

**Coastal Community Foundation
of South Carolina, Inc.**

Report on Consolidated Financial Statements

For the years ended June 30, 2021 and 2020

Coastal Community Foundation of South Carolina, Inc.

Contents

Page

Independent Auditor's Report	1-2
---	------------

Consolidated Financial Statements

Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4-5
Consolidated Statements of Functional Expenses	6-7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9-30

Supplementary Information

Consolidating Statements of Financial Position	31-32
Consolidating Statements of Activities	33-34

Independent Auditor's Report

To the Board of Directors of
Coastal Community Foundation of South Carolina, Inc.
North Charleston, South Carolina

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Coastal Community Foundation of South Carolina, Inc. (the "Foundation"), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the "financial statements").

Management's Responsibility for the Consolidated 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 the financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditors considered 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 circumstances, 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 assessing the accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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 Coastal Community Foundation of South Carolina, Inc. as of June 30, 2021 and 2020, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Consolidating Statements of Financial Position and Consolidating Statements of Activities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
November 17, 2021

Coastal Community Foundation of South Carolina, Inc.**Consolidated Statements of Financial Position****As of June 30, 2021 and 2020**

	2021	2020
Assets		
Cash and cash equivalents	\$ 10,088,566	\$ 1,746,610
Prepaid assets	171,271	105,485
Pledges and other receivables	32,483	646,000
Investments, at fair value	362,869,718	280,146,267
Life insurance, cash surrender value	1,419,504	1,543,747
Beneficial interest in split-interest agreements	4,948,421	4,186,342
Loans receivable, program-related	2,294,950	1,807,145
Property and equipment (net of accumulated depreciation of \$786,170 and \$576,255)	4,972,200	5,088,042
Total assets	<u>\$ 386,797,113</u>	<u>\$ 295,269,638</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 284,735	\$ 531,304
Other liabilities	453,763	96,746
Grants payable, net	808,875	1,520,213
Charitable trusts liability	2,496,266	1,877,887
Charitable gift annuity payable	1,630,086	1,736,369
Government grant PPP loan	-	475,773
Funds managed for:		
Supporting organizations (without CCF majority control)	23,042,516	17,874,877
Other organizations	22,168,408	16,226,511
Total liabilities	<u>50,884,649</u>	<u>40,339,680</u>
Net assets		
Without donor restrictions:		
Designated for donor advised	118,589,396	84,633,540
Designated for management	61,892,083	48,797,819
Designated for field of interest	76,286,337	60,149,430
Designated for designated organizations	40,400,616	32,127,906
Designated for scholarships	26,522,369	20,151,255
Designated for discretionary	8,548,173	6,418,090
Designated for special projects	1,220,055	357,774
Total net assets without donor restrictions	<u>333,459,029</u>	<u>252,635,814</u>
With donor restrictions:		
Restricted for charitable trusts - temporary	2,453,435	2,294,144
Total net assets with donor restrictions	<u>2,453,435</u>	<u>2,294,144</u>
Total net assets	<u>335,912,464</u>	<u>254,929,958</u>
Total liabilities and net assets	<u>\$ 386,797,113</u>	<u>\$ 295,269,638</u>

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.**Consolidated Statement of Activities****For the year ended June 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support			
Contributions	\$ 22,283,506	\$ 54,002	\$ 22,337,508
Less contributions received for other organizations	(977,803)	-	(977,803)
Net contributions	21,305,703	54,002	21,359,705
Investment income, net	81,985,863	1,281	81,987,144
Government grant PPP loan forgiveness	475,773	-	475,773
Change in value of split-interest agreements	-	104,008	104,008
Change in value of gift annuity	(53,718)	-	(53,718)
Decrease in life insurance, cash surrender value	(124,243)	-	(124,243)
Rental income	66,675	-	66,675
Other income	64,513	-	64,513
Administrative fees	3,332,359	-	3,332,359
Total revenues, gains and other support	107,052,925	159,291	107,212,216
Expenses			
Grants made	19,056,098	-	19,056,098
Less grants made for other organizations	(1,012,163)	-	(1,012,163)
Net grants made	18,043,935	-	18,043,935
Grants program expenses	1,163,258	-	1,163,258
Total grants expenses	19,207,193	-	19,207,193
Other program expenses	1,877,928	-	1,877,928
Total program expenses	21,085,121	-	21,085,121
Management and general	4,654,761	-	4,654,761
Fundraising and development	508,489	-	508,489
Total expenses	26,248,371	-	26,248,371
Increase in net assets before transfers	80,804,554	159,291	80,963,845
Interfund transfers, net	18,661	-	18,661
Increase in net assets	80,823,215	159,291	80,982,506
Net assets at beginning of year	252,635,814	2,294,144	254,929,958
Net assets at end of year	<u>\$ 333,459,029</u>	<u>\$ 2,453,435</u>	<u>\$ 335,912,464</u>

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.

Consolidated Statement of Activities

For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support			
Contributions	\$ 39,302,086	\$ 216,084	\$ 39,518,170
Less contributions received for other organizations	(1,164,753)	-	(1,164,753)
Net contributions	38,137,333	216,084	38,353,417
Investment income, net	2,182,971	-	2,182,971
Change in value of split-interest agreements	(1,294)	(35,632)	(36,926)
Change in value of gift annuity	(5,747)	-	(5,747)
Increase in life insurance, cash surrender value	72,782	-	72,782
Rental income	31,525	-	31,525
Other income	107,022	-	107,022
Administrative fees	2,837,194	-	2,837,194
Total revenues, gains and other support	43,361,786	180,452	43,542,238
Expenses			
Grants made	31,554,678	-	31,554,678
Less grants made for other organizations	(1,153,301)	-	(1,153,301)
Net grants made	30,401,377	-	30,401,377
Grants program expenses	1,215,741	-	1,215,741
Total grants expenses	31,617,118	-	31,617,118
Other program expenses	1,414,842	-	1,414,842
Total program expenses	33,031,960	-	33,031,960
Management and general	4,527,187	-	4,527,187
Fundraising and development	585,243	-	585,243
Total expenses	38,144,390	-	38,144,390
Increase in net assets before transfers	5,217,396	180,452	5,397,848
Transfers from agency funds held	95,609	-	95,609
Interfund transfers, net	8,144	(8,144)	-
Increase in net assets	5,321,149	172,308	5,493,457
Net assets at beginning of year	247,314,665	2,121,836	249,436,501
Net assets at end of year	\$ 252,635,814	\$ 2,294,144	\$ 254,929,958

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.**Consolidated Statement of Functional Expenses****For the Year Ended June 30, 2021**

	Program Services		Management and General	Fundraising and Development	Total
	Grants	Other			
Grants made	\$ 17,830,452	\$ 213,483	\$ -	\$ -	\$ 18,043,935
Payroll	916,362	1,050,998	918,044	396,631	3,282,035
Management fees	-	-	2,956,359	-	2,956,359
Contract services	-	213,123	164,741	12,619	390,483
Depreciation	73,592	87,594	73,137	29,224	263,547
Software and equipment	55,336	73,371	59,357	27,643	215,707
Professional services	-	130,040	71,775	-	201,815
Business insurance	-	-	180,177	-	180,177
Occupancy	50,108	56,272	40,832	14,317	161,529
Taxes	-	-	102,214	-	102,214
Dues and recognition	23,545	29,848	24,209	8,848	86,450
Development and relocation	12,254	54,907	12,341	5,128	84,630
Miscellaneous	13,021	40,563	13,914	6,633	74,131
Sponsorships	-	61,727	-	-	61,727
Meetings and events	-	33,767	20,121	-	53,888
Postage and printing	10,576	9,919	8,736	4,422	33,653
Advertising	-	24,705	-	-	24,705
Office supplies	6,101	8,145	6,249	1,999	22,494
Travel	2,363	2,949	2,555	1,025	8,892
Total functional expenses	\$ 18,993,710	\$ 2,091,411	\$ 4,654,761	\$ 508,489	\$ 26,248,371

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.**Consolidated Statement of Functional Expenses****For the Year Ended June 30, 2020**

	Program Services		Management and General	Fundraising and Development	Total
	Grants	Other			
Grants made	\$ 30,401,377	\$ -	\$ -	\$ -	\$ 30,401,377
Payroll	659,521	891,219	913,122	393,687	2,857,549
Management fees	-	-	2,534,493	-	2,534,493
Contract services	198,454	46,411	183,907	8,107	436,879
Meetings and events	88,555	42,309	81,313	44,207	256,384
Occupancy	55,718	72,110	71,635	30,878	230,341
Depreciation	49,135	70,736	68,820	25,311	214,002
Postage and printing	32,782	43,242	47,341	22,868	146,233
Dues and recognition	31,256	45,041	46,287	18,765	141,349
Bad debt expense	-	-	125,843	-	125,843
Business insurance	-	-	120,854	-	120,854
Taxes	-	-	119,808	-	119,808
Development and relocation	25,561	34,990	33,192	12,376	106,119
Sponsorships	20,758	53,974	24,055	-	98,787
Professional services	6,938	-	88,157	-	95,095
Software and equipment	15,917	22,292	23,556	10,264	72,029
Office supplies	12,991	17,358	18,142	8,144	56,635
Advertising	-	48,979	-	-	48,979
Travel	10,849	16,170	15,329	5,113	47,461
Miscellaneous	7,306	10,011	11,333	5,523	34,173
Total functional expenses	\$ 31,617,118	\$ 1,414,842	\$ 4,527,187	\$ 585,243	\$ 38,144,390

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.**Consolidated Statements of Cash Flows****For the Years Ended June 30, 2021 and 2020**

	2021	2020
Cash flows from operating activities		
Increase in net assets	\$ 80,982,506	\$ 5,493,457
Adjustments to reconcile increase in net assets to net cash provided by (used for) operating activities:		
Net realized and unrealized (gains) losses on investments	(77,301,368)	2,751,550
Noncash increase (decrease) in value of split-interest agreements and charitable gift annuities	102,179	61,275
Bad debt expense	-	125,843
Depreciation	263,547	214,002
Net loss on disposal of property and equipment	1,815	56,994
Noncash contribution of interest in trust	-	(476,548)
Government grant PPP loan forgiveness	(475,773)	-
Increase in cash surrender value of life insurance	124,243	(72,782)
(Increase) decrease in:		
Pledges and other receivables	613,517	1,153,344
Prepaid assets	65,786	(6,317)
Increase (decrease) in:		
Accounts payable	(246,569)	(508,097)
Other liabilities	364,590	22,676
Grants payable	(711,338)	(265,128)
Charitable trusts liability	(755,877)	62,834
Funds managed for supporting organizations	(468,800)	238,893
Funds managed for other organizations	656,018	(285,309)
Net cash provided by (used for) operating activities	<u>3,214,476</u>	<u>8,566,687</u>
Cash flows from investing activities		
Purchases of property and equipment	(149,520)	(880,661)
Proceeds advanced for investment loans receivable	-	(800,000)
Cash received from investment loans receivable	112,195	94,354
Proceeds from sales of investments	43,097,157	190,909,691
Purchases of investments	(37,236,406)	(199,086,225)
Net cash provided by (used for) investing activities	<u>5,823,426</u>	<u>(9,762,841)</u>
Cash flows from financing activities		
Proceeds advanced for loans receivable	(600,000)	(800,000)
Cash received from loans receivable	-	1,400,000
Payments on split interest agreement and charitable gift annuities	(288,620)	(237,791)
Liability for new split-interest agreements	200,247	253,750
Proceeds from government grant PPP loan	-	475,773
Principal payments on capital leases	(7,573)	(7,701)
Net cash provided by (used for) financing activities	<u>(695,946)</u>	<u>1,084,031</u>
Net change in cash and cash equivalents	8,341,956	(112,123)
Cash and cash equivalents, beginning of year	<u>1,746,610</u>	<u>1,858,733</u>
Cash and cash equivalents, end of year	<u><u>\$ 10,088,566</u></u>	<u><u>\$ 1,746,610</u></u>
Non-cash Financing Activities:		
Government grant PPP loan forgiveness	<u><u>\$ 475,773</u></u>	<u><u>\$ -</u></u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for:		
Interest	<u><u>\$ 1,408</u></u>	<u><u>\$ 9,250</u></u>
Taxes paid	<u><u>\$ 102,214</u></u>	<u><u>\$ 119,808</u></u>

See Notes to Consolidated Financial Statements

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Nature of activities:

Coastal Community Foundation of South Carolina, Inc. (the “Foundation”) was established in 1974 as a not-for-profit corporation. The Foundation’s purpose is to help create vibrant communities by uniting people and investing resources. The Foundation officially serves nine coastal counties - Beaufort, Berkeley, Charleston, Colleton, Dorchester, Georgetown, Hampton, Horry, and Jasper. The Foundation administers more than 900 individual funds, each established with an instrument or gift describing either the general or specific purposes for which grants are to be made.

The Foundation’s work is carried out through various efforts:

Development and Stewardship

The Foundation seeks to provide best-in-class stewardship to individuals, families and companies, to connect them to what they care deeply about. It uses its relationships, local expertise and knowledge as a place-based Foundation to inform and strengthen philanthropy and encourage strength and vitality in the nonprofit sector. The stewardship of its financial assets is crucial to philanthropy, in both the short and long-term. The Foundation is a permanent philanthropic resource to the community; thus, it practices prudent oversight of its investments to preserve and grow its resources to meet the needs of today and the future.

Grantmaking and Community Leadership

The Foundation’s philanthropic assets include social, moral, intellectual, reputational and financial capital. This understanding of the available assets leads the Foundation to deploy financial capital through grantmaking and impact investing and to deploy the other forms of capital through its programmatic work.

Grantmaking - The Foundation’s grantmaking spans the community’s broadest areas, from arts and culture to community development, and provides critical operational and capital support for the network of nonprofits in the Foundation’s nine county service area and beyond. The Foundation’s grantmaking takes the form of donor advised grants, competitive grants in field of interest programs, scholarship program administration and corporate-advised grantmaking.

Other Programmatic Work - The Foundation’s work also includes focus in Community Leadership, Strategic Projects and Impact Investing.

Community Leadership includes the Civic Engagement Agenda designed to help the Foundation make concentrated, positive impact in its communities where an opportunity has been identified through community conversations. The Foundation’s initial areas of focus include Education, Access to Economic Opportunity, Affordable Places and Inclusive Spaces. The Foundation’s strategic framework was created in 2018 and will guide its work through 2021 to prioritize initiatives that help it advance work in these areas.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Nature of activities, continued:

Strategic Projects include grantmaking programs the Foundation administers for others, the Pinckney Scholars program and management of fiscal sponsorships. Through those projects, the Foundation provides operational support and thought-leadership to others in its communities.

Through its Impact Investing initiative, the Foundation is making investments in the nine county area that prioritizes the Civic Engagement themes. These investments will seek to achieve financial returns as well as social returns for the communities.

Principles of consolidation:

The financial statements include two supporting organizations, The Frances P. Bunnelle Foundation ("FPB") and The Waccamaw Community Foundation, Inc. ("WCF"). These supporting organizations are separate legal entities established under Section 509(a)(3) of the Internal Revenue Code ("IRC") to operate solely for supporting the activities of the Foundation. They have their own boards of directors or trustees and use the Foundation to administer and invest their assets. The Foundation effectively controls, either directly or indirectly, all operating aspects of these organizations, and the organizations are financially interrelated to the Foundation. The Foundation's Board of Directors appoints a majority of the directors to both the FPB and WCF Boards of Directors. Accordingly, their financial activity has been consolidated in the accompanying financial statements.

In addition, the consolidated financial statements include the accounts of several wholly-owned subsidiaries, TCF Realty, LLC; FPB Realty, LLC; and WCF Land Trust, LLC, all of which are used to facilitate the holding and subsequent sale of real estate and otherwise manage real estate and easements for their respective supporting organizations.

The consolidated activity is collectively referred to as the "Foundation". All significant intercompany transactions have been eliminated in the consolidated presentation.

Agency organizations:

Two organizations, The Jewish Endowment Foundation of Greater Charleston ("JEF") and The Saul Alexander Foundation ("SAF"), also operate in connection with the Foundation as supporting organizations under Section 509(a)(3) of the IRC. These organizations are not controlled, directly or indirectly, by the Foundation, and the Foundation does not appoint a majority of the Boards of Directors for JEF or SAF. The Foundation manages the assets of JEF and SAF and provides staff assistance in qualifying potential grantees of the respective funds. Accordingly, these organizations are presented following an agency presentation, with the balances presented as both assets and liabilities in the consolidated financial statements.

The market values of the net assets of JEF managed by the Foundation at June 30, 2021 and 2020 totaled \$19,668,992 and \$15,223,099, respectively. The market values of the net assets of SAF managed by the Foundation at June 30, 2021 and 2020 totaled \$3,373,524 and \$2,651,778, respectively.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Basis of accounting and presentation:

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

Reclassification:

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported net assets.

Net assets:

Generally accepted accounting principles ("GAAP") require the Foundation 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 Foundation's management and the board of directors. These funds are further classified as:

Donor Advised Funds represent funds given by contributors who may from time to time suggest that the Board consider a request for a particular grant distribution. The contributors may make recommendations as to which charities should receive grants. These recommendations are advisory only and are subject to the Board's approval.

Management Endowment Funds are designated for the operations of the Foundation. Endowment or endowed funds are Foundation funds held on a long-term basis. Because the Foundation's board has the ability to modify any restriction on these funds, the funds, although referred to as endowments, are not classified as "permanently restricted." These funds also include amounts that have been used to purchase property and equipment, net of accumulated depreciation and any related long-term debt. The Foundation did not have any long-term debt associated with the purchase of property and equipment as of June 30, 2021 or 2020.

Field of Interest Funds represent funds available for expenditure at the Board's discretion, but only in the particular field of concern specified in the fund agreement.

Designated Funds represent unrestricted funds given by contributors with the stipulation that the funds be used for a specific not-for-profit organization or project, and the Foundation has been given the authority to change a designation if the Foundation decides that conditions and circumstances have so changed that literal compliance with the original designation is unnecessary, undesirable, impractical, or impossible.

Scholarship Funds are available for the purpose of providing scholarships for high school and college students.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Net assets, continued:

Discretionary Funds represent unrestricted funds available for expenditure at the Board's discretion.

Special Project Funds represent funds given by contributors with the stipulation that the funds be used to administer a specific program which is delineated in the grant or fund contract. The Foundation acts as the administrator for these funds.

Net assets with donor restrictions: Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time (that is, when a stipulated time restriction ends or purpose restriction is accomplished). 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 (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Consolidated Statements of Activities. These funds are further classified as follows:

Restricted for Charitable Trusts

The Foundation serves as the trustee for various charitable trusts. Under the terms of these trust agreements, the Foundation, as Trustee, directs the Custodian/Advisor to make distributions from the trust assets to income beneficiaries for a given term or for the life of the beneficiaries. Depending on the trust agreements, at the end of the term or upon the death of the income beneficiary(ies), assets remaining in the trust will be transferred to the Foundation, another charity, or the donor as applicable. The Foundation records the assets held in charitable trusts at their fair value based on current quoted market prices and records a liability under charitable trust agreements for the estimated discounted value of the amounts due to the income beneficiaries based on Internal Revenue Service ("IRS") annuity and mortality tables.

Donor designated funds:

Accounting standards provide guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") and also improve disclosures about an organization's endowment funds (both with and without donor restrictions) whether or not the organization is subject to UPMIFA.

The State of South Carolina adopted UPMIFA effective July 1, 2008. However, the Foundation has determined that the majority of the Foundation's net assets do not meet the definition of endowment under UPMIFA. The Foundation is governed subject to the bylaws of the Coastal Community Foundation of South Carolina, Inc., and most contributions are subject to the terms of these Bylaws. Certain contributions are received subject to other gift instruments or are subject to specific agreements with the Foundation. Under the terms of the bylaws, the Board of Directors has the ability to distribute as much of the corpus of any trust or separate gift, device, bequest, or fund as the Board, in its sole discretion, shall determine. However, these designated funds are invested for long-term purposes and are subject to a spending policy as defined below.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Spending and investment policies:

To satisfy its long-term rate of return objective, the Foundation 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). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Foundation has adopted investment and spending policies for invested assets that attempt to provide a predictable stream of funding to programs supported by these assets, while seeking to maintain the purchasing power of the assets. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is 7.5% net of investment fees over 5 years. Actual returns in any given year may vary from this amount. Spending policies have been established for three groups of funds, as follows:

Endowed - The spending policy for Coastal Community Foundation of South Carolina, Inc. ("CCF") calculates the amount of money to be annually distributed from the various endowed funds for grantmaking and administration. The current spending policy is to distribute for grants an amount equal to 4% of a moving 20-quarter average, which is determined every June 30. Additionally, for administration, CCF distributes from its funds approximately 1% in administrative fees. Accordingly, over the long term, CCF expects the current spending policy to allow its endowment assets to grow at an average rate of 2.5% annually. This is consistent with CCF's objective to maintain the purchasing power of endowment assets as well as to provide additional real growth through new gifts and investment return.

The spending policy of WCF differs from that of CCF. The current spending policy is to distribute for grants an amount equal to 4% of a moving 12-quarter average, which is determined every December 31. Any unspent amount at the end of the fiscal year remains in the fund's balance to be carried forward and included in the calculation of available funds in subsequent years.

Partially-Endowed - The spending policy of these funds allows for all corpus and cumulative earnings to be spent from each respective fund down to a minimum balance of \$25,000.

Non-Endowed - All corpus and cumulative earnings may be spent from each respective fund.

The remainder of the 7.5% investment objective after expenditures under the spending policies is used toward management fees and preservation of spending power.

Funds managed for supporting (without Foundation majority control) and other organizations:

The Foundation manages assets for various other not-for-profit organizations. These organizations include Supporting Organizations which support the work of the Foundation, but whose board is not controlled by the Foundation, and Other Organizations which are both donor and beneficiary of the funds established at the Foundation. These managed assets are reported as both assets and liabilities in the accompanying Consolidated Statements of Financial Position. The revenues and expenses of these funds are excluded from the Consolidated Statements of Activities.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Availability of funds for general expenditures:

The Foundation has certain designated net assets that are available for general expenditures within one year of June 30, 2021 and 2020 because the designations on the net assets are expected to be met by conducting the normal activities of its programs in the coming year. For endowed funds, the Foundation considers approximately 5% of the ending balance of the total endowed funds to be the amount available to be spent on general expenditures in the next year based on the aforementioned spending policy. For partially-endowed funds, all amounts within each respective fund may be spent down to a balance in the next fiscal year, no lower than \$25,000. Non-endowed funds are considered to be entirely available for general expenditures in the next year. Regarding the Frances P. Bunnelle Foundation, the amount considered available for general expenditures in the next year is based on the approved budgeted expenditures for the next year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year (See Note 2).

Cash and cash equivalents:

The Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents except cash temporarily held in its long-term investment portfolio.

Investments:

Investments consist of mutual funds, exchange traded funds, debt and equity securities, annuities, and real estate all carried at fair value. It also includes loans carried at the net present value of future payments and life insurance carried at cash surrender value. Investments in alternative investment securities are carried at the net asset value provided by the external investment managers as of the reporting date. Because alternative investment interests are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been used had a ready market for the investments existed. Investments donated to the Foundation are initially recorded at their estimated fair value on the date of gift. Realized gains and losses on dispositions are based on the net proceeds and the adjusted cost of the investments sold using the average cost of the investments sold. Unrealized gains and losses are included in the change in net assets in the Consolidated Statements of Activities.

Assets held in trust and charitable trusts liability:

Assets held in trust consist of split-interest agreements that name the Foundation as a beneficiary.

By the Foundation:

Trust agreements that name the Foundation as trustee are held in trust accounts that are measured at fair value in the Consolidated Statements of Financial Position. Changes in the value of the assets and distributions from the trust accounts are included in the Consolidated Statements of Activities in net assets with donor restrictions.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Assets held in trust and charitable trusts liability, continued:

By the Foundation, continued:

The Foundation has been named as the charitable trustee for certain charitable remainder trusts which require the payout of stated amounts to named beneficiaries over their respective lifetimes. Accordingly, the fair values of the trusts' assets have been included in the Foundation's Consolidated Statements of Financial Position. Also, a liability has been recorded to reflect the required lifetime payments. The payouts are calculated using various percentages of the fair value of the trust assets or of the original gift value depending on the trust document and the beneficiaries' ages, which range from 63 to 98 years. There have been no significant changes in actuarial assumptions and the discount rates used. The discount rates range from 2.0% to 7.4%.

The required lifetime payment liability represents the difference between the fair value of the trust assets and the present value of the remainder interest. For those trust agreements which name the Foundation irrevocably as the remainder beneficiary, a contribution has been recorded based upon the present value of the expected remainder interest. The present value of the amounts due to the remainder beneficiaries for lifetime payments is included in the caption charitable trusts liability on the accompanying Consolidated Statements of Financial Position. The remainder interests of the trusts have been estimated using IRS guidelines and actuarial tables. In subsequent periods, adjustment of the liability to reflect changes in the value of trust assets and revisions in the donor's life expectancy are recorded as a change in value of split-interest agreements.

By others:

Trust agreements under which the Foundation has no control over the investment of assets are measured at the present value of the expected future cash flows from the trust account. The discount rate used to determine the present value is determined at the date of the gift and remains constant throughout the life of the trust. Changes in the value of the assets and distributions to the Foundation are included in the Consolidated Statements of Activities in net assets with donor restrictions.

Loans receivable - program related:

The Foundation has made loans to various groups in accordance with the Foundation's social impact investing initiative. These loans are at or below market interest rates. The loans assist the institution's mission to support equitable access to capital by providing loans, technical assistance and advocacy for affordable housing, healthy food, and other causes to create thriving, prosperous, and economically resilient communities for South Carolinians. The loans receivable are recorded at the net present value of the future payments to be received from the borrower using the loan interest rate. Based upon past performance, management believes no allowance for uncollectible loans is necessary.

Property and equipment and depreciation:

The Foundation capitalizes all expenditures for property and equipment in excess of \$500. Property and equipment is recorded at cost or, if donated, at fair value on the date received. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Grants payable:

Grants payable that are expected to be paid within one year are recorded at net realizable value. Grants payable that are expected to be paid in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are paid. Discount amortization is included in grant expense. Conditional grants are expensed and considered payable in the period the conditions are substantially satisfied. There were no conditional grants at June 30, 2021 or 2020.

Revenue recognition:

In accordance with ASC 606, revenue is recognized upon the transfer of control of promised goods or services to customers in an amount that reflects the consideration the Foundation expects to receive in exchange for those products or services. Contracts are analyzed with the following steps: (i) identify the contract with the customer; (ii) determine whether the promised goods or services are separate performance obligations in the contract; (iii) determine the transaction price, including considering the constraint on variable consideration; (iv) allocate the transaction price to the performance obligations in the contract based on the standalone selling price or estimated standalone selling price of the good or service; and (v) recognize revenue when (or as) each performance obligation is satisfied.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. Revenue is allocated to each performance obligation as the related performance obligation is satisfied as discussed below.

Contributions:

Contributions that are unrestricted or restricted by donor are earned and recognized when the donation is received or unconditionally pledged, as long as there is no performance requirement attached to the contribution. For promises to give, a performance obligation attached to the promise to give would be considered a conditional promise to give, and the conditional promise to give would be recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions received are recorded as support without donor restrictions or support with donor restrictions, depending on the existence and/or nature of any donor restrictions. 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 Consolidated Statements of Activities as net assets released from restrictions.

Other income:

Other Income (primarily support fee income and event income) is recorded as earned when the funds are unconditionally pledged or received as there are no performance obligations that must be met by the Foundation to “earn” the revenue. As this revenue is not deemed to be earned through a contract with a customer and a contract is not determined to exist, the Foundation does not consider this revenue stream to fall under the ASC 606 guidance.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Revenue recognition, continued:

Administrative fees:

Support fees are charged for administrative and other services provided to the Foundation funds, supporting organizations and other trusts. These fees are used to cover the administrative expenses of the Foundation and support the Foundation's efforts. The fees are based on a percentage of the estimated fair value of income-producing assets held by the Foundation or a percentage of the fund's net asset balances.

Administration fees charged on internally managed funds are not earned through a contract with a customer and a contract is not determined to exist. Therefore the Foundation does not consider this revenue stream to fall under the ASC 606 guidance. However, administration fees charged on funds held for others is recorded over time when the performance obligation is met. Administration fees earned over time on funds held for others totaled \$376,000 and \$302,700 at June 30, 2021 and 2020, respectively.

Donated assets:

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation. The Foundation's policy is to convert unrestricted donated marketable securities to cash at the time of receipt. Accordingly, on the Consolidated Statements of Cash Flows, these contributed securities are considered to be cash from operating activities.

Donated services:

A substantial number of volunteers have made significant contributions of their time, principally in administrative functions and grantmaking programs. No amounts have been reflected in the accompanying financial statements for the fair value of contributed services because they did not meet the criteria for recognition under GAAP.

Expense allocation:

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

Expenses of the Foundation include:

Grants and grant program expenses - Grants include gifts for charitable purposes and distributions to designated recipients in accordance with the intentions of the originating donor organization or individual and the Foundation's Board. Grants are recorded as expenses when they are approved by the respective Board for payment. Grant program expenses represent expenses related to the administration of the grant programs of designated funds. CCF's Board approves grant payments for its funds, while the Boards of the supporting organizations, WCF and FPB, approve grants of their respective organizations.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Expense allocation, continued:

Other program expenses - Other program expenses include certain administrative, educational, and direct services provided for the benefit of other civic and not-for-profit organizations and their beneficiaries, either by the Foundation, contracted consultants, or other not-for-profit organizations for which the Foundation is the fiscal agent. In addition, the Foundation is actively involved in several local program initiatives for which the cost of staffing and managing these initiatives is also included in this grouping of expenses.

Management and general expenses - Management and general expenses include the general, administrative, and operating costs of the Foundation.

These expenses also include support fees which are charged for administrative and other services provided to Foundation funds and supporting organizations. These fees are used to cover the administrative expenses of the Foundation and support the Foundation's philanthropic efforts throughout its service area. The fee is generally based on a percentage of the individual funds' net asset balances. The annual fee for endowed and partially endowed funds range from 0.5% to 1.5% on the average daily balance. For fiscal sponsor funds and certain funds managed by the Foundation, the fee is normally 3% of the average daily fund balance. All fees are set by the Boards of the Foundation and supporting organizations or by the individual fund agreement.

Fundraising and development expenses - These expenses include direct and indirect activities undertaken to solicit contributions from donors.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated and the method of allocation include:

<u>Expense Type</u>	<u>Method of Allocation</u>
Payroll	Time and effort
Contract services	Direct costs to programs; remaining to management/general
Meetings and events	Direct costs to programs; remaining to management/general
Occupancy	Based on payroll allocation percentages
Depreciation	Based on payroll allocation percentages
Postage and printing	Based on payroll allocation percentages
Dues and recognition	Based on payroll allocation percentages
Development and relocation	Based on payroll allocation percentages
Sponsorships	Direct costs to programs; remaining to management/general
Professional services	Direct costs to programs; remaining to management/general
Software and equipment	Based on payroll allocation percentages
Office supplies	Based on payroll allocation percentages
Travel	Based on payroll allocation percentages
Miscellaneous	Based on payroll allocation percentages

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 1. Nature of Activities and Summary of Significant Accounting Policies, Continued

Income tax status:

The Foundation and its supporting foundations are exempt from federal income tax under the provisions of Section 501(c)(3) of the IRC. In accordance with IRC regulations, the Foundation is taxed on unrelated business income, which consists of earnings from activities not related to the exempt purpose of the Foundation. The Foundation accounts for tax uncertainties based on a more likely than not recognition threshold whereby tax benefits are only recognized when the Foundation believes that they have a greater than 50% likelihood of being sustained upon examination by taxing authorities. The Foundation has evaluated all of its tax positions and determined that it had no uncertain income tax positions that would require recognition as of June 30, 2021 or 2020.

The Foundation's policy is to report accrued interest related to unrecognized tax benefits, when applicable, as interest expense and to report penalties as other expense. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for tax years before 2017.

Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications:

Certain items in the prior year have been reclassified to conform to current year presentation.

Subsequent events:

Management has evaluated subsequent events through November 17, 2021, which is the date the financial statements were available to be issued.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 2. Availability and Liquidity

Assets available for general expenditure, that are without donor or other restrictions limiting their use within one year of the Consolidated Statements of Financial Position date of June 30, 2021 and 2020, are comprised of the following at June 30:

	<u>2021</u>	<u>2020</u>
Assets at year end	<u>\$ 386,797,113</u>	<u>\$295,269,638</u>
Less amounts not available to be used within one year due to illiquidity:		
Prepaid assets	(171,271)	(105,485)
Life insurance, cash surrender value	(1,419,504)	(1,543,747)
Property and equipment, net	<u>(4,972,200)</u>	<u>(5,088,042)</u>
Total	<u>(6,562,975)</u>	<u>(6,737,274)</u>
Less amounts not available to be used within one year due to:		
Contractual or donor imposed restrictions:		
Funds managed for:		
Supporting organizations (without Foundation majority control)	(23,042,516)	(17,874,877)
Other organizations	(22,168,408)	(16,226,511)
Beneficial interest in split-interest agreements	(4,948,421)	(4,186,342)
Grants payable, long-term portion	(415,678)	(506,058)
Board/donor designations:		
Designated endowed funds, net of spendable amounts and administrative fees	(167,570,722)	(126,796,341)
Designated partially endowed funds, net of spendable amounts and administrative fees	(3,773,633)	(2,099,914)
Designated funds for Frances P. Bunnelle Foundation, net of spendable amounts based on the annual budget	<u>(45,174,967)</u>	<u>(34,786,238)</u>
Assets available to meet cash needs for general expenditures within one year	<u>\$ 113,139,793</u>	<u>\$ 86,056,083</u>

As part of its liquidity plan, the Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. The Foundation invests excess cash in short-term investments, including money market accounts, and has the ability to redeem certain investments as necessary to meet its obligations.

Note 3. Credit Risk and Concentrations

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash and cash equivalents, marketable securities, alternative investments, partnership units, and real estate. Cash and cash equivalents are maintained at financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation up to \$250,000 or by the Securities Investors Protection Corporation up to \$500,000. Certain accounts are also covered by the financial institutions' additional insurance for account balances in excess of \$500,000. Deposits may at times exceed the federally insured limits, and credit exposure is limited to deposits at any one institution in excess of this limit. The Foundation has not experienced any losses on its cash and cash equivalents. The Foundation invests in a variety of investments which are subject to fluctuations in market values and expose the Foundation to a certain degree of interest and credit risk.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 3. Credit Risk and Concentrations, Continued

During the year ended June 30, 2021, the Foundation received approximately 20% of its total contributions from two donors. During the year ended June 30, 2020, the Foundation received approximately 51% of its contributions from one donor.

Note 4. Receivables

Loans receivable, program related - The Foundation invests a portion of its funds in projects that advance philanthropic purposes by providing loans to certain not-for-profit organizations. Loans receivable are carried at unpaid principal balances. At June 30, 2021 and 2020, these loans approximated \$2,295,000 and \$1,807,000, respectively. The loans have various maturity dates through September 2034, and interest rates ranging from 1.63% to 4.5%. Management has reviewed these loans and believes that no allowance for uncollectible accounts is necessary as of June 30, 2021 and 2020.

Pledges and other receivables - During the year ended June 30, 2017, the WCF was informed that it was named as a beneficiary of a trust. Included on the Foundation's Consolidated Statements of Financial Position at June 30, 2019, was a receivable of \$793,344 representing the estimated fair value of the WCF's interest in the trust. This receivable was fully collected as of June 30, 2020.

During the year ended June 30, 2019, the Foundation received two multi-year pledges. The remaining balance on both pledges were received as of June 30, 2021. No allowance has been recorded because management believes all receivables to be collectible.

Pledges and other receivables consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Receivable in less than one year	\$ 32,483	\$ 642,000
Receivable in one to five years	<u>-</u>	<u>4,000</u>
Total pledges and other receivables	<u>\$ 32,483</u>	<u>\$ 646,000</u>

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 5. Property and Equipment, Net

Major classifications of property and equipment as of June 30 are summarized below:

	<u>2021</u>	<u>2020</u>
Land	\$ 725,805	\$ 725,805
Building	4,321,876	4,242,704
Construction in process	-	5,500
Furniture and equipment	<u>710,689</u>	<u>690,288</u>
Total	5,758,370	5,664,297
Accumulated depreciation	<u>(786,170)</u>	<u>(576,255)</u>
Net property and equipment	<u>\$ 4,972,200</u>	<u>\$ 5,088,042</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$263,547 and \$214,002 respectively.

Note 6. Split-Interest Agreements

The Foundation administers various irrevocable charitable remainder trusts which provide for the payment of distributions to the beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of an irrevocable trust's term, the remaining assets are available for the Foundation's use. The portion of the trust attributable to the present value of the future benefits to be received by the Foundation is recorded as contributions with donor restrictions in the Consolidated Statements of Activities in the period the trust is established. Contributions of revocable trusts are not recognized as revenue because of the uncertainty of realization. Activity related to split-interest agreements held by the Foundation and Others as of and for the years ended June 30, 2021 and 2020 are reflected below:

	<u>2021</u>	<u>2020</u>
Assets	\$ 4,948,421	\$ 4,186,342
Present value of liability due to beneficiaries and remainder	2,496,266	1,877,887
Gain (loss) recognized from change in value of split-interest agreements	104,008	(36,926)

Note 7. Charitable Gift Annuity

In April 2020, the Foundation received a cash contribution of \$2,770,613 in relation to a new charitable gift annuity to be recorded by the Foundation. The funds were used by the Foundation to purchase a new office building (the "Turnbull building") based on the donor's intent. The Foundation has reported a charitable gift annuity obligation of \$1,630,086 and \$1,736,369 for the years ended June 30, 2021 and 2020, respectfully on the Consolidated Statements of Financial Position.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 8. Long-Term Capital Lease Obligations

The Foundation leases certain equipment under capital leases. The assets acquired under these leases have been capitalized using appropriate interest rates at the inception of the leases. The assets and related depreciation are included on the Consolidated Statements of Financial Position under the caption of property and equipment. Amortization of the leased assets is included in depreciation expense. The net book value of assets under capital lease were \$15,175 and \$22,040 as of June 30, 2021 and 2020, respectively.

Interest expense paid on capital leases was \$1,076 and \$484 for the years ended June 30, 2021 and 2020, respectively.

As of June 30, 2021, the following is a schedule by year of future minimum payments due each June 30:

2022	\$ 6,553
2023	5,765
2024	2,264
2025	-
Total future minimum lease payments	14,582
Less amount representing interest	(321)
Present value of future minimum lease payments	<u>\$ 14,261</u>

Note 9. Grants Payable, Net

Unconditional grants payable, net, at June 30 is broken out below.

	<u>2021</u>	<u>2020</u>
Payable in less than one year	\$ 393,197	\$ 1,014,155
Payable in one to five years	419,310	561,435
Payable in over five years	-	10,000
	812,507	1,585,590
Less discount to present value	(3,632)	(65,377)
Grants payable, net	<u>\$ 808,875</u>	<u>\$ 1,520,213</u>

The discount to present value was calculated using the estimated earnings rate 0.6% and 3.4% as of June 30, 2021 and 2020, respectively.

For the years ended June 30, 2021 and 2020, grants payable to one grantee totaling \$242,500 and \$500,000 represented approximately 30% and 28%, respectfully, of gross grants payable.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 10. Net Assets Without Donor Restrictions

A breakdown of the net assets without donor restrictions for the year ended June 30, follows:

June 30, 2021					
Fund Type	Endowed	Partially- Endowed	Non-Endowed	Frances P. Bunnelle Foundation	Total
Donor advised	\$ 51,503,851	\$ 65,321,437	\$ 1,764,108	\$ -	\$ 118,589,396
Management	8,026,991	-	5,555,425	48,309,667	61,892,083
Field of interest	51,016,274	22,366,786	2,903,277	-	76,286,337
Designated	38,759,715	-	1,640,901	-	40,400,616
Scholarships	19,209,662	-	7,312,707	-	26,522,369
Discretionary	7,873,741	-	674,432	-	8,548,173
Special projects	-	-	1,220,055	-	1,220,055
Total	<u>\$ 176,390,234</u>	<u>\$ 87,688,223</u>	<u>\$ 21,070,905</u>	<u>\$ 48,309,667</u>	<u>\$ 333,459,029</u>

June 30, 2020					
Fund Type	Endowed	Partially- Endowed	Non-Endowed	Frances P. Bunnelle Foundation	Total
Donor advised	\$ 38,122,040	\$ 44,317,354	\$ 2,194,146	\$ -	\$ 84,633,540
Management	6,533,847	-	4,343,034	37,920,938	48,797,819
Field of interest	38,810,265	17,959,758	3,379,407	-	60,149,430
Designated	29,644,192	-	2,483,714	-	32,127,906
Scholarships	14,232,289	-	5,918,966	-	20,151,255
Discretionary	6,127,200	-	290,890	-	6,418,090
Special projects	-	-	357,774	-	357,774
Total	<u>\$ 133,469,833</u>	<u>\$ 62,277,112</u>	<u>\$ 18,967,931</u>	<u>\$ 37,920,938</u>	<u>\$ 252,635,814</u>

Note 11. Operating Leases

The Foundation has entered into several non-cancelable operating leases on real properties with the longest expiring October 2022. As of June 30, 2021, the following is a schedule of estimated future minimum lease payments on real properties due each June 30:

2022	\$ 23,796
2023	<u>7,932</u>
	<u>\$ 31,728</u>

Total rent expense for the years ended June 30, 2021 and 2020, was \$15,264 and \$7,773 respectively.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 12. Retirement Plan

The Foundation offers a 401(k) plan to all full-time and part-time employees who are age 21 or older and have completed six months of employment. Interns and temporary employees are not eligible. The Foundation makes safe harbor matching contributions of 100% of individual employee contributions up to 5% of compensation. New employees are automatically enrolled the first day of the quarter after six months of employment in the amount of 1% of compensation. Retirement plan expense for the years ended June 30, 2021 and 2020 was \$106,987 and \$88,650, respectively.

Note 13. Fair Value of Financial Instruments

Accounting principles generally accepted in the United States of America provide a framework for measuring fair value. The framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used at June 30, 2021 or 2020.

Cash equivalents - The carrying amounts approximate fair value because of the short maturity of these instruments.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 13. Fair Value of Financial Instruments, Continued

Money market funds - Valued at net asset value ("NAV"). The money market funds are invested in various funds. The Foundation invests in money market funds to provide daily liquidity. Fair values are based on the NAV that can be validated with a sufficient level of observable activity (i.e. purchases and sales at NAV) and were therefore classified within Level 1 of the fair value hierarchy.

Marketable equity securities - Valued at the closing price reported on the active market on which the individual securities are traded using closing prices reported in the active market.

Mutual funds and REITS - Valued at the NAV of shares held by the Foundation at year end.

Notes receivable - Stated using amortized cost which approximates fair value.

Life insurance contracts - Valued at the cash value of the policy which approximates fair value.

Assets held in charitable trusts - Value of the assets is the fair value of the underlying investments as provided by the investment companies.

Real estate - These assets are initially valued at the purchase price, or the appraised price if donated, unless the property is offered for sale at a lower price or adverse conditions would deem that the Foundation value the property at a lower price. Property is evaluated annually to determine if the market value of the real estate has changed.

Limited Partnership Units - These assets are initially valued at the appraised price if donated. The partnership units are evaluated annually to determine if the market value has changed.

Preferred Membership Interest of a Limited Liability Company ("LLC") - Valued at the discounted present value of future cash flows.

Partnerships and hedge funds - Value is determined by the General Partner in accordance with the partnership or hedge fund agreement. The General Partner estimates the fair value of the Fund's investments in investment funds on the basis of the net asset value (NAV) per share of the investment (or its equivalent), as a practical expedient, wherever a) the underlying investment manager's calculation of NAV is fair value based, and b) the NAV has been calculated as of the Fund's fiscal year end date.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 13. Fair Value of Financial Instruments, Continued

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Money market funds				
held in investment accounts	\$ 8,430,062	\$ -	\$ -	\$ 8,430,062
Mutual funds:				
Equities	219,619,806	-	-	219,619,806
Bonds	46,451,796	-	-	46,451,796
Marketable equity securities	16,508,529	-	-	16,508,529
Other investments:				
Loans receivable	-	-	2,294,950	2,294,950
Real estate	-	-	333,370	333,370
Life insurance contracts	-	-	1,419,504	1,419,504
Beneficial interest in split-interest agreements held by the Foundation	3,673,013	-	-	3,673,013
Beneficial interest in split-interest agreements held by Others	942,038	-	-	942,038
Total assets in the fair value hierarchy	<u>\$ 295,625,244</u>	<u>\$ -</u>	<u>\$ 4,047,824</u>	299,673,068
Investments measured at NAV (a)				<u>71,859,525</u>
Total assets at fair value				<u>\$ 371,532,593</u>

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2020:

	Level 1	Level 2	Level 3	Total
Money market funds				
held in investment accounts	\$ 9,677,252	\$ -	\$ -	\$ 9,677,252
Mutual funds:				
Equities	161,091,578	-	-	161,091,578
Bonds	46,783,602	-	-	46,783,602
Marketable equity securities	7,674,996	-	-	7,674,996
Other investments:				
Loans receivable	-	-	1,807,145	1,807,145
Real estate	-	-	372,334	372,334
Life insurance contracts	-	-	1,543,747	1,543,747
Beneficial interest in split-interest agreements held by the Foundation	3,050,231	-	-	3,050,231
Beneficial interest in split-interest agreements held by Others	763,777	-	-	763,777
Total assets in the fair value hierarchy	<u>\$ 229,041,436</u>	<u>\$ -</u>	<u>\$ 3,723,226</u>	232,764,662
Investments measured at NAV (a)				<u>54,918,839</u>
Total assets at fair value				<u>\$ 287,683,501</u>

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 13. Fair Value of Financial Instruments, Continued

- (a) Certain investments that were measured at NAV per share or its equivalent have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

The table below sets forth a summary of changes in the fair value of the Foundation's Level 3 assets for the years ended June 30, 2021 and 2020:

	Level 3 Assets			
	Years Ended June 30, 2021 and 2020			
	Notes Receivable	Real Estate	Life Insurance	Total
Fair value as of June 30, 2019	\$ 327,342	\$ 360,446	\$ 1,470,965	\$ 2,158,753
Net realized/unrealized gains (losses)	-	11,888	-	11,888
Loan advances	800,000	-	-	800,000
Loan repayments	(94,354)	-	-	(94,354)
Bad debt expense	(125,843)	-	-	(125,843)
Increase in cash value of life insurance	-	-	72,782	72,782
Fair value as of June 30, 2020	\$ 1,807,145	\$ 372,334	\$ 1,543,747	\$ 3,723,226
Net realized/unrealized gains (losses)	-	(38,964)	-	(38,964)
Loan advances	600,000	-	-	600,000
Loan repayments	(112,195)	-	-	(112,195)
Bad debt expense	-	-	-	-
Decrease in cash value of life insurance	-	-	(124,243)	(124,243)
Fair value as of June 30, 2021	<u>\$ 2,294,950</u>	<u>\$ 333,370</u>	<u>\$ 1,419,504</u>	<u>\$ 4,047,824</u>

Certain financial instruments and all nonfinancial instruments are excluded from the fair value disclosure requirements. Accordingly, the aggregate fair value amounts presented do not necessarily represent the value of the Foundation.

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 13. Fair Value of Financial Instruments, Continued

The following table sets forth a summary of the Foundation's investments by investment category type reported at NAV as a practical expedient to estimate fair value as of June 30, 2021 and 2020:

Investment	June 30, 2021			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Partnerships (a)	\$ 48,584,631	\$ 12,217,877	3-10 years	Quarterly-no liquidity
Hedge funds (b)	<u>23,274,894</u>	<u>-</u>	6-12 months	30 days – 6 months
Total	<u>\$ 71,860,252</u>	<u>\$ 12,217,877</u>		

Investment	June 30, 2020			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Partnerships (a)	\$ 34,698,352	\$ 12,343,275	3-10 years	Quarterly-no liquidity
Hedge funds (b)	<u>20,220,487</u>	<u>-</u>	6-12 months	30 days – 6 months
Total	<u>\$ 54,918,839</u>	<u>\$ 12,343,275</u>		

(a) **Partnerships** - The Foundation holds ownership positions in several partnerships with investment strategies including private equity partnerships, energy and natural resources, fund of fund hedge funds investing primarily in equity and fixed income securities, real estate and real estate related securities. For the majority of these partnerships, the Foundation is subject to redemption restrictions and cannot redeem from its investment in the fund. The manager has discretion on the timing of distributing the capital.

(b) **Hedge funds** - The Foundation holds ownership shares in several hedge funds with investment strategies including fund of fund long/short equity managers. Management believes that the investment strategies employed and availability of other Foundation resources allow the Foundation to be unaffected by lock-ups.

Net investment income from all investments presented in the Consolidated Statements of Activities for the years ended June 30, 2021 and 2020 is:

	2021	2020
Interest and dividends, net of fees	\$ 4,685,776	\$ 4,934,521
Net realized and unrealized gains (losses) on investments	<u>77,301,368</u>	<u>(2,751,550)</u>
Investment income, net	<u>\$ 81,987,144</u>	<u>\$ 2,182,971</u>

Coastal Community Foundation of South Carolina, Inc.

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Note 13. Fair Value of Financial Instruments, Continued

Total investment consulting fees for investment advisory services for the years ended June 30, 2021 and 2020 were \$165,106 and \$155,758 respectively.

Note 14. Uncertainty

The 2019 novel coronavirus (or “COVID-19”) has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the Foundation, its donors, demand for the Foundation’s programs, and the U.S. economy.

Note 15. Refundable Advance

In April 2020, the Foundation entered into a loan with a financial institution in a principal amount of \$475,773 pursuant to the Paycheck Protection Program (“PPP Loan”) under the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). The PPP Loan is unsecured and guaranteed by the United States Small Business Administration. The PPP Loan has a two year term, with payments deferred for six months and interest accrued at 1.00 percent over the deferral period. In April 2021, the Foundation received notice of forgiveness from the SBA that the full amount of their loan plus interest was forgiven.

Note 16. Subsequent Events

The Foundation received a twenty three million estate contribution from a trust in July 2021.

Supplementary Information

Coastal Community Foundation of South Carolina, Inc.
Consolidating Statements of Financial Position
As of June 30, 2021

	Coastal Community Foundation	Frances P. Bunnelle Foundation	Waccamaw Community Foundation	Eliminations	Consolidated Total
Assets					
Cash and cash equivalents	\$ 8,101,277	\$ 629,649	\$ 1,357,640	\$ -	\$ 10,088,566
Prepaid assets	144,051	21,004	6,216	-	171,271
Pledges and other receivables	31,983	-	500	-	32,483
Investments, at fair value	287,708,877	46,826,154	28,334,687	-	362,869,718
Life insurance, cash surrender value	1,419,504	-	-	-	1,419,504
Beneficial interest in split-interest agreements	4,833,070	-	115,351	-	4,948,421
Loans receivable, program-related	2,194,950	100,000	-	-	2,294,950
Property and equipment (net of accumulated depreciation of \$786,170)	3,489,995	1,035,071	447,134	-	4,972,200
Total assets	<u>\$ 307,923,707</u>	<u>\$ 48,611,878</u>	<u>\$ 30,261,528</u>	<u>\$ -</u>	<u>\$ 386,797,113</u>
Liabilities and Net Assets					
Liabilities					
Accounts payable	\$ 283,323	\$ 1,412	\$ -	\$ -	\$ 284,735
Other liabilities	420,688	29,325	3,750	-	453,763
Grants payable, net	275,825	271,474	261,576	-	808,875
Charitable trusts liability	2,447,202	-	49,064	-	2,496,266
Charitable gift annuity payable	1,630,086	-	-	-	1,630,086
Refundable advance	-	-	-	-	-
Funds managed for:					
Supporting organizations (without CCF majority control)	23,042,516			-	23,042,516
Other organizations	20,334,788		1,833,620	-	22,168,408
Total liabilities	<u>48,434,428</u>	<u>302,211</u>	<u>2,148,010</u>	<u>-</u>	<u>50,884,649</u>
Net assets					
Without donor restrictions:					
Designated for donor advised	107,481,145	-	11,108,251	-	118,589,396
Designated for management	11,946,836	48,309,667	1,635,580	-	61,892,083
Designated for field of interest	74,849,695	-	1,436,642	-	76,286,337
Designated for designated organizations	36,935,426	-	3,465,190	-	40,400,616
Designated for scholarships	18,379,742	-	8,142,627	-	26,522,369
Designated for discretionary	6,318,729	-	2,229,444	-	8,548,173
Designated for special projects	1,190,557	-	29,498.00	-	1,220,055
Total net assets without donor restrictions	<u>257,102,130</u>	<u>48,309,667</u>	<u>28,047,232</u>	<u>-</u>	<u>333,459,029</u>
With donor restrictions:					
Restricted for charitable trusts - temporary	2,387,149	-	66,286	-	2,453,435
Total net assets with donor restrictions	<u>2,387,149</u>	<u>-</u>	<u>66,286</u>	<u>-</u>	<u>2,453,435</u>
Total net assets	<u>259,489,279</u>	<u>48,309,667</u>	<u>28,113,518</u>	<u>-</u>	<u>335,912,464</u>
Total liabilities and net assets	<u>\$ 307,923,707</u>	<u>\$ 48,611,878</u>	<u>\$ 30,261,528</u>	<u>\$ -</u>	<u>\$ 386,797,113</u>

Coastal Community Foundation of South Carolina, Inc.
Consolidating Statements of Financial Position
As of June 30, 2020

	Coastal Community Foundation	Frances P. Bunnelle Foundation	Waccamaw Community Foundation	Eliminations	Consolidated Total
Assets					
Cash and cash equivalents	\$ 1,504,306	\$ 59,193	\$ 183,111	\$ -	\$ 1,746,610
Prepaid assets	91,531	8,901	5,053	-	105,485
Pledges and other receivables	646,000	-	-	-	646,000
Investments, at fair value	220,882,593	36,818,730	22,444,944	-	280,146,267
Life insurance, cash surrender value	1,543,747	-	-	-	1,543,747
Beneficial interest in split-interest agreements	4,088,436	-	97,906	-	4,186,342
Loans receivable, program-related	1,707,145	100,000	-	-	1,807,145
Property and equipment (net of accumulated depreciation of \$576,255)	3,580,414	1,077,054	430,574	-	5,088,042
Total assets	<u>\$ 234,044,172</u>	<u>\$ 38,063,878</u>	<u>\$ 23,161,588</u>	<u>\$ -</u>	<u>\$ 295,269,638</u>
Liabilities and Net Assets					
Liabilities					
Accounts payable	\$ 503,339	\$ 27,965	\$ -	\$ -	\$ 531,304
Other liabilities	71,417	22,875	2,454	-	96,746
Grants payable, net	1,428,113	92,100	-	-	1,520,213
Charitable trusts liability	1,834,518	-	43,369	-	1,877,887
Charitable gift annuity payable	1,736,369	-	-	-	1,736,369
Refundable advance	475,773	-	-	-	475,773
Funds managed for:					
Supporting organizations (without CCF majority control)	17,874,877	-	-	-	17,874,877
Other organizations	14,805,758	-	1,420,753	-	16,226,511
Total liabilities	<u>38,730,164</u>	<u>142,940</u>	<u>1,466,576</u>	<u>-</u>	<u>40,339,680</u>
Net assets					
Without donor restrictions:					
Designated for donor advised	76,057,154	-	8,576,386	-	84,633,540
Designated for management	9,402,785	37,920,938	1,474,096	-	48,797,819
Designated for field of interest	58,999,490	-	1,149,940	-	60,149,430
Designated for designated organizations	29,422,684	-	2,705,222	-	32,127,906
Designated for scholarships	13,973,480	-	6,177,775	-	20,151,255
Designated for discretionary	4,861,034	-	1,557,056	-	6,418,090
Designated for special projects	357,774	-	-	-	357,774
Total net assets without donor restrictions	<u>193,074,401</u>	<u>37,920,938</u>	<u>21,640,475</u>	<u>-</u>	<u>252,635,814</u>
With donor restrictions:					
Restricted for charitable trusts - temporary	2,239,607	-	54,537	-	2,294,144
Total net assets with donor restrictions	<u>2,239,607</u>	<u>-</u>	<u>54,537</u>	<u>-</u>	<u>2,294,144</u>
Total net assets	<u>195,314,008</u>	<u>37,920,938</u>	<u>21,695,012</u>	<u>-</u>	<u>254,929,958</u>
Total liabilities and net assets	<u>\$ 234,044,172</u>	<u>\$ 38,063,878</u>	<u>\$ 23,161,588</u>	<u>\$ -</u>	<u>\$ 295,269,638</u>

Coastal Community Foundation of South Carolina, Inc.
Consolidating Statements of Activities
For the Year Ended June 30, 2021

	Coastal Community Foundation	Frances P. Bunnelle Foundation	Waccamaw Community Foundation	Eliminations	Consolidated Total
Revenues, gains and other support					
Contributions	\$ 19,782,107	\$ 3,130	\$ 2,552,271	\$ -	\$ 22,337,508
Less contributions received for other organizations	(951,469)	-	(26,334)	-	(977,803)
Net contributions	18,830,638	3,130	2,525,937	-	21,359,705
Investment income, net	62,833,417	13,046,798	6,106,929	-	81,987,144
Proceeds from PPP loan forgiveness	475,773	-	-	-	475,773
Change in value of split-interest agreements	91,574	-	12,434	-	104,008
Change in value of gift annuity	(53,718)	-	-	-	(53,718)
Change in life insurance, cash surrender value	(124,243)	-	-	-	(124,243)
Rental income	66,675	-	-	-	66,675
Other income	61,032	989	2,492	-	64,513
Administrative fees	3,163,228	-	373,514	(204,383)	3,332,359
Total revenues, gains and other support	85,344,376	13,050,917	9,021,306	(204,383)	107,212,216
Expenses					
Grants made	15,400,850	1,672,087	1,983,161	-	19,056,098
Less grants made for other organizations	(982,504)	-	(29,659)	-	(1,012,163)
Net grants made	14,418,346	1,672,087	1,953,502	-	18,043,935
Grants program expenses	889,283	170,486	103,489	-	1,163,258
Total grants expenses	15,307,629	1,842,573	2,056,991	-	19,207,193
Other program expenses	1,318,186	519,552	40,190	-	1,877,928
Total program expenses	16,625,815	2,362,125	2,097,181	-	21,085,121
Management and general	4,086,265	289,063	483,816	(204,383)	4,654,761
Fundraising and development	489,575	-	18,914	-	508,489
Total expenses	21,201,655	2,651,188	2,599,911	(204,383)	26,248,371
Increase in net assets before transfers	64,142,721	10,399,729	6,421,395	-	80,963,845
Interfund transfers, net	32,550	(11,000)	(2,889)	-	18,661
Increase in net assets	64,175,271	10,388,729	6,418,506	-	80,982,506
Net assets, beginning of year	195,314,008	37,920,938	21,695,012	-	254,929,958
Net assets, end of year	\$ 259,489,279	\$ 48,309,667	\$ 28,113,518	\$ -	\$ 335,912,464

Coastal Community Foundation of South Carolina, Inc.
Consolidating Statements of Activities
For the Year Ended June 30, 2020

	Coastal Community Foundation	Frances P. Bunnelle Foundation	Waccamaw Community Foundation	Eliminations	Consolidated Total
Revenues, gains and other support					
Contributions	\$ 37,584,767	\$ 116,948	\$ 1,816,455	\$ -	\$ 39,518,170
Less contributions received for other organizations	(992,445)	-	(172,308)	-	(1,164,753)
Net contributions	36,592,322	116,948	1,644,147	-	38,353,417
Investment income, net	1,919,206	434,241	(170,476)	-	2,182,971
Net gain on sale of limited partnership units and real estate held	(35,632) (5,747)	-	(1,294) -	-	(36,926) (5,747)
Change in value of split-interest agreements	72,782	-	-	-	72,782
Increase in life insurance, cash surrender value	31,525	-	-	-	31,525
Other income	102,987	1,658	2,377	-	107,022
Administrative fees	2,691,725	-	346,316	(200,847)	2,837,194
Total revenues, gains and other support	41,369,168	552,847	1,821,070	(200,847)	43,542,238
Expenses					
Grants made	23,863,973	1,551,240	6,139,465	-	31,554,678
Less grants made for other organizations	(1,121,284)	-	(32,017)	-	(1,153,301)
Net grants made	22,742,689	1,551,240	6,107,448	-	30,401,377
Grants program expenses	900,245	219,988	95,508	-	1,215,741
Total grants expenses	23,642,934	1,771,228	6,202,956	-	31,617,118
Other program expenses	946,880	428,165	39,797	-	1,414,842
Total program expenses	24,589,814	2,199,393	6,242,753	-	33,031,960
Management and general	3,840,665	441,366	446,003	(200,847)	4,527,187
Fundraising and development	547,412	-	37,831	-	585,243
Total expenses	28,977,891	2,640,759	6,726,587	(200,847)	38,144,390
Increase in net assets before transfers	12,391,277	(2,087,912)	(4,905,517)	-	5,397,848
Transfers to agency funds held	95,609	-	-	-	95,609
Interfund transfers, net	207,703	(41,000)	(166,703)	-	-
Increase in net assets	12,694,589	(2,128,912)	(5,072,220)	-	5,493,457
Net assets, beginning of year	182,619,419	40,049,850	26,767,232	-	249,436,501
Net assets, end of year	\$ 195,314,008	\$ 37,920,938	\$ 21,695,012	\$ -	\$ 254,929,958