

Executive Summary of the 2018 Audited Financial Statements

Our Board of Directors and management team are dedicated to accomplishing our vision, mission and goals. They are also highly motivated to operate the organization in a transparent manner and to be accountable to all its stakeholders, friends and supporters in ensuring its continued financial strength and stability.

As indicated in our audited financial statements, Champions for Learning had a very strong year in fiscal 2018.

When reviewing our **financial results**, you will see a total positive change in our net assets for the year of \$256,035, the details of which are presented in the Statement of Activities on pages four and five of the report.

The \$256,035 **increase in our net assets** resulted from a \$385,657 increase in our unrestricted net assets (see page four of the report), a \$234,622 decrease in our temporarily restricted net assets (see page five of the report), and an increase of \$105,000 in our permanently restricted net assets (see page five of the report).

The **increase in our unrestricted net assets** of \$385,657 was due primarily to \$341,283 of temporarily restricted contributions made in a prior year (included in the \$991,692 of “Satisfaction of purpose restrictions” shown on page four of the report) that helped us pay down our note payable related to the purchase of our office space and make renovations and improvements to our office facilities during fiscal year 2018.

Excluding the \$341,283, which we used to strengthen our balance sheet, we had an **“operational” surplus** of \$44,374, which enhanced our financial position as we began fiscal 2019. The “operational” surplus occurred even though our total expenses were up by \$558,459, to \$2,815,932 in 2018 vs 2017 (see page four of the report), due primarily to both expanding and enhancing our programs.

The \$234,622 **decrease in temporarily restricted net assets** (see page five) was due primarily to the \$341,283 satisfaction of purpose restrictions relative to the prior year contributions, referred to above, that were used to pay down our note payable and make renovations and improvements to our office facilities. Otherwise, our temporarily restricted transactions generated a net surplus of \$106,661.

The \$105,000 **increase in permanently restricted net assets** was due to contributions to our endowment fund.

We ended fiscal 2018 in **sound financial condition**, as indicated by our balance sheet on page three of the report. We had \$766,556 of cash at June 30, an increase over our cash balance a year ago (\$653,683), notwithstanding that our liabilities went down by \$172,205 during 2018. The details of our 2018 cash flow are presented in the Statement of Cash Flows on page six of the report.