

Write Around Portland

Financial Statements

For the Year Ended December 31, 2022

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DOUGALL CONRADIE LLC
CERTIFIED PUBLIC ACCOUNTANTS

Geoffrey Dougall, CPA
Heather Jackson, CPA
Lee Owen, CPA
Richard Winkel, CPA
Members of AICPA & OSCPA

Independent Accountants' Review Report

To the Board of Directors
Write Around Portland
Portland, Oregon

We have reviewed the accompanying statement of financial position of Write Around Portland (a nonprofit corporation) as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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.

Management's Responsibility 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Accountant's 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.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Prior Year Summarized Information

The prior year summarized comparative information has been derived from the Organization's December 31, 2021 financial statements, which were reviewed by us and in our report dated February 15, 2022 we stated that we were not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2021 for it to be consistent with the reviewed financial statements from which it has been derived.

Dougall Conradie LLC

June 21, 2023
Portland, Oregon

WRITE AROUND PORTLAND

STATEMENT OF FINANCIAL POSITION

December 31, 2022

(With Comparative Totals for December 31, 2021)

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 346,659	\$ 344,933
Account receivable	54,307	27,233
Prepaid expenses and deposits	<u>11,686</u>	<u>12,024</u>
Total assets	<u>\$ 412,652</u>	<u>\$ 384,190</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 719	\$ 205
Accrued vacation	<u>5,160</u>	<u>4,846</u>
Total liabilities	<u>5,879</u>	<u>5,051</u>
Net Assets		
With donor restrictions	80,568	30,379
Without donor restrictions	<u>326,205</u>	<u>348,760</u>
Total net assets	<u>406,773</u>	<u>379,139</u>
Total liabilities and net assets	<u>\$ 412,652</u>	<u>\$ 384,190</u>

The accompanying notes are an integral part of these financial statements

WRITE AROUND PORTLAND

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2022
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022			2021 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenues:				
Contributions of financial assets	\$ 101,919	\$ -	\$ 101,919	\$ 100,514
Contributions of non-financial assets	10,475	-	10,475	4,893
Grant revenues	94,809	125,568	220,377	143,233
Workshop fees	28,756	-	28,756	55,142
Sales	1,536	-	1,536	103
Special events	55,537	-	55,537	48,146
Other income	64	-	64	67
Total revenues	293,096	125,568	418,664	352,098
Net assets released from restrictions	75,379	(75,379)	-	-
Total revenues, net	368,475	50,189	418,664	352,098
Expenses:				
Program services	258,522	-	258,522	254,306
Management and general	11,433	-	11,433	25,207
Fundraising	121,075	-	121,075	79,809
Total expenses	391,030	-	391,030	359,322
Change in net assets	(22,555)	50,189	27,634	(7,224)
Net assets, beginning of year	348,760	30,379	379,139	386,363
Net assets, end of year	\$ 326,205	\$ 80,568	\$ 406,773	\$ 379,139

The accompanying notes are an integral part of these financial statements

WRITE AROUND PORTLAND

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2022
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022				2021 Total
	Program Services	Management and General	Fundraising	Total	
Salaries and wages	\$ 161,099	\$ 4,738	\$ 71,075	\$ 236,912	\$ 239,651
Payroll taxes	13,726	404	6,056	20,186	20,811
Employee benefits	16,621	489	7,333	24,443	30,945
Bank fees	38	461	3,980	4,479	3,905
Professional fees	17,564	532	8,516	26,612	13,056
Occupancy	17,092	2,845	2,852	22,789	18,373
Office expenses	5,859	1,066	2,048	8,973	8,032
Event expenses	-	-	12,127	12,127	3,968
Insurance	3,132	95	1,519	4,746	4,937
Postage	2,780	14	1,497	4,291	5,362
Printing	6,495	113	3,262	9,870	4,213
Transportation	715	-	-	715	979
Outreach and promotion	1,818	676	810	3,304	1,842
Workshops and volunteer expenses	3,145	-	-	3,145	3,248
Book production	5,000	-	-	5,000	-
Community readings	3,438	-	-	3,438	-
	<u>\$ 258,522</u>	<u>\$ 11,433</u>	<u>\$ 121,075</u>	<u>\$ 391,030</u>	<u>\$ 359,322</u>

The accompanying notes are an integral part of these financial statements

WRITE AROUND PORTLAND

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2022
 (With Comparative Totals for the Year Ended December 31, 2021)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 27,634	\$ (7,224)
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Change in assets and liabilities:		
Accounts receivable	(27,074)	(20,452)
Prepaid expenses and deposits	338	(1,327)
Accounts payable	514	(20)
Accrued vacation	314	(3,827)
	<u>1,726</u>	<u>(32,850)</u>
Net cash provided by (used in) operating activities		
Net change in cash	1,726	(32,850)
Cash at beginning of year	<u>344,933</u>	<u>377,783</u>
Cash at end of year	<u>\$ 346,659</u>	<u>\$ 344,933</u>

The accompanying notes are an integral part of these financial statements

Write Around Portland
Notes to Financial Statements
December 31, 2022

NOTE A – ORGANIZATION

Write Around Portland (the “Organization”) is a nonprofit organization incorporated in the state of Oregon. The Organization provides high quality, skillfully facilitated writing workshops in safe, accessible, and respectful environments for people to write and share in community, holds community readings to promote the exchange of stories and publishes anthologies to connect writers and readers. The Organization is supported through grants and contributions and fees for workshops.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied in the preparation of the accompanying financial statements follows.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization 's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all short-term investments purchased with an original maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. Cash and cash equivalents include accounts with financial institutions covered by the Federal Deposit Insurance Corporation (FDIC) of \$250,000. The Organization cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

Write Around Portland
Notes to Financial Statements
December 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable represent amounts due for program services. Management uses the allowance method to account for uncollectible accounts. The Organization determines its allowance by considering a number of factors, including the length of time the accounts receivable are past due and previous loss history. The Organization writes off accounts receivable when they become uncollectible. Management has determined that no allowance is necessary at December 31, 2022.

Grants and Contributions

Grants and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or 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.

Fee-for-Service Revenue

Fee-for-service revenues are recognized when the workshops or events take place.

Gifts-In-Kind

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution and are reported as in-kind contributions on the accompanying statement of activities and statement of functional expenses.

Advertising Costs

Advertising is expensed as incurred.

Income Taxes

The Organization has been approved as a tax-exempt organization under Internal Revenue Code Section 501(c)(3) and applicable state laws. It is management's opinion that none of the Organization's present activities are subject to unrelated business income taxes. Therefore, no provision for income taxes has been recorded in the accompanying financial statements. The Organization's federal exempt organization information returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

Write Around Portland
Notes to Financial Statements
December 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

Due to the short-term nature of cash equivalents, accounts receivable, other assets, accounts payable and accrued liabilities, their fair value approximates carrying value.

Summarized Financial Information for 2021

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization’s financial statements for the year ended December 31, 2021, from which the summarized information was derived. Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional expense basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that were allocated include the following:

Salaries and benefits	Time and effort
Occupancy	Square footage
Professional services	Time and effort
Office expenses	Time and effort
Insurance	Time and effort

NOTE C – AVAILABILITY AND LIQUIDITY

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. The Organization’s cash needs are expected to be met on a monthly basis from regular revenue sources. In general, the Organization maintains sufficient financial assets on hand to meet normal operating expenditures and to reserve for future needs.

Write Around Portland
Notes to Financial Statements
December 31, 2022

NOTE C – AVAILABILITY AND LIQUIDITY (Continued)

The following represents the Institute’s financial assets at December 31, 2022:

Financial assets at year end:	
Cash and cash equivalents	\$ 346,659
Accounts receivable	<u>54,307</u>
 Total financial assets	 400,966
 Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>(80,568)</u>
 Financial assets available to meet general expenditures over the next twelve months	 \$ <u><u>320,398</u></u>

NOTE D – LEASES

The Organization leases office space under an operating lease agreement. The lease has terms requiring monthly lease payments and expires March 31, 2023.

Future minimum payments under the operating leases are as follows:

<u>Year ending December 31,</u>	
2023	<u>5,354</u>
	\$ <u><u>5,354</u></u>

Total rent expense during the year ended December 31, 2022 was \$21,110.

NOTE E – CONTRIBUTIONS OF NON-FINANCIAL ASSETS

During the year ended December 31, 2022 the Organization recognized contributions of nonfinancial assets as follows:

Professional services	\$ 4,500
Supplies and materials	<u>5,975</u>
	\$ <u><u>10,475</u></u>

Contributed professional services included printing and design work for the Organization’s programs. Contributed services are valued and reported at the estimated fair value in the financial statements based on current rates for similar services.

Write Around Portland
Notes to Financial Statements
December 31, 2022

NOTE E – CONTRIBUTIONS OF NON-FINANCIAL ASSETS (Continued)

Contributions of supplies and materials included \$1,193 for workshops and \$4,782 for fundraising events. These were valued and reported at fair value as estimated by the donor.

NOTE F – NET ASSETS

At December 31, 2022 the Organization has \$80,568 in net assets with donor restrictions. These net assets are restricted by the donors for specific programs and the restrictions will be released as the funds are spent.

NOTE G – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 21, 2023, which is the date the financial statements were available to be issued, noting no events requiring recording or disclosure in the financial statements for the year ended December 31, 2022.