Reviewed Financial Statements

assistance league®

May 31, 2025

Quigley & Miron

National Assistance League
Reviewed Financial Statements
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Quigley & Miron

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Independent Accountant's Review Report

Board of Directors
National Assistance League
Burbank, California

We have reviewed the accompanying financial statements of National Assistance League, a nonprofit organization, which comprise the statement of financial position as of May 31, 2025, and the related statements of activities, functional expenses, and cash flow 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 company 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 National Assistance League and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 Summarized Comparative Information

National Assistance League's May 31, 2024 financial statements were reviewed by us and our report thereon, dated October 3, 2024, stated we were not aware of any material modifications that should be made to those statements for them to be in accordance with accounting principles generally accepted in the United State of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

Quigley & Miron

Los Angeles, California
December 19, 2025

National Assistance League
Statement of Financial Position
May 31, 2025
(with comparative totals for 2024)

	2025	2024
Assets		
Cash and cash equivalents	$ 236,066	$ 290,460
Investments—Note 4	4,909,466	4,960,477
Accounts receivable	1,990	1,334
Prepaid expenses and other assets	36,239	60,430
Property and equipment, net—Note 5	61,651	188,167
Operating lease right-of-use asset—Note 6	104,202	
Total Assets	**$ 5,349,614**	**$ 5,500,868**
Liabilities and Net Assets		
Accounts payable and accrued liabilities	$ 55,709	$ 46,621
Salaries and employee benefits payable	53,916	43,350
Deferred membership dues	94,145	243,875
Operating lease liability—Note 6	104,202	
Line of credit—Note 7	350,000	
Total Liabilities	**657,972**	**333,846**
Net Assets		
Without donor restrictions—Note 8	4,691,642	5,167,022
Total Net Assets	**4,691,642**	**5,167,022**
Total Liabilities and Net Assets	**$ 5,349,614**	**$ 5,500,868**

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

National Assistance League
Statement of Activities
Year Ended May 31, 2025
(with summarized comparative totals for 2024)

	2025	2024
Operating Activities		
Net Assets Without Donor Restrictions		
Support and Revenue		
Membership dues	$ 783,711	$ 799,938
Conference registration fees	10,800	14,440
Salesforce license fees	7,351	12,158
Grants and contributions	112,628	123,906
Interest and dividends	195,795	211,892
Other income	6,714	5,401
Total Support and Revenue	**1,116,999**	**1,167,735**
Expenses		
Assistance League Chapter Services	1,397,380	1,001,670
Management and general	257,274	150,538
Membership and fund development	77,065	54,581
Total Expenses	**1,731,719**	**1,206,789**
Change in Net Assets from Operations	**(614,720)**	**(39,054)**
Nonoperating Activities		
Investment return, net—Note 4	218,403	375,398
Loss on disposal of property and equipment	(79,063)	
Change in Nonoperating Activities	**139,340**	**375,398**
Change in Net Assets	**(475,380)**	**336,344**
Net Assets at Beginning of Year	**5,167,022**	**4,830,678**
Net Assets at End of Year	**$ 4,691,642**	**$ 5,167,022**

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

National Assistance League
Statement of Functional Expenses
Year Ended May 31, 2025
(with summarized comparative totals for 2024)

	Assistance League Chapter Services	Management and General	Membership and Fund Development	2025 Total	2024 Total
Salaries, payroll taxes, and benefits	$ 687,734	$ 114,664	$ 38,866	$ 841,264	$ 595,045
Professional services	408,409	79,486	28,026	515,921	362,452
Licenses, fees, and subscriptions	134,164	16,586	2,539	153,289	85,992
Depreciation and amortization	40,331	7,562	2,521	50,414	22,220
Conference materials	35,195			35,195	2,504
Board and committee travel	2,752	23,198		25,950	34,044
Occupancy	19,668	3,688	1,229	24,585	5,925
Outside services	17,907	2,986	1,012	21,905	28,231
Office expenses	17,574	2,795	768	21,137	19,463
Insurance	11,688	2,192	731	14,611	12,435
Advertising and promotion	11,521	2,160	720	14,401	28,176
Operating supplies	3,789	710	237	4,736	3,314
Bank and merchant fees	3,738	701	234	4,673	6,987
Interest expense	2,910	546	182	3,638	
Total Expenses	**$ 1,397,380**	**$ 257,274**	**$ 77,065**	**$ 1,731,719**	**$ 1,206,788**

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

National Assistance League
Statement of Cash Flows
Year Ended May 31, 2025
(with comparative totals for 2024)

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ (475,380)	$ 336,344
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	50,414	22,220
Non-cash lease expenses	(104,202)	
Loss on disposal of software	79,063	
Investment gains	(269,019)	(424,459)
Changes in operating assets and liabilities:		
Accounts receivable	(656)	(1,123)
ERC grants receivable		153,329
Prepaid expenses and other assets	24,191	(57,445)
Accounts payable and accrued liabilities	9,088	(29,914)
Salaries and employee benefits payable	10,566	(10,832)
Deferred membership dues	(149,730)	53,720
Operating lease liability	104,202	
Net Cash Used in Operating Activities	**(721,463)**	**41,840**
Cash Flows from Investing Activities		
Purchases of property and equipment	(2,961)	(84,900)
Proceeds on sales/maturities of investments	906,567	805,033
Purchases of investments	(586,537)	(736,986)
Net Cash Provided by Investing Activities	**317,069**	**(16,853)**
Cash Flows from Financing Activities		
Proceeds from line of credit	350,000	
Net Cash Provided by Financing Activities	**350,000**	
Net Decrease in Cash and Cash Equivalents	**(54,394)**	**24,987**
Cash and Cash Equivalents at Beginning of Year	**290,460**	**265,473**
Cash and Cash Equivalents at End of Year	**$ 236,066**	**$ 290,460**
Supplemental Disclosures		
Income taxes paid	$	$
Interest paid	$ 3,638	$

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

Note 1—Organization

National Assistance League® (Organization), established in 1935, operates as a nonprofit corporation in California. The organization is committed to engaging and empowering volunteers with the goal of strengthening communities nationwide. Presently, the Organization consists of 95 chapters located throughout the United States, each governed independently to address local needs.

Assistance League Chapter Services—The Organization offers comprehensive support to its chapters to aid their community-based initiatives. This support includes access to education and training programs designed to build leadership and organizational skills. Additionally, chapters benefit from professional and volunteer coaching, which helps enhance their impact and effectiveness.

Beyond training and coaching, the Organization provides administrative, marketing, and technology support to help chapters operate efficiently and reach a wider audience. National partnership agreements further extend the resources available to chapters, enabling collaboration and strengthening their ability to serve communities.

Key Programs—Going forward, the deliverables offered by the Organization will be organized into two primary programs:

- Leadership Development and Support: Focused on fostering strong leadership within chapters, this program ensures that volunteers are equipped with the skills and knowledge necessary to guide their organizations effectively.
- Volunteer Community Building: This program centers on building connections among volunteers and within communities, encouraging collaboration and service to address local challenges.

Strategic Planning, Board Development, and Organizational Structure—To address its evolving needs, the Organization engaged Association Laboratory—a firm specializing in chapter and affiliate-based organizations—to design and facilitate a comprehensive process involving both Chapter leaders and individual volunteers. This initiative was focused on identifying the key issues impacting the organization and ensuring that the perspectives of both leadership and volunteers were incorporated into the planning process. Based on the findings and collaborative input, the organization began implementing the resulting strategic plan. However, with anticipated organizational changes, including the declaration of disaffiliation by 24 chapters as of May 31, 2025, the Organization recognized the need to adapt. As a result, the 2021–2026 plan was revised to reimagine the structure of the organization, concentrating on three specific strategies to guide the future operational framework and support of its Chapters.

- Strengthening National-Chapter Relationships: The Organization is a united national network of independent chapters leveraging a trusted support system to efficiently and effectively carry out our shared mission.
- Building Brand Perception and Relevance: The Organization is known nationally for its philanthropic work and its unique model of volunteerism.
- Achieving Sustainability and Financial Stability: The Organization has the necessary expertise and reliable resources at the national level aligned to effectively support and enhance the viability of its network.

The updated plan has been rolled out to chapter leaders and additional education sessions are planned for early 2026.

Note 1—Organization—*Continued*

In addition to LeagueLink, a volunteer management and learning platform, the organization currently supports over 70 chapters through a "multi-site" website framework hosted within the main organizational website, www.AssistanceLeague.org. This robust infrastructure allows chapters to maintain their own online presence while benefiting from unified support and resources. Looking ahead, the organization plans to transition this multi-site framework to the LeagueLink platform in the coming year, further integrating technology solutions to support chapter needs and enhance overall operational efficiency.

Marketing Support and Services—The Organization provides comprehensive marketing services and support to its Chapters to strengthen their outreach and engagement efforts. One of the key initiatives is the management of an Awards Program, which enables Chapters to formally acknowledge and celebrate the contributions of member and community volunteers, as well as external supporters who have made a significant impact. This recognition program not only boosts morale but also enhances the visibility of Chapter achievements within the broader community.

To further assist Chapters with their branding and promotional needs, the Organization offers ongoing design support for Chapter logos. In addition to standard logo assistance, Chapters now have access to three new Anniversary Logo designs, allowing them to commemorate important milestones and anniversaries with distinctive branding materials tailored to their celebrations.

Chapters also benefit from access to AssistanceLeagueMarketplace.com, an online platform where they can purchase a variety of items featuring either the national organization's logo or their individual Chapter logo. This resource streamlines the process of obtaining branded merchandise, supporting Chapters in their marketing and fundraising initiatives. Looking ahead, the Organization will introduce new vendors to the marketplace, including a featured partnership with Sprinkled with Pink, beginning in 2026, which will further expand the range of branded merchandise available to Chapters.

National Partnerships—The Organization offers Chapters Access to Nationally developed partnerships and resources to enhance the work they do in their communities, including:

- BoardSource: Nonprofit sample templates, resources, and learning opportunities
- RightGift: Bulk purchasing, gift-in-kind/cash fundraising platform
- Sterling Volunteers: Background checks
- Modern HR: Human resources consulting/professional employment organization
- GrantStation: Research tool for grants
- Target, JCPenny, Famous Footwear: Gift card purchasing
- Burlington, Operation Warm: Discounts on clothing items
- Hyatt Hotels: Member Discount Program
- Affinity Merchandising, Sprinkled with Pink: Assistance League Branded Merchandise
- GuestBook: Marketing and social media support
- NonprofitReady.org: On-demand training and education

Future Revenue Initiatives—Looking ahead, the Organization will implement its new operating and business model centered around the Affiliation fee. In addition, the Organization will explore new sources of revenue, such as hosting a Silent Auction, introducing a new Circle Pin, and expanding partnerships. These initiatives are designed to diversify and strengthen the Organization's financial foundation.

Summary—The Organization is committed to fostering a unified approach and mindset that brings together all 95 chapters to address common issues. At the same time, this approach allows for the necessary flexibility to meet the unique needs of individual chapters and their communities.

Note 2—Summary of Significant Accounting Policies

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization recognizes grants and contributions as revenue in the period received if a right of return and barrier does not exist. Contributions and net assets are classified on the existence or absence of donor-imposed restrictions. The net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of the Organization and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of membership services and conference activities, and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate a return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes—The Organization is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Accounting standards require an organization to evaluate its tax positions and provide for liability for any positions that would not be considered 'more likely than not' to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at May 31, 2025 and 2024. Generally, the Organization's information returns remain open for examination for a period of three (federal) or four (state of California) years from the date of filing.

Cash and Cash Equivalents—The Organization considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments—Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Restricted gains and investment income whose restrictions are met in the same period the gains or income are recognized are reported as net assets without donor restrictions. Interest and dividend income earned on investments is recognized when received and reported as interest and dividends under support and revenue in the statement of activities.

Note 2—Summary of Significant Accounting Policies—*Continued*

Concentration of Credit Risk—Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, investments in securities, and receivables.

The Organization places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per institution. Such cash balances are normally not in excess of FDIC insurance limits.

Cash held in investment accounts at investment custodians is insured by the Securities Investors Protection Corporation (SIPC) up to $250,000 and the investments in securities are insured up to $500,000, per institution. SIPC insurance protects the custody function of the investment custodian; it does not provide protection against fluctuations in market value. At times, such balances may exceed SIPC insurance limits during the normal course of business.

While the Organization is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf, the Organization's management has assessed the credit risk associated with its cash deposits and investments at May 31, 2025 and 2024 and believes it is not exposed to any significant credit risk with its cash and cash equivalents and investments.

Accounts receivable are due from a variety of organizations and individuals well known to the Organization, with favorable past payment histories. The Organization has determined that no allowance for potential credit losses due to uncollectible receivables was necessary at May 31, 2025 and 2024.

Property and Equipment—Property and equipment are stated at cost when purchased or estimated fair market value at the date of gift or bequest. The Organization depreciates its property and equipment using the straight-line-method over the following estimated useful lives.

Website and software	3 to 5 years
Furniture and equipment	3 to 10 years
Leasehold improvements	5 years

The Organization follows the practice of capitalizing all expenditures for property in excess of $1,000.

Recently Adopted Accounting Principle—In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, *Credit Losses (Topic 326)*. This standard requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. The standard affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value reported in net income, including loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from scope that have the contractual right to receive cash. The Organization has adopted ASU No. 2016-13 on a retrospective basis for the year ended May 31, 2024 and noted that there was no material effect on the financial statements.

Deferred Membership Dues—Membership dues and conference fees collected prior to the fiscal year to which they apply are deferred and recognized over the period to which the dues and fees relate. Membership dues not yet paid at May 31, 2025 and 2024 are recorded as accounts receivable all due within one year.

Note 2—Summary of Significant Accounting Policies—*Continued*

Grants and contributions—All grants and contributions are available for unrestricted use unless specifically restricted by the grantor/donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor 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 and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are satisfied in the same reporting period are reported as net assets without donor restrictions.

Contracts with Customers—Accounting standards require an organization to recognize revenue arising from contracts with customers at the time the customer obtains control of a contracted goods or service. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue Recognition—The Organization's revenue recognition policies are as follows:

Membership dues—Membership dues are recognized as revenue during the period of membership.

Conference registration fees—Conference registration fees are recognized as revenue at the time of the conference.

Salesforce license fees—Salesforce license fees are recognized as revenue for the period of services.

Interest and dividends—Interest and dividend income earned on investments is recognized when received.

Donated Services—The Organization records the value of donated services at their fair value at the date of donation. In-kind services are recorded only if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. A significant portion of the Organization's program services, fundraising, and administrative functions are conducted by unpaid volunteers, whose services are not reflected in the accompanying financial statements as they do not meet the criteria for recognition under current accounting standards. During the years ended May 31, 2025 and 2024, these volunteers donated approximately 7,411 and 10,090 hours, respectively with an estimated value of $257,829 and $315,817. This value was computed using estimated hourly rates of $34.79 and $31.30, based upon the average hourly earnings of nonagricultural workers for the twelve-month periods ended May 31, 2025 and 2024, respectively, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, and includes 12% for estimated fringe benefits.

Functional Expenses—The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program services and supporting services benefitted. Salaries, payroll taxes, and benefits, professional services, occupancy, and depreciation are allocated on the basis of time studies. All other functional expenses are charged directly to programs or function benefitted.

Advertising and Promotion Expense—Advertising and promotion costs are expensed as incurred and amounted to $14,401 and $28,176 for the years ended May 31, 2025 and 2024, respectively.

Note 2—Summary of Significant Accounting Policies—*Continued*

Comparative Totals for 2024—The accompanying financial statements include certain prior-year summarized comparative financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's reviewed financial statements for the year ended May 31, 2024, from which the summarized information was derived.

Use of Estimates—The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Reclassifications—Certain amounts in 2024 have been reclassified to conform with the 2025 financial statement presentation.

Note 3—Availability and Liquidity

The Organization's goal is generally to maintain cash to meet two to three months of operating expenses (approximately $300,000-$400,000). As part of its liquidity plan, excess cash is invested in a diversified investment portfolio, including money market and other funds described in Note 4.

The following represents the availability and liquidity of the Organization's financial assets at May 31, 2025 and 2024, to cover operating expenses for the next fiscal year:

	2025	2024
Cash and cash equivalents	$ 236,066	$ 290,460
Investments	3,199,466	3,250,477
Accounts receivable	1,990	1,334
Current Availability of Financial Assets	**$ 3,437,522**	**$ 3,542,271**

The Organization also has a $1,710,000 board-designated reserve fund available for appropriation and a $1,000,000 revolving line of credit, secured by investments, of which $650,000 is available to meet any unforeseen circumstances.

Note 4—Investments and Fair Value

In determining the fair value of investments, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Organization determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are characterized in one of the following levels:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the Organization at the measurement date.

Level 2—Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.

Note 4—Investments and Fair Value—*Continued*

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve management judgment.

The Organization may utilize a practical expedient for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value. The practical expedient used by the Organization to value is the Net Asset Value (NAV) per share or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. The Organization had no investments classified at NAV as a practical expedient during the year ended May 31, 2025 and 2024.

Investments measured on a recurring basis at May 31, 2025 consist of the following:

	Fair Value	Level 1	Level 2	Level 3
Equity funds	$ 2,765,229	$ 2,765,229	$	$
Fixed income funds	1,790,829	1,790,829		
Real estate fund	254,937	254,937		
Commodities fund	98,471	98,471		
Totals	**$ 4,909,466**	**$ 4,909,466**	**$**	**$**

Investments measured on a recurring basis at May 31, 2024 consist of the following:

	Fair Value	Level 1	Level 2	Level 3
Equity funds	$ 2,574,915	$ 2,574,915	$	$
Fixed income funds	2,078,962	2,078,962		
Real estate fund	206,650	206,650		
Commodities fund	99,950	99,950		
Totals	**$ 4,960,477**	**$ 4,960,477**	**$**	**$**

Investment activity for the years ended May 31, 2025 and 2024, consists of the following:

	2025	2024
Realized gain (loss)	$ (18,038)	$ 45,685
Unrealized gain	287,057	378,774
Investment management fees	(50,616)	(49,061)
Investment Return, Net	**218,403**	**375,398**
Interest and dividends	195,795	211,892
Total Investment Return	**$ 414,198**	**$ 587,290**

Note 5—Property and Equipment, Net

Net property and equipment at May 31, 2025 and 2024, consists of the following:

	2025	2024
Furniture, fixtures, and equipment	$ 113,130	$ 117,180
Software fees		134,500
Total Property and Equipment	**113,130**	**251,680**
Less accumulated depreciation and amortization	(51,479)	(63,513)
Total Property and Equipment, Net	**$ 61,651**	**$ 188,167**

Total depreciation and amortization expense recorded for the years ended May 31, 2025 and 2024 amounted to $50,414 and $22,220, respectively.

During the year ended May 31, 2025, the Organization disposed of property and equipment no longer in use totaling $141,511, which resulted in a loss on disposal in the amount of $79,063.

Note 6—Operating Lease Liability

The Organization currently occupies office space under an operating lease agreement expiring May2028. An operating lease right-of-use asset and an operating lease liability were recorded relating to this operating lease using the lease term and monthly rental amounts, and a discount of 4.63%. At May 31, 2025 the operating lease right-of-use asset and operating lease liability amounted to $104,202 and $104,202.

The future minimum annual lease commitments by year for operating leases with maturities greater than one year from May 31, 2025 are as follows:

Year Ending May 31,	
2026	$ 45,989
2027	47,828
2028	45,596
Gross Rental Payments	**139,413**
Less effect of discounting at 4.63%	(35,211)
Operating Lease Liability	**$ 104,202**

Note 7—Line of Credit

The Organization maintains a $1,000,000 line of credit, bearing interest at 7% and requiring monthly payments of interest only. The line of credit is secured by marketable securities held with the financial institution and matures in May 2026. The outstanding balance on the line of credit was $350,000 as of May 31, 2025. There was no outstanding balance on May 31, 2024.

Note 8—Net Assets without Donor Restrictions

Net assets without donor restrictions at May 31, 2025 and 2024, consist of the following:

	2025	2024
Undesignated	$ 2,981,642	$ 3,457,022
Board-designated		
Designated for future operating reserves	1,560,000	1,560,000
Designated for future capital needs	150,000	150,000
Total Board-Designated	**1,710,000**	**1,710,000**
Total Net Assets without Donor Restrictions	**$ 4,691,642**	**$ 5,167,022**

Note 9—Endowment Fund

The Organization's endowment consisted of $10,000 established to support the Executive Director's travel. The endowment comprises donor-restricted endowment funds only and, as of May 31, 2025 and 2024, there were no funds designated by the Board to function as endowments. As required by GAAP, net assets associated with the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The funds were released in full during the year ended May 31, 2024.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) adopted by the State of California as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The Board is aware that there is an implicit understanding that the market value of the donor-restricted endowment may, from time to time, fall below the fair value of the original gift as of the gift date due to market conditions or continued prudent expenditures by the Board of certain amounts of the endowment.

The Organization classifies the following as net assets with donor restrictions that are perpetual in nature:

(a) The original value of gifts donated to the permanent endowment,
(b) The original value of subsequent gifts to the permanent endowment, and
(c) The accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of donor-restricted endowment funds that is not classified as net assets with donor restrictions that are perpetual in nature is classified as net assets with donor restrictions that are purpose-restricted, until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the organization
(7) The investment policies of the organization

Note 9—Endowment Fund—*Continued*

Return Objectives and Risk Parameters—It is the purpose of the Organization's endowment fund to secure the future of the Organization and to support its programs and operations as designated by the Board.

The primary long-term financial objective is to preserve and enhance the real (i.e., inflation-adjusted) purchasing power of the endowment through a prudent long-term investment strategy. This objective should be achieved over rolling three-, five-, and ten-year periods on a total return basis. An additional objective is to provide a relatively predictable, stable, and (in real terms) constant stream of current income for the Organization's annual operating needs.

Strategies Employed for Achieving Objectives—The Organization manages its endowment on a total rate of return basis consisting of dividends, interest, and any net increase / decrease in market value of securities for the fiscal year, not favoring returns from one source over another.

The Organization has determined that marketable debt and equity securities traded in the United States are appropriate investments consistent with its return objectives and risk parameters. Cash invested in money market accounts is also an acceptable investment within these guidelines. The investment portfolio is to be sufficiently balanced so that no single security or class of securities will have a disproportionate impact on the risk of the total portfolio.

Spending Policy and How the Investment Objectives Relate to Spending Policy—The Organization has a policy governing the amount of endowment earnings that can be released annually for spending, consistent with the restrictions, if any, placed on the endowment by donors. The spending policy authorizes an annual distribution equal to 5% of the average market value of the portfolios as of the preceding 20 calendar quarters, subject to the requirement that the portfolios increase by an inflation factor annually.

Changes in endowment net assets for the year ended May 31, 2024 are as follows:

	Subject to Appropriation	Held in Perpetuity	Total
Endowment Net Assets (Deficit) at May 31, 2023	**$ (290)**	**$ 10,000**	**$ 9,710**
Released from restriction	290	(10,000)	(9,710)
Endowment Net Assets at May 31, 2024	$	$	$

Note 10—Subsequent Events

Management evaluated all activities of National Assistance League through December 19, 2025, which is the date the financial statements were available to be issued, and concluded that no material subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.