

RAINIER SCHOLARS
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT
JUNE 30, 2021 AND 2020



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rainier Scholars
Seattle, Washington

We have audited the accompanying financial statements of Rainier Scholars (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from 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 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 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the 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 Rainier Scholars as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Jones & Associates PLLC, CPAs
December 16, 2021

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RAINIER SCHOLARS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

| | 2021 | 2020 |
|---------------------------------------|---------------|--------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 2,012,589 | \$ 2,112,252 |
| Investments | 7,358,508 | 4,048,086 |
| Accounts receivable | - | 16,988 |
| Pledges receivable, current | 929,383 | 466,333 |
| Prepaid expenses | 33,842 | 31,967 |
| Total current assets | 10,334,322 | 6,675,626 |
| Investments, noncurrent | 223,254 | 220,507 |
| Pledges receivable, noncurrent, net | 706,292 | 501,292 |
| Property and equipment, net | 196,673 | 92,587 |
| | \$ 11,460,541 | \$ 7,490,012 |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 89,362 | \$ 15,688 |
| Payroll liabilities | 174,448 | 156,677 |
| Forgivable note payable, current | - | 237,493 |
| Total current liabilities | 263,810 | 409,858 |
| Forgivable note payable | - | 302,507 |
| Total liabilities | 263,810 | 712,365 |
| NET ASSETS | | |
| Without donor restrictions | | |
| Undesignated | 5,406,332 | 2,732,537 |
| Board designated | 3,281,145 | 2,320,442 |
| | 8,687,477 | 5,052,979 |
| With donor restrictions | 2,509,254 | 1,724,668 |
| | 11,196,731 | 6,777,647 |
| | \$ 11,460,541 | \$ 7,490,012 |

**RAINIER SCHOLARS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--------------------------------------|-------------------------------|----------------------------|----------------------|
| SUPPORT AND REVENUE | | | |
| Contributions and grants | \$ 3,118,084 | \$ 1,888,075 | \$ 5,006,159 |
| Special events, net | 2,451,007 | - | 2,451,007 |
| Investment return | 1,063,731 | - | 1,063,731 |
| Government grants | 590,000 | - | 590,000 |
| In-kind contributions | 11,921 | - | 11,921 |
| Other income | 2,557 | - | 2,557 |
| Program service fees | 1,609 | - | 1,609 |
| | <u>7,238,909</u> | <u>1,888,075</u> | <u>9,126,984</u> |
| | | | |
| Net assets released from restriction | | | |
| Satisfaction of program restriction | 276,750 | (276,750) | - |
| Satisfaction of time restriction | 826,739 | (826,739) | - |
| | <u>1,103,489</u> | <u>(1,103,489)</u> | <u>-</u> |
| | <u>8,342,398</u> | <u>784,586</u> | <u>9,126,984</u> |
| | | | |
| EXPENSES | | | |
| Program services | 3,640,028 | - | 3,640,028 |
| Management and general | 474,571 | - | 474,571 |
| Fundraising | 593,301 | - | 593,301 |
| | <u>4,707,900</u> | <u>-</u> | <u>4,707,900</u> |
| | | | |
| Change in net assets | 3,634,498 | 784,586 | 4,419,084 |
| | | | |
| NET ASSETS | | | |
| Beginning of the year | <u>5,052,979</u> | <u>1,724,668</u> | <u>6,777,647</u> |
| End of the year | <u>\$ 8,687,477</u> | <u>\$ 2,509,254</u> | <u>\$ 11,196,731</u> |