



## **Rainier Scholars**

Financial Statements  
Years Ended June 30, 2022 and 2021



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## Independent Auditor's Report

To the Board of Directors  
Rainier Scholars  
Seattle, Washington

### *Opinion*

We have audited the financial statements of Rainier Scholars (the Organization), 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Other Matter*

The financial statements for the year ended June 30, 2021 were audited by other auditors, whose report dated December 16, 2021 expressed an unmodified opinion on those statements.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*BDO USA, LLP*

May 12, 2023

**Rainier Scholars**  
**Statements of Financial Position**

<i>June 30,</i>	2022	2021
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,646,402	\$ 2,012,589
Investments	7,636,480	7,358,508
Pledges receivable, current	496,449	929,383
Prepaid expenses	82,192	33,842
<b>Total Current Assets</b>	<b>9,861,523</b>	<b>10,334,322</b>
Investments, noncurrent	226,037	223,254
Pledges receivable, noncurrent, net	361,291	706,292
Property and equipment, net	177,176	196,673
<b>Total Assets</b>	<b>\$ 10,626,027</b>	<b>\$ 11,460,541</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 78,879	\$ 89,362
Payroll liabilities	179,238	174,448
<b>Total Liabilities</b>	<b>258,117</b>	<b>263,810</b>
<b>Net Assets</b>		
Without donor restrictions		
Undesignated	6,047,617	5,406,332
Board designated	2,753,081	3,281,145
Total without donor restrictions	8,800,698	8,687,477
With donor restrictions	1,567,212	2,509,254
<b>Total Net Assets</b>	<b>10,367,910</b>	<b>11,196,731</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 10,626,027</b>	<b>\$ 11,460,541</b>

*See accompanying notes to financial statements.*

## Rainier Scholars

### Statements of Activities

Year Ended June 30,	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>						
Contributions and grants	\$ 2,843,998	\$ 1,187,366	\$ 4,031,364	\$ 3,118,084	\$ 1,888,075	\$ 5,006,159
Special events, net	2,445,115	-	2,445,115	2,611,844	-	2,611,844
Less: Direct expenses	(133,785)	-	(133,785)	(160,837)	-	(160,837)
Investment return (loss)	(1,021,526)	-	(1,021,526)	1,063,731	-	1,063,731
Government grants	-	-	-	590,000	-	590,000
In-kind contributions	9,750	-	9,750	11,921	-	11,921
Other income	9,354	-	9,354	2,557	-	2,557
Program service fees	-	-	-	1,609	-	1,609
Net assets released from restriction	2,129,408	(2,129,408)	-	1,103,489	(1,103,489)	-
	<b>6,282,314</b>	<b>(942,042)</b>	<b>5,340,272</b>	<b>8,342,398</b>	<b>784,586</b>	<b>9,126,984</b>
<b>Expenses</b>						
Program services	4,625,980	-	4,625,980	3,640,028	-	3,640,028
Management and general	653,182	-	653,182	474,571	-	474,571
Fundraising	889,931	-	889,931	593,301	-	593,301
<b>Total Expenses</b>	<b>6,169,093</b>	<b>-</b>	<b>6,169,093</b>	<b>4,707,900</b>	<b>-</b>	<b>4,707,900</b>
<b>Change in Net Assets</b>	<b>113,221</b>	<b>(942,042)</b>	<b>(828,821)</b>	<b>3,634,498</b>	<b>784,586</b>	<b>4,419,084</b>
<b>Net Assets, beginning of year</b>	<b>8,687,477</b>	<b>2,509,254</b>	<b>11,196,731</b>	<b>5,052,979</b>	<b>1,724,668</b>	<b>6,777,647</b>
<b>Net Assets, end of year</b>	<b>\$ 8,800,698</b>	<b>\$ 1,567,212</b>	<b>\$ 10,367,910</b>	<b>\$ 8,687,477</b>	<b>\$ 2,509,254</b>	<b>\$ 11,196,731</b>

*See accompanying notes to financial statements.*