

FOUNDATION FOR FINANCIAL PLANNING, INC.

FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 and 2018  
with  
INDEPENDENT AUDITORS' REPORT

FOUNDATION FOR FINANCIAL PLANNING, INC.  
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December 31, 2019 and 2018

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# Reed, Quinn & McClure, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Foundation for Financial Planning, Inc.

We have audited the accompanying financial statements of the Foundation for Financial Planning, Inc. (“the Foundation”) which comprises the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management’s Responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors’ Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation’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 Foundation’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and 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 the Foundation as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Reed, Quinn & McClure, LLC*

Lawrenceville, Georgia  
August 4, 2020

FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2019 AND 2018

ASSETS	2019	2018
Cash and cash equivalents	\$ 364,418	\$ 439,737
Investments	22,241,632	19,469,780
Unconditional promises to give	1,866,911	1,494,522
Donated advertising receivable	131,375	-
Prepaid expense	5,599	6,732
Computer equipment and software, net	20,011	15,737
Total assets	\$ 24,629,946	\$ 21,426,508
LIABILITIES AND NET ASSETS		
LIABILITIES		
Grants payable	\$ 402,500	\$ 515,999
Accounts payable and accrued liabilities	100,039	89,781
	502,539	605,780
NET ASSETS		
Without restrictions	22,702,362	20,105,222
With restrictions	1,425,045	715,506
Total net assets	24,127,407	20,820,728
Total liabilities and net assets	\$ 24,629,946	\$ 21,426,508

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

FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019			2018		
	WITHOUT RESTRICTION	WITH RESTRICTIONS	TOTAL	WITHOUT RESTRICTION	WITH RESTRICTIONS	TOTAL
<b>REVENUE AND SUPPORT</b>						
Contributions	\$ 75,919	\$ 1,409,175	\$ 1,485,094	\$ 161,257	\$ 960,098	\$ 1,121,355
Advertising - donated		400,000	400,000		309,706	309,706
Special events		-	-		-	-
Investment income	3,109,427	-	3,109,427	(1,426,889)	-	(1,426,889)
Other income	161	-	161	142	-	142
Total revenues and support	<u>3,185,507</u>	<u>1,809,175</u>	<u>4,994,682</u>	<u>(1,265,490)</u>	<u>1,269,804</u>	<u>4,314</u>
Net assets released from restrictions	<u>1,099,636</u>	<u>(1,099,636)</u>	<u>-</u>	<u>1,792,982</u>	<u>(1,792,982)</u>	<u>-</u>
<b>EXPENSES</b>						
Program services:						
Grants	619,688	-	619,688	843,054	-	843,054
National programs	652,708	-	652,708	571,289	-	571,289
Total program services	<u>1,272,396</u>	<u>-</u>	<u>1,272,396</u>	<u>1,414,343</u>	<u>-</u>	<u>1,414,343</u>
General and administrative	212,836	-	212,836	239,621	-	239,621
Fund raising	202,771	-	202,771	258,912	-	258,912
Total expenses	<u>1,688,003</u>	<u>-</u>	<u>1,688,003</u>	<u>1,912,876</u>	<u>-</u>	<u>1,912,876</u>
Change in Net Assets	2,597,140	709,539	3,306,679	(1,385,384)	(523,178)	(1,908,562)
Net assets - beginning of year	<u>20,105,222</u>	<u>715,506</u>	<u>20,820,728</u>	<u>21,490,606</u>	<u>1,238,684</u>	<u>22,729,290</u>
Net assets - end of year	<u>\$ 22,702,362</u>	<u>\$ 1,425,045</u>	<u>\$ 24,127,407</u>	<u>\$ 20,105,222</u>	<u>\$ 715,506</u>	<u>\$ 20,820,728</u>

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

FOUNDATION FOR FINANCIAL PLANNING  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>GRANTS</u>	<u>NATIONAL PROGRAMS</u>	<u>TOTAL PROGRAM</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries	\$ 126,021	\$ 444,779	\$ 570,800	\$ 88,956	\$ 81,543	\$ 741,299
Employee benefits	7,528	26,570	34,098	5,314	4,871	44,283
Payroll taxes	7,945	28,041	35,986	5,608	5,141	46,735
Total personnel costs	<u>141,494</u>	<u>499,390</u>	<u>640,884</u>	<u>99,878</u>	<u>91,555</u>	<u>832,317</u>
Advertising - donated	89,542	89,542	179,084	-	89,542	268,626
Depreciation	761	2,686	3,447	537	492	4,476
Dues and subscriptions	-	2,160	2,160	8,647	-	10,807
Grants	364,250	-	364,250	-	-	364,250
Grants to Chapters	1,050	-	1,050	-	-	1,050
Insurance expense	800	2,401	3,201	4,801	-	8,002
Merchant fees	-	-	-	10,997	-	10,997
Miscellaneous	-	-	-	133	-	133
Office rent	3,857	13,614	17,471	2,723	2,495	22,689
Office supplies	-	-	-	1,878	-	1,878
Postage	-	-	-	2,892	-	2,892
Printing and publications	-	1,000	1,000	1,026	5,307	7,333
Professional services	8,453	8,453	16,906	72,165	7,245	96,316
Telecommunications	-	-	-	467	-	467
Travel and events	9,481	33,462	42,943	6,692	6,135	55,770
Total	<u>\$ 619,688</u>	<u>\$ 652,708</u>	<u>\$ 1,272,396</u>	<u>\$ 212,836</u>	<u>\$ 202,771</u>	<u>\$ 1,688,003</u>

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

FOUNDATION FOR FINANCIAL PLANNING  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>GRANTS</u>	<u>NATIONAL PROGRAMS</u>	<u>TOTAL PROGRAM</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries	\$ 128,519	\$ 345,802	\$ 474,321	\$ 88,568	\$ 74,623	\$ 637,512
Employee benefits	9,496	25,551	35,047	6,544	5,514	47,105
Payroll taxes	7,772	20,913	28,685	5,356	4,513	38,554
Total personnel costs	<u>145,787</u>	<u>392,266</u>	<u>538,053</u>	<u>100,468</u>	<u>84,650</u>	<u>723,171</u>
Advertising - donated	153,235	153,235	306,470	-	153,236	459,706
Depreciation	804	2,164	2,968	554	467	3,989
Dues and subscriptions	-	2,018	2,018	8,641	-	10,659
Grants	521,623	-	521,623	-	-	521,623
Grants to Chapters	11,350	-	11,350	-	-	11,350
Insurance expense	-	-	-	6,462	-	6,462
Merchant fees	-	-	-	12,622	-	12,622
Miscellaneous	-	-	-	32	-	32
Office rent	3,902	10,500	14,402	2,689	2,266	19,357
Office supplies	-	50	50	1,031	-	1,081
Postage	-	400	400	3,898	-	4,298
Printing and publications	-	127	127	2,987	4,487	7,601
Professional services	-	3,150	3,150	85,647	1,100	89,897
Telecommunications	-	-	-	1,884	-	1,884
Travel and events	6,353	7,379	13,732	12,706	12,706	39,144
Total	<u>\$ 843,054</u>	<u>\$ 571,289</u>	<u>\$ 1,414,343</u>	<u>\$ 239,621</u>	<u>\$ 258,912</u>	<u>\$ 1,912,876</u>

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

FOUNDATION FOR FINANCIAL PLANNING, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018  
INCREASE (DECREASE) IN CASH

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 3,306,679	\$ (1,908,562)
Adjustments necessary to reconcile increase in net assets to cash provided by operating activities:		
Non-cash contributions	(447,457)	(348,589)
Non-cash expense	268,625	468,256
Depreciation	4,476	3,989
Net realized and unrealized (gains) losses on investments	(2,581,876)	1,990,416
(Increase) Decrease in promises to give	(372,389)	176,292
(Increase) Decrease in prepaid expenses	1,133	(2,737)
Increase (Decrease) in accounts payable	10,258	15,659
Increase (Decrease) in grants payable	(113,499)	138,855
Net cash provided by operating activities	75,950	533,579
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	385,000	-
Purchase of investments, net	(527,519)	(563,526)
Purchases of equipment	(8,750)	(3,190)
Net cash provided(used) from investing activities	(151,269)	(566,716)
Net increase(decrease) in cash	(75,319)	(33,137)
Cash - beginning of year	439,737	472,874
Cash - end of year	\$ 364,418	\$ 439,737
<b>Supplemental information</b>		
Income recognized - noncash		
In Kind contributions	\$ 400,000	\$ 309,706
Donated securities	47,457	38,883
Total income from noncash sources	\$ 447,457	\$ 348,589
Expenses recognized - noncash		
Online services	-	8,550
Advertising expense	268,625	459,706
Total non cash expense	\$ 268,625	\$ 468,256

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



FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018

**1. ORGANIZATION**

Foundation for Financial Planning Inc. (the Foundation) is a not-for-profit financial educational organization. It helps develop and support programs connecting vulnerable families and individuals to free quality financial advice. In 2018, the Foundation launched a new signature initiative, Pro Bono for Cancer, connecting hundreds of families affected by cancer with volunteer financial planners across the country. It also continued to support efforts that benefited low-income individuals and their families, low-income home buyers, military and veterans, domestic violence survivors, and many other underserved groups.

The Foundation

- Provides grants to local and national nonprofits to support programs linking financial planners to families who could not otherwise afford quality guidance.
- Helps recruit and connect volunteer financial planners to people in need through targeted outreach and working with corporate and association partners.
- Develops innovative program models with key partners to reach populations where it can have a particularly strong impact, like military families and people affected by cancer.
- Offers free financial planning resources to people in need and the volunteers that help them, including training and best practices for volunteer planners.
- Raises awareness of the financial advice profession's commitment to pro bono through community events, national conferences, digital and traditional media, and more.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The financial statements have been prepared on the accrual basis of accounting. The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without restrictions and net assets with restrictions.

*Estimates*

Financial statements prepared in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates

*Income Taxes*

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The IRS has determined the Foundation is not a private foundation. Accordingly, no provision for income taxes is necessary.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fair Value of Financial Instruments*

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels used to measure fair value are as follows:

- Level 1 Quoted prices in an active market for identical assets or liabilities;
- Level 2 Observable inputs other than quoted market prices included in level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities; this includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs

The Foundation has estimated the fair values of its financial instruments on Level 1 and Level 3 (see note 9). The estimated fair value amounts for specific groups of financial instruments are presented within the footnotes applicable to such items. Cash and cash equivalents and accounts payable are stated at cost, which approximates fair value, due to their short term maturity,

*Cash and Cash Equivalent*

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash on deposit with banks. The Foundation considers all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents, except money market funds held as part of the Foundation's investment portfolio. Such funds are not considered to be cash equivalents for purposes of the statement of cash flows.

*Investments*

Investments are stated at fair market value if such value is readily determinable (Level 1). Donated investments are included as contribution income based on the estimated fair market value as of the date of the gift. Unrealized gains and losses are included in the change in net assets in the statement of activities.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Promises to Give*

Promises to give are recorded at their net realizable value based on Level 3 inputs (See Note 4). Promises to give received after one year are discounted at an appropriate discount rate based on management's estimate of the risks involved. Amortization of the discount is recorded annually as additional contribution revenue. The Foundation uses the allowance method to determine estimated uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

*Property and equipment*

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over useful lives. Depreciation of property and equipment and amortization of the website is computed using the straight-line method and charged to operations over the estimated useful life of five (5) years.

*Contributions*

Contributions are recorded as without restriction or with restriction depending on the existence and/or nature of any donor restrictions. The donor's restriction must be a specific purpose restriction or a specific time restriction. Net assets with restrictions are reclassified to net assets without restriction upon satisfaction of the donor restriction. The reclassification is referred to on the statement of activities as net assets released from restriction.

*Contributions of Non-monetary Assets, including Services*

Contributions of non-monetary assets are recorded at fair value at the date of receipt, including contributions of services that can be measured by the creation or enhancement of a non-financial asset. Fair value is based on quoted market prices or other objective valuation techniques. Donated services received that create or enhance non-financial assets or require specialized skills that would need to be purchased, if not donated, are recognized as in-kind contributions at their fair value.

*Functional Allocation of Expenses*

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate of time spent on such activities.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Advertising*

The Foundation uses advertising to promote its programs among the audiences it serves. The Foundation received free advertising pages in several leading publications in the financial advisor market. The value of the donations and advertising expenses were recognized as incurred. The Foundation received a commitment of free advertising in 2019 for a total of \$400,000 for the years ending December 31, 2019 and 2020, the balance of which is included in temporarily restricted net assets at December 31, 2019. Advertising revenue for the year ended December 31, 2019 and 2018, was \$400,000 and \$309,706, respectively. Advertising expense for the year ended December 31, 2019 and 2018, was \$268,625 and \$459,600.

*Subsequent Events*

In preparing these financial statements the Foundation has evaluated events and transactions for potential recognition or disclosure through August 4, 2020, the date the financial statements were available to be issued. All such transactions have been recognized, if appropriate.

**3. CONCENTRATIONS**

*Unconditional promises to give*

At December 31, 2019, one corporate donor represented 25% of promises to give. At December 31, 2018, three corporate donors represented 21% of promises to give.

*Credit Risk*

The Foundation maintains its cash balances in accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At December 31, 2019 and 2018, the Foundation had balances in excess of the FDIC limits of approximately and \$98,886 and \$157,621, respectively.

*Market Risk*

The Foundation also invests funds in a professionally managed portfolio that contains various securities detailed in Note 4. The portfolio includes professionally managed funds that invest in common stocks, mutual funds, and exchange-traded funds, which are reported at their estimated fair value as determined by fund managers. Management believes the fund manager's estimates to be reasonable approximations of the fair values of these investments. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Thus, it is at least possible that changes in these risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**4. INVESTMENTS**

Investments are measured at fair value Level 1. The fair value calculation 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.

Investments consisted of the following:

	<u>2019</u>	<u>2018</u>
Cash	\$ 1,341,708	\$ 1,199,153
Mutual funds	16,520,099	16,466,325
	<u>17,861,807</u>	<u>17,665,478</u>
Unrealized gains	4,379,825	1,804,302
Total investments	<u>\$ 22,241,632</u>	<u>\$ 19,469,780</u>

Investment income (loss) consisted of the following:

	<u>2019</u>	<u>2018</u>
Dividends and interest	\$ 505,534	\$ 604,902
Realized gains	83,083	132,928
Unrealized gain(loss)	2,560,618	(2,123,344)
Brokerage fees	(39,808)	(41,375)
	<u>\$ 3,109,427</u>	<u>\$ (1,426,889)</u>

**5. PROMISES TO GIVE**

Unconditional promises to give consisted of the following:

	<u>2019</u>	<u>2018</u>
Promises to give, due in one year	\$ 717,169	\$ 728,074
Promises to give, due after one year	1,293,670	908,229
Total promises to give	2,010,839	1,636,303
Unamortized discount	(56,287)	(43,603)
Allowance for uncollectible promises to give	(87,641)	(98,178)
	<u>\$ 1,866,911</u>	<u>\$ 1,494,522</u>

The Foundation's risk free rate of return is 2% for calculating the discount rate.

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**5. PROMISES TO GIVE – continued**

Future amounts due on promises to give follow:

2020		\$ 717,169
2021		541,796
2022		403,961
2023		206,585
2024		<u>141,328</u>
		<u>\$ 2,010,839</u>

**6. LEASE**

The Foundation entered into an amended lease agreement to extend the term of the lease through December 31, 2021, with option periods through December 31, 2023. Rent expense for the year ending December 31, 2019 and 2018 is \$22,690 and \$19,357, respectively.

Future minimum lease payments at December 31, 2019 are:

2020		\$ 19,722
2021		20,263
2022		20,771
2023		<u>21,291</u>
		<u>\$ 82,047</u>

**7. NET ASSETS WITH RESTRICTIONS**

At December 31, 2019 and 2018, the Foundation's net assets with restrictions consisted of:

	<u>2019</u>	<u>2018</u>
Donated advertising	\$ 131,375	\$ -
Promises to give - long term	<u>1,293,670</u>	<u>715,506</u>
	<u>\$ 1,425,045</u>	<u>\$ 715,506</u>
Amounts released from restrictions:	<u>2018</u>	<u>2018</u>
Advertising	\$ 268,625	\$ 459,706
Promises to give	<u>831,011</u>	<u>1,333,276</u>
	<u>\$ 1,099,636</u>	<u>\$ 1,792,982</u>

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**8. GRANTS**

The Foundation grants funds to organizations with programs promoting and providing pro bono financial planning and financial life skills education. Once approved by the Board of Directors, the grant is deemed a liability since the likelihood that it will not be paid is extremely remote. For the years ended December 31, 2019 and 2018, the Foundation provided grants of \$365,300 and \$532,973, respectively, to other organizations.

**9. DEFINED CONTRIBUTION PLAN**

The employees of the Foundation are leased from TriNet Passport (“TriNet”) in order to manage its employment obligations and risk. TriNet has a multiple employer defined contribution retirement plan. The Foundation contributes 4% of each employee’s salary which is vested in accordance with the plan documents. At December 31, 2019 and 2018, the Foundation contributed \$25,956 and \$22,438 into the plan.

**10. FAIR VALUE OF ASSETS**

The following tables represent the Foundation’s assets measured at fair value on a recurring basis at December 31, 2019 and 2018:

2019	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 364,418	\$ -	\$ -	\$ 364,418
Investments	22,241,632	-	-	22,241,632
Promises to given, net	-	-	1,866,911	1,866,911
	<u>\$ 22,606,050</u>	<u>\$ -</u>	<u>\$ 1,866,911</u>	<u>\$ 24,472,961</u>
2018	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 439,737	\$ -	\$ -	\$ 439,737
Investments	19,469,780	-	-	19,469,780
Promises to given, net	-	-	1,494,522	1,494,522
	<u>\$ 19,909,517</u>	<u>\$ -</u>	<u>\$ 1,494,522</u>	<u>\$ 21,404,039</u>

FOUNDATION FOR FINANCIAL PLANNING, INC.  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2019 and 2018

**10. FAIR VALUE OF ASSETS – continued**

The table below sets forth a summary of the changes in the fair value of the Foundation’s Level 3 financial assets for the year ended September 30, 2019 and 2018.

	2019	2018
Promises to give fair value January 1,	\$ 1,494,521	\$ 1,820,814
Additions and receipts, net	374,536	(353,371)
Change in discounts and allowance	(2,146)	27,079
	\$ 1,866,911	\$ 1,494,522

**11. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following table reflects the organization’s financial assets as of December 31, 2019, reduced by amounts that are not available to meet general expenditures within one year of the Statement of Financial Position date because of contractual restrictions. Amounts not available to meet general expenditures within one year may include net assets with donor restrictions that are intended to fund special initiatives.

Cash	\$ 364,418
Investments	22,241,632
Pledges receivable	1,866,911
Total financial assets	24,472,961
Less: net assets with restrictions	(1,293,670)
Less board designated for operating reserves	(1,000,000)
	\$ 22,179,291

**12 SUBSEQUENT EVENTS**

Subsequent to the financial position date and prior to issuance of this report, an outbreak of the Coronavirus (COVID-19) occurred. The Foundation has canceled all in-person activities and received credits for future activities in 2021. The ultimate impact of COVID-19 on the financial performance of the Foundation cannot be reasonably estimated at this time.