



MATTHEWS
CUTRER *and*
LINDSAY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**MISSISSIPPI KIDNEY FOUNDATION, INC.
JACKSON, MISSISSIPPI**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021**

*Ridgeland, Clinton, and Yazoo City,
Mississippi*

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MISSISSIPPI KIDNEY FOUNDATION, INC.

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF FUNCTIONAL EXPENSES.....	5
STATEMENTS OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS.....	7
SUPPLEMENTARY INFORMATION	
SCHEDULE I – SPECIAL EVENTS REVENUES AND EXPENSES.....	19

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Mississippi Kidney Foundation, Inc.
Jackson, Mississippi

We have reviewed the accompanying financial statements of Mississippi Kidney Foundation, Inc. (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Mississippi Kidney Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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Accountant's Conclusion

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

Report on Supplementary Information

The 2021 supplementary information included in Schedule I is presented for purposes of additional analysis and is 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

A handwritten signature in black ink that reads "Matthews, Cutler & Lindsey, P.A." in a cursive script.

Ridgeland, Mississippi
December 5, 2022

MISSISSIPPI KIDNEY FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash	\$ 42,502	\$ 140,015
Investments	138,536	143,790
Certificates of deposit	275,498	274,190
Inventories	3,515	4,103
Prepaid expenses	3,253	4,429
Furniture and equipment at cost, less accumulated depreciation of \$70,393 in 2022 and \$67,272 in 2021	7,765	8,834
Other assets	<u>2,000</u>	<u>2,000</u>
	<u>\$ 473,069</u>	<u>\$ 577,361</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,736	\$ 5,718
Refundable advance - Paycheck Protection Program	<u>-</u>	<u>25,687</u>
	<u>1,736</u>	<u>31,405</u>
NET ASSETS		
Without donor restrictions	365,116	401,572
With donor restrictions	<u>106,217</u>	<u>144,384</u>
	<u>471,333</u>	<u>545,956</u>
	<u>\$ 473,069</u>	<u>\$ 577,361</u>

See independent accountant's review report and notes to financial statements.

MISSISSIPPI KIDNEY FOUNDATION, INC.

STATEMENTS OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2021

	Without donor restrictions	With donor restrictions	2022	2021
SUPPORT AND REVENUES				
Contributions and grants	\$ 76,149	\$ -	\$ 76,149	\$ 125,585
Special events	50,724	-	50,724	101,067
Conditional grants	25,686	-	25,686	25,690
Net assets released from restrictions	<u>33,000</u>	<u>(33,000)</u>	<u>-</u>	<u>-</u>
	<u>185,559</u>	<u>(33,000)</u>	<u>152,559</u>	<u>252,342</u>
EXPENSES				
Program services	144,853	-	144,853	147,345
Fund raising	17,629	-	17,629	17,284
Management and general	39,639	-	39,639	36,790
Special events	<u>21,114</u>	<u>-</u>	<u>21,114</u>	<u>23,211</u>
	<u>223,235</u>	<u>-</u>	<u>223,235</u>	<u>224,630</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>(37,676)</u>	<u>(33,000)</u>	<u>(70,676)</u>	<u>27,712</u>
INVESTMENT RETURN, NET	<u>1,220</u>	<u>(5,167)</u>	<u>(3,947)</u>	<u>18,907</u>
CHANGE IN NET ASSETS	(36,456)	(38,167)	(74,623)	46,619
NET ASSETS AT BEGINNING OF YEAR	<u>401,572</u>	<u>144,384</u>	<u>545,956</u>	<u>499,337</u>
NET ASSETS AT END OF YEAR	<u>\$ 365,116</u>	<u>\$ 106,217</u>	<u>\$ 471,333</u>	<u>\$ 545,956</u>

See independent accountant's review report and notes to financial statements.

MISSISSIPPI KIDNEY FOUNDATION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2021

	Public Education	Professional Education	Patient Services	Community Service	Total Program	Fund Raising	Management and General	Special Events	2022	2021
Assistance to patients	\$ -	\$ -	\$11,643	\$ -	\$ 11,643	\$ -	\$ -	\$ -	\$ 11,643	\$ 18,719
Building occupancy	8,340	667	11,676	6,005	26,688	5,004	1,667	-	33,359	32,974
Depreciation	780	62	1,248	531	2,621	187	313	-	3,121	3,697
Direct benefit costs	-	-	-	-	-	-	-	21,114	21,114	23,211
Direct mail and campaign	355	-	-	152	507	508	-	-	1,015	774
Employee benefits	1,229	307	2,765	615	4,916	615	614	-	6,145	3,626
Insurance	1,149	92	1,609	827	3,677	690	230	-	4,597	5,804
Meetings and travel	427	171	512	342	1,452	85	171	-	1,708	778
Office supplies and expenses	2,996	839	5,513	1,678	11,026	599	359	-	11,984	10,039
Payroll taxes	1,452	363	3,267	726	5,808	726	726	-	7,259	7,037
Printing and publications	404	32	202	121	759	32	17	-	808	-
Professional fees and contract services	-	-	-	-	-	-	26,470	-	26,470	23,865
Salaries	17,710	4,428	39,848	8,855	70,841	8,855	8,854	-	88,550	90,120
Telephone	1,092	273	2,731	819	4,915	328	218	-	5,462	3,986
	<u>\$ 35,934</u>	<u>\$ 7,234</u>	<u>\$ 81,014</u>	<u>\$ 20,671</u>	<u>\$ 144,853</u>	<u>\$ 17,629</u>	<u>\$ 39,639</u>	<u>\$ 21,114</u>	<u>\$ 223,235</u>	<u>\$ 224,630</u>
Percentages	<u>16.10%</u>	<u>3.24%</u>	<u>36.29%</u>	<u>9.26%</u>	<u>64.89%</u>	<u>7.90%</u>	<u>17.76%</u>	<u>9.46%</u>	<u>100.00%</u>	<u>100.00%</u>

See independent accountant's review report and notes to financial statements.

MISSISSIPPI KIDNEY FOUNDATION, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (74,623)	\$ 46,619
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	3,121	3,697
Realized and unrealized (gain) loss on investments, net	6,323	(17,395)
Interest and dividends reinvested, net of fees	(2,377)	(1,272)
Forgiveness of refundable advance - Paycheck Protection Program	(25,687)	(25,690)
(Increase) decrease in assets:		
Prepaid expenses	1,176	(1,514)
Inventories	588	885
Decrease in liabilities:		
Accounts payable and accrued expenses	<u>(3,982)</u>	<u>(5)</u>
Net cash provided by (used in) operating activities	<u>(95,461)</u>	<u>5,325</u>
INVESTING ACTIVITIES		
Purchase of investments	(49,711)	(45,677)
Proceeds from sale of investments	49,711	45,437
Purchase of furniture and equipment	<u>(2,052)</u>	<u>(2,308)</u>
Net cash used in investing activities	<u>(2,052)</u>	<u>(2,548)</u>
FINANCING ACTIVITIES		
Proceeds from refundable advance - Paycheck Protection Program	<u>-</u>	<u>25,687</u>
Net cash provided by financing activities	<u>-</u>	<u>25,687</u>
NET INCREASE (DECREASE) IN CASH	(97,513)	28,464
CASH AT BEGINNING OF YEAR	<u>140,015</u>	<u>111,551</u>
CASH AT END OF YEAR	<u>\$ 42,502</u>	<u>\$ 140,015</u>

See independent accountant's review report and notes to financial statements.

MISSISSIPPI KIDNEY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Foundation

The Mississippi Kidney Foundation, Inc., (a nonprofit corporation) was founded to serve Mississippi kidney patients by providing quality programs and services, to provide public education and screening to promote the prevention of kidney disease and to promote organ donation throughout the state. The Foundation is supported primarily through donor contributions and special events.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. 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. All other net assets, including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restriction class.

Investments

Investments in marketable securities and debt securities are carried at their fair market value in the statements of financial position. Unrealized gains and losses are included in the accompanying statements of activities and cash flows. Realized gains and losses are computed based on the average cost of securities sold.

Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market.

MISSISSIPPI KIDNEY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Furniture and Equipment

Donations of furniture and equipment are recorded as support at their estimated fair values. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire furniture and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Furniture and equipment are depreciated using the straight-line method over their estimated useful lives.

Net Assets

The Foundation's net assets and changes therein are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions or law.

With Donor Restrictions

Net assets subject to donor-imposed restrictions. Donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

The Foundation has adopted Topic 606, *Revenue from Contracts with Customers* ("Topic 606"), using the modified retrospective method.

Contributions and Grants

Contributions and grants are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Special Events Revenue

Special events revenue relates to the commensurate value the attendee receives when the related events are held and performance obligations are met.

MISSISSIPPI KIDNEY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounting Estimates

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

Functional Allocation of Expenses

The costs of providing Foundation's program and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical or are allocated based on space utilization.

Liquidity

Quantitative

The Foundation has \$37,138 and \$89,591 of financial assets as of June 30, 2022 and 2021, respectively, available to meet cash needs for general expenditures within one year of the statements of financial position date, which consist of cash, investments, certificates of deposit, accounts receivable, inventories, and prepaid expenses. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.

Qualitative

The Foundation has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal cash operating expenses, which are, on average, approximately \$35,000 and \$38,000 at June 30, 2022 and 2021, respectively.

Leases

All noncancellable leases with an initial term greater than one year have been categorized as capital or operating leases in conformity with the provisions of Accounting Standards Codification No. 840, *Accounting for Leases*.

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Taxes

The Mississippi Kidney Foundation, Inc. is not liable for any federal or state income taxes. The Foundation has been granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code and under similar provisions for the State of Mississippi. The Foundation has adopted Financial Accounting Standards Board (FASB) Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes*. FIN 48 clarifies the accounting for uncertainty in income tax positions recognized in accordance with Accounting Standards Codification No. 740, *Accounting for Income Taxes*. It also provides guidance on when tax positions are recognized in an entity's financial statements and how the values of those positions are determined. There was no impact on the Foundation's financial statements as a result of the adoption of FIN 48. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Foundation believes it is no longer subject to income tax examinations for the last three fiscal years.

Comparative Financial Statements

The statements of activities and functional expenses indicate certain summarized comparative information for the year ended June 30, 2021. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Reclassifications

Certain amounts have been reclassified for the year ended June 30, 2021 to conform to the presentation for the year ended June 30, 2022.

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 2 - INVESTMENTS

Investments are stated at fair values and are summarized as follows, as of June 30, 2022 and 2021:

	2022	
	Cost	Fair Value
U.S. equities	\$ 36,529	\$ 41,553
Non U.S. equities	5,470	5,059
Fixed income	60,792	57,364
Real estate & tangibles	2,126	2,524
Cash & cash equivalents	32,036	32,036
	<u>\$ 136,953</u>	<u>\$ 138,536</u>

	2021	
	Cost	Fair Value
U.S. equities	\$ 51,593	\$ 62,206
Non U.S. equities	5,843	6,846
Fixed income	35,967	36,078
Real estate & tangibles	3,063	3,907
Cash & cash equivalents	34,753	34,753
	<u>\$ 131,219</u>	<u>\$ 143,790</u>

The following schedule summarizes the investment return and its classification in the statements of activities.

	2022		
	Without	With Donor	Total
	Donor	Restrictions	
Interest and dividends	\$ 1,362	\$ 2,155	\$ 3,517
Fees	-	(1,141)	(1,141)
Realized and unrealized loss	(142)	(6,181)	(6,323)
Total investment loss	<u>\$ 1,220</u>	<u>\$ (5,167)</u>	<u>\$ (3,947)</u>

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 2 – INVESTMENTS – CONTINUED

	2021		
	Without		
	Donor	With Donor	Total
	<u>Restrictions</u>	<u>Restrictions</u>	<u>Total</u>
Interest and dividends	\$ 329	\$ 2,236	\$ 2,565
Fees	(50)	(1,003)	(1,053)
Realized and unrealized gain	600	16,795	17,395
Total investment return	<u>\$ 879</u>	<u>\$ 18,028</u>	<u>\$ 18,907</u>

NOTE 3 – FAIR VALUE OF INVESTMENTS

The Foundation has adopted Accounting Standards Codification No. 820, Fair Value Measurements, which requires enhanced disclosures about investments that are measured and reported at fair value. The Foundation measures and reports the fair value of certain assets using level (1), (2), and (3) inputs. Level (1) inputs represent fair values obtained using quoted prices in active markets. Level (2) inputs represent fair values obtained from observable market data but not from quoted market prices. Level (3) inputs represent unobservable inputs and are generally based on the Foundation's own assumptions.

Assets measured at fair value consist of the following at June 30, 2022 and 2021:

	2022 Fair	2021 Fair	Fair Value
	<u>Value</u>	<u>Value</u>	<u>Hierarchy</u>
U.S. equities	\$ 41,553	\$ 62,206	(1)
Non U.S. equities	5,059	6,846	(1)
Fixed income	57,364	36,078	(2)
Real estate & tangibles	2,524	3,907	(1)
Cash & cash equivalents	32,036	34,753	(1)
	<u>\$ 138,536</u>	<u>\$ 143,790</u>	

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 4 – CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT

In April 2020, the Foundation received proceeds of \$25,690 to fund payroll and utilities through the Paycheck Protection Program (the PPP). The PPP proceeds were forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the PPP agreement and the CARES Act. Therefore, the entire amount is classified as conditional grant revenue in the accompanying 2021 statement of activities.

In March 2021, the Foundation received proceeds of \$25,687 to fund payroll and utilities through the Second Draw of the Paycheck Protection Program (the PPP). The entire amount is classified as a refundable advance in the accompanying 2021 statement of financial position. During 2022 the PPP proceeds were forgiven by the U.S. Small Business Administration (SBA). Therefore, the entire amount is classified as conditional grant revenue in the accompanying 2022 statement of activities.

NOTE 5 – LEASED FACILITIES

The Foundation leases its office facilities under a five-year lease ending February 2025. Rents charged to operations totaled \$33,261 and \$32,311 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease payments under the aforementioned operating lease as of June 30, 2022 are as follows:

Year Ending June 30	Amount
2023	\$ 32,600
2024	32,760
2025	21,840
	<u>\$ 87,200</u>

NOTE 6 - ENDOWMENT

The Foundation has an endowment established by a donor to provide income to be used for Mississippi Kidney Foundation's annual ceremony awards. The assets are invested in a separate investment portfolio of The Foundation. As required by generally accepted accounting principles, net assets associated with endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 6 – ENDOWMENT - CONTINUED

Interpretation of Relevant Law

The Foundation interprets the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, The Foundation classifies as net assets with donor restrictions at the original value of gift donated to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by The Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation's policy is to preserve the historical dollar value of the permanently restricted contribution and to use any of the investment returns as is prudent, taking into consideration The Foundation's long and short-term needs, resources, donor restrictions, expected total return on its investments, and investment policies. It is The Foundation's policy to allocate for spending all of the endowment's investment income each year.

Return Objectives and Risk Parameters

The Finance Committee, which oversees the investment portfolio of The Foundation with the assistance of The Foundation's investment advisor, operates to provide a predictable stream of income and investment returns. The endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing investment objectives, the Board of Directors, with the assistance of the Finance Committee, has taken into account the time horizon available for investment, the nature of The Foundation's cash flow requirements, and other factors that affect the Board of Directors' and Finance Committee's risk tolerance.

Spending Policy – Donor-restricted endowment.

The income of the endowment and any distributions of principal shall be used exclusively for the purpose of funding annual ceremony expenses. In establishing this policy, The Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment fund, which must be maintained in perpetuity because of donor restrictions. This is consistent with The Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 6 – ENDOWMENT - CONTINUED

Strategy Employed for Achieving Objectives

Accordingly, the Finance Committee has recommended, and the Board of Directors has adopted, an investment objective of long-term growth for the invested assets. The investment guidelines emphasize both long-term capital appreciation and current yield as a primary sources of return, recognizing that the assets are exposed to risk and may be subject to fluctuations in market value from year-to-year, expect to earn returns sufficient to grow the purchasing power of assets over the long-term, diversify the invested assets in order to reduce the risk of wide swings in market value from year-to-year, or of incurring large losses that may result from concentrated positions, and achieve investment results over the long-term that compare favorably with those of other endowments and foundations, other professionally managed portfolios, and of appropriate market indexes. Net assets with donor restrictions are available for the following purpose at June 30, 2022 and 2021.

Endowment net asset composition by type of fund as of June 30, 2022 and 2021 is as follows:

	Without Restrictions	With Restrictions	Total
Endowment net assets - June 30, 2021	\$ -	\$ 111,384	\$ 111,384
Contributions	-	-	-
Investment return, net	-	(5,167)	(5,167)
Endowment net assets - June 30, 2022	<u>\$ -</u>	<u>\$ 106,217</u>	<u>\$ 106,217</u>

	Without Restrictions	With Restrictions	Total
		2022	
Donor-restricted endowment fund			
Original donor-restricted gift amount and amounts required to be retained in perpetuity by donor	\$ -	\$ 100,000	\$ 100,000
Portion subject to appropriation under UPMIFA	-	6,217	6,217
	<u>\$ -</u>	<u>\$ 106,217</u>	<u>\$ 106,217</u>

MISSISSIPPI KIDNEY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 6 – ENDOWMENT - CONTINUED

	Without Restrictions	With Restrictions	Total
	2021		
Donor-restricted endowment fund			
Original donor-restricted gift amount and amounts required to be retained in perpetuity by donor	\$ -	\$ 100,000	\$ 100,000
Portion subject to appropriation under UPMIFA	-	11,384	11,384
	<u>\$ -</u>	<u>\$ 111,384</u>	<u>\$ 111,384</u>

Fund Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment fund may fall below the level that the donor or the UPMIFA requires the Foundation to retain as a fund of perpetual duration. As of June 30, 2022 and 2021 there was no deficiencies in the donor-restricted endowment fund.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes and periods as of June 30:

	2022	2021
Subject to the Foundation's spending policy and appropriation:		
Ceremony expenses		
Original donor-restricted gift amount and amounts required to be retained in perpetuity by donor	\$ 100,000	\$ 100,000
Accumulated gain (loss)	6,217	11,384
	<u>106,217</u>	<u>111,384</u>
Program service and patient education	-	33,000
	<u>\$ 106,217</u>	<u>\$ 144,384</u>

MISSISSIPPI KIDNEY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS - CONTINUED

Net Assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	<u>2022</u>	<u>2021</u>
Patient services	\$ -	\$ 20,000
Program services and patient education	<u>33,000</u>	<u>33,000</u>
	<u>\$ 33,000</u>	<u>\$ 53,000</u>

NOTE 8 – NET ASSETS WITHOUT DONOR RESTRICTIONS

The Foundation’s Board has designated net assets without donor restrictions for the following purposes as of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Direct assistance to patients	<u>\$ 319,949</u>	<u>\$ 332,552</u>

NOTE 9 – RETIREMENT PLAN

During the years ended June 30, 2022 and 2021, employees of the Foundation participated in simplified employee pension plans. The employees are the owners of their respective plans and the Foundation makes contributions on their behalf. Employer contributions total 5.0% of each employee’s gross compensation. An employee is eligible to participate and is fully vested after one year of service. Employer contributions totaled \$6,145 and \$3,626 for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 – DONATED SERVICES

Many individuals volunteer their time and perform a variety of tasks that assist the Foundation in its program services and in its fund-raising programs. The value of this contributed time is not reflected in the accompanying financial statements because it does not meet the criteria for recognition.

MISSISSIPPI KIDNEY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2021

NOTE 11 – SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through December 2, 2022 at which time the accompanying financial statements were available to be issued.

MISSISSIPPI KIDNEY FOUNDATION, INC.

SCHEDULE I - SPECIAL EVENTS REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

REVENUES	
Drawdown	\$ 50,249
Kidney walk	475
	<hr/>
	50,724
EXPENSES	
Drawdown	\$ 20,642
Kidney walk	472
	<hr/>
	21,114
NET INCOME FROM SPECIAL EVENTS	<hr/> <hr/>
	\$ 29,610

See independent accountant's review report.

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