

**Charity Hospital School of  
Nursing Alumni Association**

Financial Statements

Year Ended December 31, 2019

**CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION**

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Officers and Members  
Charity Hospital School of Nursing Alumni Association  
New Orleans, Louisiana 70112

Management is responsible for the accompanying financial statements of Charity Hospital School of Nursing Alumni Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AIPCA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.



Metairie, Louisiana  
August 4, 2020

**CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION**  
**Statement of Financial Position**  
**December 31, 2019**

**Assets**

Current assets:		
Cash and cash equivalents		\$ 146,781
Investments		<u>213,724</u>
Total current assets		<u>360,505</u>
Total assets		<u><u>\$ 360,505</u></u>

**Liabilities and Net Assets**

Liabilities:		
Total liabilities		<u>\$ -</u>
Net assets:		
Without Donor Restrictions		202,253
With Donor Restrictions		<u>158,252</u>
Total net assets		<u>360,505</u>
Total liabilities and net assets		<u><u>\$ 360,505</u></u>

See Accountants' Compilation Report

**CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION**  
**Statement of Activities**  
**Year Ended December 31, 2019**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support, Revenues & Reclassifications:			
Commemorative Sales	15,141		15,141
Membership Dues	12,355		12,355
Investment Return	5,689	53,190	58,879
Special Events	2,078		2,078
Program Scholarship Services	4,430	22,010	26,440
Bequests	79,028		79,028
Net assets released from restrictions	8,511	(8,511)	-
Total support & revenues	<u>127,232</u>	<u>66,689</u>	<u>193,921</u>
Operating expenses:			
Commerative Sales expense	18,787		18,787
Scholarships	33,216		33,216
Newsletter	13,989		13,989
Officer's Compensation	6,855		6,855
Management & General expense	3,362		3,362
Total operating expenses	<u>76,209</u>	<u>-</u>	<u>76,209</u>
Change in net assets from operating activities	51,023	66,689	117,712
Net assets at beginning of year	<u>151,230</u>	<u>91,563</u>	<u>242,793</u>
Net assets at end of year	<u>\$ 202,253</u>	<u>\$ 158,252</u>	<u>\$ 360,505</u>

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**CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION**  
**Statement of Cash Flows**  
**Year Ended December 31, 2019**

Cash flows from operating activities:	
Change in net assets	\$ 117,712
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Changes in assets and liabilities:	
Increase in investments	(58,336)
Net cash provided by (used in) operating activities	<u>59,376</u>
Cash flows from investing activities:	
Net cash provided by (used in) investing activities	<u>-</u>
Cash flows from financing activities:	
Net cash provided by (used in) financing activities	<u>-</u>
Net increase (decrease) in cash and cash equivalents	59,376
Cash and cash equivalents at beginning of year	<u>87,405</u>
Cash and cash equivalents at end of year	<u><u>\$ 146,781</u></u>
Supplemental cash flow disclosures:	
Cash paid during the year for interest	\$ -
Cash paid during the year for income taxes	-

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## CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION

Notes to Financial Statements  
Year Ended December 31, 2019

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Organization**

Charity Hospital School of Nursing Alumni Association (the Association) provides support for current nursing students through scholarships and by raising funds for student activities. The Association members pay dues each year and sell commemorative items to raise funds.

#### **Use of Estimates**

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

#### **Investments**

Investments in marketable securities with readily determinable fair market value are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

#### **Income Taxes and uncertain tax positions**

Charity Hospital School of Nursing Alumni Association is exempt from taxation under Internal Revenue Code Section 501(c)(7). Accordingly, the accompanying financial statements do not include a provision for federal and state income taxes.

The Association's evaluation on December 31, 2019 revealed no uncertain tax positions that would have a material impact on the financial statements. The 2016 to 2018 tax years remain open and subject to examination by various taxing authorities. The Association does not believe that any reasonably possible changes will occur within the next twelve months that would have a material impact on the financial statements.

#### **Cash and cash equivalents**

The Association defines cash equivalents as all highly liquid debt instruments purchased with a maturity of three months or less plus all certificates of deposit.

#### **Financial Statement Presentation**

The Association reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

##### **Net Assets Without Donor Restrictions**

Net assets that are not subject to restrictions.

##### **Net Assets With Donor Restrictions**

Net assets subject to restrictions that can be fulfilled by actions of the Association pursuant to those restrictions or that expire by the passage of time.

CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION

Notes to Financial Statements  
Year Ended December 31, 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Statement Presentation (continued)**

Revenue is recognized in the period it is earned. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets without donor restrictions or with donor restrictions, depending on the nature of the restriction. When a restriction expires, 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.

**NOTE 2 - FAIR VALUE MEASUREMENTS**

The FASB has issued guidance which defines fair value, establishes a framework for measuring fair value, and specifies a fair value hierarchy based on the inputs to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Association uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Association measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs would be used only when Level 1 or Level 2 inputs are not available.

The Association's investments are reported at fair value in the accompanying statement of financial position as of December 31, 2019.

	<u>Fair Market Value</u>	<u>Quoted Market Prices (Level 1)</u>
JP Morgan Chase Common Stock: 1,533 shares	<u>\$ 213,724</u>	<u>\$ 213,724</u>

**NOTE 3 - CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Association to concentration of credit risk consists of investments and cash accounts in financial institutions. The Association has not experienced any losses in such accounts. The financial stability of these institutions is periodically reviewed. The Association believes it is not exposed to any significant credit risk.



**CHARITY HOSPITAL SCHOOL OF NURSING ALUMNI ASSOCIATION**

Notes to Financial Statements  
Year Ended December 31, 2019

**NOTE 4 - SUBSEQUENT EVENTS**

The Association has evaluated subsequent events through the date that the financial statements are available to be issued, August 4, 2020, and determined that no events occurred that require disclosure. The extent of the impact on COVID-19 on operational and financial performance will depend on certain developments. As the disruption is currently expected to be temporary and has had minimal impact on the Association, management does not feel this pandemic will have a material effect on operations and its ability to continue supporting its members.