

**FOUNDATION FOR LOWER
MORELAND SCHOOLS**

FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

FOUNDATION FOR LOWER MORELAND SCHOOLS

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Independent Accountants' Review Report

To the Board of Directors
Foundation for Lower Moreland Schools
Huntingdon Valley, Pennsylvania

We have reviewed the accompanying financial statements of Foundation for Lower Moreland Schools (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years 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 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, we do not express such an opinion.

Emphasis of Matter

As discussed in Note F, prior period balances have been adjusted to correct a misstatement. Our conclusion is not modified with respect to this matter.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements 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 us to perform procedures to obtain limited assurance as a basis for reporting whether we are 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Foundation for Lower Moreland Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, other than the matter noted above, we are 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.

Maillie LLP

Limerick, Pennsylvania
September 11, 2023

FOUNDATION FOR LOWER MORELAND SCHOOLS

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ <u>38,263</u>	\$ <u>53,300</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ <u>-</u>	\$ <u>1,500</u> *
NET ASSETS		
Without donor restrictions	<u>38,263</u>	<u>51,800</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>38,263</u>	\$ <u>53,300</u>

* restated

See accompanying notes and independent accountants' review report.

FOUNDATION FOR LOWER MORELAND SCHOOLS

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenue and public support		
Donations	\$ 4,069	\$ 8,789
Other income	28	-
TOTAL REVENUE AND PUBLIC SUPPORT	<u>4,097</u>	<u>8,789</u>
Expenses		
Program Services		
Foundation awards	14,300	6,460
Management and General		
Insurance	250	250
Professional fees	1,750	1,500 *
Other expenses	1,334	435
TOTAL EXPENSES	<u>17,634</u>	<u>8,645</u>
CHANGE IN NET ASSETS	(13,537)	144
NET ASSETS AT BEGINNING OF YEAR	<u>51,800</u>	<u>51,656</u>
NET ASSETS END OF YEAR	<u>\$ 38,263</u>	<u>\$ 51,800</u>

* restated

See accompanying notes and independent accountants' review report.

FOUNDATION FOR LOWER MORELAND SCHOOLS

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (13,537)	\$ 144
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Change in accounts payable	<u>(1,500)</u>	<u>1,500</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	(15,037)	1,644
CASH AT BEGINNING OF YEAR	<u>53,300</u>	<u>51,656</u>
CASH AT END OF YEAR	<u>\$ 38,263</u>	<u>\$ 53,300</u>

See accompanying notes and independent accountants' review report.

FOUNDATION FOR LOWER MORELAND SCHOOLS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

NOTE A - NATURE OF ACTIVITIES

Foundation for Lower Moreland Schools (the "Foundation") is a nonprofit organization which provides support for educational activities within the Lower Moreland Area School District and the Lower Moreland area community.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis. The accrual basis recognizes revenue when earned and expenditures incurred.

Financial Statement Presentation

Under Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, the Foundation is required to report information regarding its financial position and activities according to two mutually exclusive classes according to the existence or absence of donor-imposed restrictions. See Net Assets with Donor Restrictions and Net Assets without Donor Restrictions.

Net Assets with Donor Restrictions

The part of net assets of the Foundation that is subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants). Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the same reporting period in which the support is received and recognized. The Foundation has no net assets with donor restrictions.

Net Assets without Donor Restrictions

The part of net assets of the Foundation that is not subject to donor-imposed restrictions.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

FOUNDATION FOR LOWER MORELAND SCHOOLS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash

The Foundation's cash is in operating bank accounts.

Contributions

In accordance with FASB ASC 958-605, unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions received are accounted for as a liability or are unrecognized initially, that is, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

Tax-Exempt Status

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Date of Management's Review

Management has evaluated subsequent events through September 11, 2023, the date which the financial statements were available to be issued.

NOTE C - DONATED SERVICES

The Foundation receives donated services in the form of Board management. No value has been assigned in the financial statements for these services since they do not meet the criteria for recognition as contributed services contained in generally accepted accounting principles.

NOTE D - FUNCTIONAL EXPENSES

The cost of providing the various programs and other activities of the Foundation 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. Program costs include foundation award expenses incurred to provide educational activities. Management and general expenses are costs directly related to the overall operation of the Foundation, which are not associated with program services.

NOTE E - LIQUIDITY

The Foundation's financial assets are all available within one year of the balance sheet date for general expenditures. The goal of the Foundation's liquidity management is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

FOUNDATION FOR LOWER MORELAND SCHOOLS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE F - PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2022, the Foundation became aware of expenses that pertained to the prior year. As such, the Foundation restated 2021 expenses for professional fees and the related accounts payable from \$0 to \$1,500.