Foundation
Notes to Financial Statements
Years ended June 30, 2022 and 2021
(See Independent Accountant's Review Report)

Functional allocation of expenses:

The costs of providing various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and cash equivalents:

Cash and cash equivalents consist of cash, checking and savings accounts, and certificates of deposit. The Foundation considers all highly liquid assets available for current use to be cash equivalents unless they are held as part of the investment portfolio.

2. Beneficial interest in Chester County Community Foundation Funds (CCCF):

During the year ended June 30, 2018, the Foundation established a fund with the CCCF, a not-for-profit organization which collects and distributes funds to assist a wide range of community needs, including education, health and human services, the arts and sciences, community revitalization, recreation, housing, issues affecting women and girls and the environment. All assets of the fund are held as general assets of CCCF. CCCF maintains variance power and legal ownership of the fund. Investment returns and losses are allocated to the fund in accordance with CCCF's investment allocation policies.

In establishing the fund, the agreement between the Foundation and CCCF states transfers to CCCF are irrevocable and that the Foundation can withdraw 5% of the value of the investment annually in support of the Foundation's mission. The Foundation did not request such a distribution in 2022 or 2021. The Foundation has irrevocably transferred \$353,461 to CCCF since inception and \$50,397 and \$3,385 in the years ended June 30, 2021 and 2020, respectively.

The value of the fund as of June 30, 2022 and 2021 was \$399,755 and \$425,417, respectively.

3. Investments and beneficial interest in CCCF fund:

Investments are comprised of money market funds and stock and bond mutual funds reported at fair value based upon publicly available quoted market prices.

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- a) quoted prices for similar assets or liabilities in active markets.
- b) quoted prices for identical or similar assets or liabilities in inactive markets.
- c) inputs other than quoted prices that are observable for the asset or liability.
- d) inputs that are derived principally from or corroborated by observable market data by corroboration or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be 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.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Oxford Educational Foundation
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(See Independent Accountant's Review Report)

Valuation methodologies used for assets reported at fair value as of June 30, 2022 and 2021 are as follows:

Mutual funds – valued at the net asset value of shares held by the Foundation at year end.

Money market funds and certificates of deposit (CD's) – valued at cost due to the short-term maturity and the security of the FDIC coverage.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments and beneficial interest in CCCF fund at fair value as of June 30, 2022 and 2021:

June 30, 2022	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 496,543	\$ 496,543	\$ -	\$ -
CCCF fund	<u>399,755</u>	<u>-</u>	<u>-</u>	<u>399,755</u>
Total investments at fair value	<u>\$ 896,298</u>	<u>\$ 496,543</u>	<u>\$ -</u>	<u>\$ 399,755</u>

June 30, 2021	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 358,091	\$ 358,091	\$ -	\$ -
CCCF fund	<u>425,417</u>	<u>-</u>	<u>-</u>	<u>425,417</u>
Total investments at fair value	<u>\$ 783,508</u>	<u>\$ 358,091</u>	<u>\$ -</u>	<u>\$ 425,417</u>

4. Investment Income

Investment income is comprised of the following categories for the years ended June 30, 2022 and 2021 were:

	<u>2022</u>	<u>2021</u>
Interest & dividends	\$ 15,880	\$ 14,383
Net appreciation / (depreciation)	(150,002)	159,200
Investment advisory fees	<u>(9,708)</u>	<u>(8,097)</u>
Net gains / (losses)	<u>\$ (143,827)</u>	<u>\$ 165,486</u>

5. Liquidity and availability of resources:

As of June 30, 2022 and 2021, financial assets available for general expenditure, that is, without donor or other restrictions limiting their use past one year of the statement of financial position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash	\$ 111,557	\$ 130,994
Investments	<u>496,543</u>	<u>358,091</u>
Total financial assets	608,100	489,085
Less: Financial assets not available for general operations within one year:		
Restricted by donor for specific purposes	(389,469)	(374,506)
Total financial assets available for general expenditure	<u>\$ 218,631</u>	<u>\$ 114,579</u>

Oxford Educational Foundation
Notes to Financial Statements
Years ended June 30, 2022 and 2021
(See Independent Accountant's Review Report)

The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long term obligations will be discharged. The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

6. Net assets with donor restrictions:

Net assets with donor restrictions as of June 30, 2022 and 2021 are primarily comprised of contributions received that are restricted by the donors for the Leaving a Legacy for Learning (LLL) campaign. Net investment income from LLL will be used to provide volunteer, mentor, and tutor services once a \$1,000,000 goal has been met. The Foundation intends to maintain a minimum balance of \$1,000,000 once the initial goal is met. The Foundation has reached \$774,855 of the goal through June 30, 2022.

	<u>2022</u>	<u>2021</u>
Investments restricted for LLL	\$ 358,135	\$ 358,091
Beneficial interest in CCCF Fund restricted for LLL	399,755	425,417
Cash restricted for LLL	16,541	7,500
Cash restricted for other purposes	<u>14,620</u>	<u>8,915</u>
Net assets with donor restrictions	<u>\$ 789,051</u>	<u>\$ 799,923</u>

7. Concentration of risk:

The Foundation maintains cash balances under \$250,000 in banks, which are insured by the Federal Deposit Insurance Corporation. At June 30, 2022 and 2021, the Foundation has no uninsured cash balances.

8. Donated services and materials:

The Foundation receives donated services from a variety of unpaid volunteers. Amounts for these donated services have not been recognized in the accompanying Statements of Activities because the criteria for recognition of such volunteer effort have not been satisfied.

9. Subsequent events:

The Board of the Foundation has evaluated subsequent events through December 2, 2022, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.