

PETER SPENCER FAMILY LIFE FOUNDATION, INC.
REPORT ON FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 and 2018

CONTENTS

	<u>PAGE NO.</u>
Independent Auditors ' Report	2
Financial Statements:	
Statement of Financial Condition	4
Statement of Activity and Changes in Net Assets	5
Statement of Expenses by Function and Nature	6
Statement of Cash Flows	7
Notes to Financial Statements	8

ARVELLE C. JONES
CERTIFIED PUBLIC ACCOUNTANT

POST OFFICE BOX 4593
PHILADELPHIA, PA 19131
TELEPHONE: 215-878-2856
FAX: 215-878-2856
[E-MAILARVELJOI@MSN.COM](mailto:ARVELJOI@MSN.COM)

Independent Auditors' Report

Board of Directors
PETER SPENCER FAMILY LIFE FOUNDATION, INC.
812 N Franklin Street
Wilmington, DE 19805

Report on the Financial Statements

We have audited the accompanying Statement of Financial Condition of PETER SPENCER FAMILY LIFE FOUNDATION, INC., as of December 31, 2019 and 2018, and the related Statements of Activities, Changes in Net Assets and Cash Flows for the years then ended and related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards of 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 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 auditor considers internal control relevant to the entity's preparation and fair presentation of 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 evaluating the appropriateness of the accounting policies used

and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of 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 PETER SPENCER FAMILY LIFE FOUNDATION, INC., as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Arvelle C. Jones". The signature is written in a cursive style with a large, stylized initial "A".

Member,
FOR: ARVELLE C. JONES, CPA, LLC
Philadelphia, Pennsylvania 19131
March 1, 2021

PETER SPENCER FAMILY LIFE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION DECEMBER 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS		
Cash	182,609	111,033
Receivables	25,538	11,429
Total Current Assets	<u>208,147</u>	<u>122,462</u>
Total Assets	<u>208,147</u>	<u>122,462</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	3,342	1,000
Total Liabilities	<u>3,342</u>	<u>1,000</u>
NET ASSETS		
Without Donor Restrictions	82,355	112,712
With Donor Restrictions	122,450	8,750
Total net Assets	<u>204,805</u>	<u>121,462</u>
Total Liabilities and Net Assets	<u>208,147</u>	<u>122,462</u>

The notes are an integral part of the financial statements

PETER SPENCER FAMILY LIFE FOUNDATION, INC
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED DECEMBER 31,

	<u>2019</u>	<u>2018</u>
REVENUES		
Grants	\$333,820	\$254,328
Contributions	25,930	27,220
Program Fees	850	8,376
Miscellaneous Income	85	
Total Revenues	360,685	289,924
EXPENSES		
Programs		
Freedom School	260,580	202,991
Support Services	16,762	8,740
Total Expenses	277,342	211,731
INCREASE (DECREASE) IN NET ASSETS	83,343	78,193
NET ASSETS BEGINNING OF YEAR	121,462	43,269
NET ASSETS END OF YEAR	\$204,805	\$121,462

The notes are an integral part of this statement.

PETER SPENCER FAMILY LIFE FOUNDATION, INC
STATEMENT OF EXPENSES BY FUNCTION AND NATURE
FOR THE PERIOD ENDED DECEMBER 31, 2019

	<u>Program</u>		<u>Support Activities</u>		<u>Total</u>	<u>Total</u>
	<u>Freedom</u>	<u>Total</u>	<u>Management</u>	<u>Total</u>		
	<u>School</u>	<u>Ujima</u>	<u>Programs and</u>	<u>General Fundraising</u>	<u>Total</u>	<u>Expenses</u>
Professional Fees	\$141,939	\$48,692	\$190,630	\$9,673	\$6,300	\$206,603
Books	6,413		6,413			6,413
Rent	14,363	1,750	16,113			16,113
Travel	8,391		8,391			8,391
Training	7,838		7,838			7,838
Field Trips	11,306		11,306			11,306
Stipends	1,575		1,575			1,575
Ground Transportation	10,598		10,598			10,598
Supplies	6,452		6,452	266	266	6,718
Other Expenses	1,173	92	1,265	523	523	1,788
Total Expenses	\$210,048	\$50,534	\$260,581	\$10,462	\$6,300	\$277,343

PETER SPENCER FAMILY LIFE FOUNDATION, INC
STATEMENT OF EXPENSES BY FUNCTION AND NATURE
FOR THE PERIOD ENDED DECEMBER 31, 2018

	<u>Program</u>		<u>Support Activities</u>		<u>Total</u>	<u>Total</u>
	<u>Freedom</u>	<u>Total</u>	<u>Management</u>	<u>Total</u>		
	<u>School</u>	<u>Ujima</u>	<u>Programs and</u>	<u>General Fundraising</u>	<u>Total</u>	<u>Expenses</u>
Professional Fees	\$99,425	\$26,971	\$126,396	\$6,985	\$6,985	\$133,381
Books	9,939		9,939			9,939
Rent	13,550	2,500	16,050			16,050
Travel	4,927		4,927			4,927
Training	12,148		12,148			12,148
Field Trips	7,487	14	7,501			7,501
Stipends	12,700		12,700			12,700
Ground Transportation	4,182		4,182			4,182
Supplies	4,155	3,292	7,447	255	255	7,702
Other Expenses	1,481	220	1,701	1,500	1,500	3,201
Total Expenses	\$169,994	\$32,997	\$202,991	\$8,740	\$8,740	\$211,731

The notes are an integral part of the financial statements

PETER SPENCER FAMILY LIFE FOUNDATION, INC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31,

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
■ Increase (Decrease) in Net Assets	83,343	78,193
■ Adjustments to reconcile change in Net Assets		
To net assets used by Operating Activities:		
Change in Accounts Receivable	(14,110)	20,274
Change in Accounts Payable	2,343	(4,333)
Net Assets Provided (Used) by Operating Activities	71,576	94,133
Cash Flows from Investment Activities		
Cash Flows from Financing Activities		
Net Increase (Decrease) in Cash	71,576	94,134
Cash at Beginning of Year	111,033	16,899
Cash at end of Year	182,609	111,033

The notes are an integral part of these financial statements

,

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018

NOTE 1 ORGANIZATION AND MISSION

PETER SPENCER FAMILY LIFE FOUNDATION, INC. was incorporated under the General Corporation Law of the State of Delaware for Non-Profit Corporations. The organization's purpose is to promote a community of prosperous, empowered and productive people using the principles of Peter Spencer to eradicate the disparities and inequities that exist, particularly in the African American Community. The mission is to offer educational and cultural programs that enhance the quality of life for families within our communities using the legacy and principles of Peter Spencer, which are Community, Hope, Liberation, Salvation, and Self-Determination...

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

[Basis of Presentation](#)

PETER SPENCER FAMILY LIFE FOUNDATION, INC. maintains its records on the accrual basis of accounting. Major assets are depreciated over their useful life.

[Estimates](#)

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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

[Income Taxes](#)

PETER SPENCER FAMILY LIFE FOUNDATION, INC. is Not-for-Profit organization exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code.

Donated Services

A substantial number of volunteers have donated significant amounts of time to the Foundation's program services. Although the value of these services is significant, the Foundation does not record such value in its financial statements since the criteria for recognition is not met in accordance with FASB ASC Topic 958-605-25, Not-For-Profit Entities—Revenue Recognition.

Functional Allocation of Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. The Foundation performs four

functions: Freedom School, Ujima afterschool care, fund-raising, and management and general. Definitions of these functions are as follows:

Freedom School Activities performed by the Foundation that provide a reading-based program in the format of the Children's Defense Fund Freedom School curriculum. The program is conducted during the summer months and caters to 100 children on average.

Ujima Afterschool Care

Activities performed by the Foundation related to the family life program including the provision of mentoring homework assistance and tutoring after school. It also includes parent engagement and the deliver)/ of family support and is largely staffed by volunteers.

Fund Raising

Activities performed by the Foundation to generate funds and/or resources to support its programs and operations. During the fiscal years ended December 31, 2018, the Foundation incurred no significant joint costs for activities that include fund raising appeals.

Management and General

All costs not identifiable with a single-program or fund-raising activity, but indispensable to the conduct of such programs and activities and to the Foundation's existence, are included as management and general expenses. This includes expenses for the overall direction of the Foundation, business management, general record-keeping, budgeting, financial reporting, and activities relating to these functions such as salaries, rent, supplies, equipment, and other expenses.

Expenses that benefit more than one function of the Foundation are allocated among the functions based generally on the amount of time spent by employees/volunteers on each function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 3 - LEASE ARRANGEMENTS

The facilities presently occupied are by written memorandum of understanding with Mother African Union Church for a monthly fee.

NOTE 4 - RELATED PARTIES

Most of the organization's Board Members are also Officials and members of the Mother African Union Church which is the organization's landlord.

NOTE 5 - SUBSEQUENT EVENTS

The Foundation has evaluated events and transactions for potential recognition or disclosure through December 31, 2020, the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events that would require recognition or disclosure in the financial statements.