

EISNERAMPER

**ASSOCIATION OF THE BAR OF THE
CITY OF NEW YORK FUND, INC.**

FINANCIAL STATEMENTS

APRIL 30, 2021 and 2020



ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Association of the Bar of the City of New York Fund, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the Association of the Bar of the City of New York Fund, Inc. (the "City Bar Fund"), which comprise the statements of financial position as of April 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The City Bar Fund's 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.

Auditor's 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain 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 organization'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 organization'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 the Association of the Bar of the City of New York Fund, Inc. as of April 30, 2021 and 2020, and the changes in its net assets and its cash flows for each of the years then ended, in accordance with accounting principles generally accepted in the United States of America.



EISNERAMPER LLP
New York, New York
September 29, 2021



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ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Statements of Financial Position

	April 30,	
	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 4,912,354	\$ 4,459,595
Pledges and grants receivable, net	4,454,786	3,617,757
Investments	7,971,316	5,957,652
Related party loan receivable	2,000,000	-
Other receivables and prepaid expenses	160,151	401,554
Property and equipment, net	<u>17,921</u>	<u>39,889</u>
	<u>\$ 19,516,528</u>	<u>\$ 14,476,447</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 311,356	\$ 355,284
Deferred revenue	-	527,000
Paycheck Protection Program Second Draw loan payable	<u>740,785</u>	<u>-</u>
Total liabilities	<u>1,052,141</u>	<u>882,284</u>
Commitments and other uncertainties (see Note H(2)) and N)		
Net assets:		
Net assets without donor restrictions	<u>6,376,762</u>	<u>4,593,070</u>
With donor restrictions:		
Time restricted	7,747,762	6,304,742
Purpose restricted	3,637,762	1,994,250
Perpetual in nature	<u>702,101</u>	<u>702,101</u>
Total net assets with donor restrictions	<u>12,087,625</u>	<u>9,001,093</u>
Total net assets	<u>18,464,387</u>	<u>13,594,163</u>
	<u>\$ 19,516,528</u>	<u>\$ 14,476,447</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Statements of Activities

	Year Ended April 30,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:						
Contributions and government grants	\$ 1,013,235	\$ 6,763,760	\$ 7,776,995	\$ 257,903	\$ 4,925,317	\$ 5,183,220
Donated services	289,000	-	289,000	190,950	-	190,950
Net investment income (losses)	1,578,432	737,654	2,316,086	(190,220)	(82,969)	(273,189)
Other income: lectures and other programs	128,771	-	128,771	109,403	-	109,403
Special events revenue	<u>276,464</u>	<u>884,733</u>	<u>1,161,197</u>	-	<u>524,000</u>	<u>524,000</u>
Total revenues and other support before net assets released from restrictions	<u>3,285,902</u>	<u>8,386,147</u>	<u>11,672,049</u>	<u>368,036</u>	<u>5,366,348</u>	<u>5,734,384</u>
Net assets released from restrictions:						
Satisfaction of donors' restrictions:						
Time restricted	3,412,815	(3,412,815)	-	2,526,401	(2,526,401)	-
Purpose restricted	<u>1,886,800</u>	<u>(1,886,800)</u>	-	<u>2,349,915</u>	<u>(2,349,915)</u>	-
Total net assets released from restrictions	<u>5,299,615</u>	<u>(5,299,615)</u>	-	4,876,316	(4,876,316)	-
Total revenues and other support	<u>8,585,517</u>	<u>3,086,532</u>	<u>11,672,049</u>	<u>5,244,352</u>	<u>490,032</u>	<u>5,734,384</u>
Expenses:						
Program activities:						
Education and research	2,179,399	-	2,179,399	2,346,486	-	2,346,486
Community outreach and services	<u>3,611,921</u>	-	<u>3,611,921</u>	<u>3,450,735</u>	-	<u>3,450,735</u>
Total program activities	5,791,320	-	5,791,320	5,797,221	-	5,797,221
General and administrative	533,683	-	533,683	552,623	-	552,623
Fundraising	<u>476,822</u>	-	<u>476,822</u>	<u>247,973</u>	-	<u>247,973</u>
Total expenses	<u>6,801,825</u>	-	<u>6,801,825</u>	<u>6,597,817</u>	-	<u>6,597,817</u>
Change in net assets	1,783,692	3,086,532	4,870,224	(1,353,465)	490,032	(863,433)
Net assets - beginning of year	<u>4,593,070</u>	<u>9,001,093</u>	<u>13,594,163</u>	<u>5,946,535</u>	<u>8,511,061</u>	<u>14,457,596</u>
Net assets - end of year	<u>\$ 6,376,762</u>	<u>\$ 12,087,625</u>	<u>\$ 18,464,387</u>	<u>\$ 4,593,070</u>	<u>\$ 9,001,093</u>	<u>\$ 13,594,163</u>

See notes to financial statements.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Statement of Functional Expenses Year Ended April 30, 2021

(with summarized financial information for 2020)

	Program Services			Supportive Services			Total	
	Education and Research	Community Outreach and Services	Total	General and Administrative	Fundraising	Total	2021	2020
Salaries	\$ 1,203,211	\$ 2,146,829	\$ 3,350,040	\$ 260,078	\$ 288,548	\$ 548,626	\$ 3,898,666	\$ 3,767,573
Employee benefits	<u>265,786</u>	<u>557,331</u>	<u>823,117</u>	<u>96,821</u>	<u>36,295</u>	<u>133,116</u>	<u>956,233</u>	<u>944,385</u>
Total salaries and related expenses	1,468,997	2,704,160	4,173,157	356,899	324,843	681,742	4,854,899	4,711,958
Occupancy	254,359	336,380	590,739	34,249	25,097	59,346	650,085	374,243
Contributions to the related party	102,345	-	102,345	-	-	-	102,345	456,835
Grants	72,212	126,563	198,775	-	-	-	198,775	270,510
Donated legal services	-	289,000	289,000	-	-	-	289,000	190,950
Professional services	212,877	1,119	213,996	413	91,514	91,927	305,923	94,464
Conference, conventions and meetings	13,649	140	13,789	145	215	360	14,149	165,897
Travel	2,672	2,192	4,864	126	302	428	5,292	78,255
Office expenses	16,053	48,683	64,736	2,162	8,188	10,350	75,086	84,204
Audio and visual technical services	-	-	-	-	15,000	15,000	15,000	-
Insurance	10,108	30,322	40,430	-	-	-	40,430	38,031
Membership and publications	6,300	12,913	19,213	1,036	2,589	3,625	22,838	27,603
Depreciation and amortization	-	21,445	21,445	523	-	523	21,968	29,067
Accounting fees	-	-	-	25,235	-	25,235	25,235	26,669
Bank and credit card fees	7,519	3	7,522	-	7,524	7,524	15,046	8,685
Bad debt expense	-	-	-	28,230	-	28,230	28,230	10,000
Miscellaneous expenses	<u>12,308</u>	<u>39,001</u>	<u>51,309</u>	<u>84,665</u>	<u>1,550</u>	<u>86,215</u>	<u>137,524</u>	<u>30,446</u>
Total expenses per statements of activities	<u>\$ 2,179,399</u>	<u>\$ 3,611,921</u>	<u>\$ 5,791,320</u>	<u>\$ 533,683</u>	<u>\$ 476,822</u>	<u>\$ 1,010,505</u>	<u>\$ 6,801,825</u>	<u>\$ 6,597,817</u>

See notes to financial statements.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Statement of Functional Expenses
Year Ended April 30, 2020**

	Program Services			Supportive Services			Total Expenses
	Education and Research	Community Outreach and Services	Total	General and Administrative	Fundraising	Total	
Salaries	\$ 1,112,528	\$ 2,100,308	\$ 3,212,836	\$ 372,079	\$ 182,658	\$ 554,737	\$ 3,767,573
Employee benefits	<u>245,067</u>	<u>551,695</u>	<u>796,762</u>	<u>114,691</u>	<u>32,932</u>	<u>147,623</u>	<u>944,385</u>
Total salaries and related expenses	1,357,595	2,652,003	4,009,598	486,770	215,590	702,360	4,711,958
Occupancy	88,449	258,747	347,196	13,176	13,871	27,047	374,243
Contributions to the related party	456,835	-	456,835	-	-	-	456,835
Grants	76,760	193,750	270,510	-	-	-	270,510
Donated legal services	-	190,950	190,950	-	-	-	190,950
Professional services	90,185	3,074	93,259	587	618	1,205	94,464
Conference, conventions and meetings	143,610	16,597	160,207	2,473	3,217	5,690	165,897
Travel	74,779	3,027	77,806	219	230	449	78,255
Office expenses	30,374	45,902	76,276	1,108	6,820	7,928	84,204
Insurance	4,754	33,277	38,031	-	-	-	38,031
Membership and publications	9,426	13,892	23,318	1,842	2,443	4,285	27,603
Depreciation and amortization	-	21,504	21,504	7,563	-	7,563	29,067
Accounting fees	-	-	-	26,669	-	26,669	26,669
Bank and credit card fees	4,654	105	4,759	-	3,926	3,926	8,685
Bad debt expense	-	-	-	10,000	-	10,000	10,000
Miscellaneous expenses	<u>9,065</u>	<u>17,907</u>	<u>26,972</u>	<u>2,216</u>	<u>1,258</u>	<u>3,474</u>	<u>30,446</u>
Total expenses per statements of activities	<u>\$ 2,346,486</u>	<u>\$ 3,450,735</u>	<u>\$ 5,797,221</u>	<u>\$ 552,623</u>	<u>\$ 247,973</u>	<u>\$ 800,596</u>	<u>\$ 6,597,817</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Statements of Cash Flows

	<u>Year Ended April 30,</u>	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 4,870,224	\$ (863,433)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	21,968	29,067
Net realized and unrealized (gains) losses on investments	(2,226,214)	434,947
Proceeds from donated securities	50,355	30,504
Donated securities	(50,355)	(30,504)
Bad debt expense	28,230	10,000
Changes in:		
Pledges and grants receivable, net	(865,259)	785,462
Other receivables and prepaid expenses	241,403	(272,480)
Accounts payable and accrued expenses	(43,928)	90,993
Deferred revenue	(527,000)	175,325
Net cash provided by operating activities	<u>1,499,424</u>	<u>389,881</u>
Cash flows from investing activities:		
Proceeds from sales of investments	1,500,976	1,344,252
Purchases of investments	(1,288,426)	(1,166,646)
Loan extended to related party	(2,000,000)	-
Net cash (used in) provided by investing activities	<u>(1,787,450)</u>	<u>177,606</u>
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program Second Draw loan	<u>740,785</u>	-
Net increase in cash and cash equivalents	452,759	567,487
Cash and cash equivalents - beginning of year	<u>4,459,595</u>	<u>3,892,108</u>
Cash and cash equivalents - end of year	<u>\$ 4,912,354</u>	<u>\$ 4,459,595</u>
Supplementary information:		
Donated services	<u>\$ 289,000</u>	<u>\$ 190,950</u>
Taxes paid	<u>\$ -</u>	<u>\$ 13,304</u>
Non-cash investing activities:		
In-kind interest	<u>\$ 82,031</u>	<u>\$ -</u>

See notes to financial statements.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

The Association of the Bar of the City of New York Fund, Inc. (the "City Bar Fund"), incorporated in 1946 in the State of New York, was established for the purpose of utilizing the funds received to facilitate and improve the administration of justice, the cultivation and diffusion of knowledge and understanding of the law, and to facilitate access to justice.

The City Bar Fund is exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws and is not a private foundation.

The City Bar Fund is affiliated with The Association of the Bar of the City of New York (the "Association") and shares space and certain resources with the Association. Although the members of the Association's Board of Directors constitute the entire membership of the City Bar Fund, the Association does not have a substantial economic interest in, or control of, the City Bar Fund, and, therefore, the two organizations' financial statements are not consolidated.

[2] Basis of accounting:

The financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and other support and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

[4] Cash and cash equivalents:

The City Bar Fund's management considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, with the exception of those money-market funds held as short-term investments within the investment portfolio.

[5] Investments:

Investments in corporate stocks, an exchange traded fund, and mutual funds consisting of equity and fixed income, are reported at their published fair values as of each fiscal year-end. Short-term investments consist of money market funds. The fair value of the limited liability company has been estimated based on the net asset value ("NAV") per share (or its equivalent unit) of the investment, as reported by the investment manager. Because of the complex management structure, the nature of the underlying investments, and the inherent uncertainty of the valuation of the investment, the City Bar Fund's management and its investment manager monitor its position to reduce the risk of potential losses due to changes in fair value or the failure of counterparties to perform on a routine basis. The City Bar Fund's management reviews and evaluates the values provided by the related investment manager and believes that the investment is reported at a reasonable estimate of its fair value. Estimated values may differ significantly from the value that would have been used had a ready market for the instrument existed.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments: (continued)

The City Bar Fund's investments, in general, are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains or losses on investments sold, and unrealized appreciation or depreciation on investments held, are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted through donor stipulation. Realized gains or losses on investments are determined by comparison of the cost at time of acquisition to proceeds at the time of disposition. Distributions received from the limited liability company in excess of the City Bar Fund's cumulative cost basis, or those identified as return of income are recognized as realized gains. Unrealized gains or losses on investments are determined by comparing the investment's cost to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned.

Investment expenses include the services of investment advisors. The balances of investment advisory fees disclosed in Note C are those specific fees charged by the City Bar Fund's investment advisors in each year.

Donated securities are recorded at their fair values at the dates of donation. The City Bar Fund's policy is to sell donated securities immediately, and, accordingly, for purposes of the statements of cash flows, donated securities and the proceeds generated from their sale are included as operating activities.

[6] Property and equipment:

Property and equipment, consisting of computer equipment and software, is recorded at cost at the date of acquisition or at the fair-market value at the date of donation, less accumulated depreciation and amortization. The City Bar Fund capitalizes assets over \$5,000. Depreciation and amortization is calculated using the straight-line method over an estimated useful life of five years.

[7] Library books and works of art:

Library books and works of art have been donated to the City Bar Fund and are held primarily for research and educational purposes. A portion of the library is composed of irreplaceable research materials and rare and antique books. The City Bar Fund stores the library books and works of art in a restricted area of the library that has a fire control system to protect the collection. Proceeds from the sale of library materials would be used to support the direct care of existing collections, or to purchase additional library materials. In accordance with U.S. GAAP for this type of asset, the items have not been reported as an asset in the City Bar Fund's statements of financial position.

[8] Accrued vacation:

Employees accrue vacation on a calendar-year basis. Accrued vacation is included as a liability in the financial statements and represents the potential liability for unused employee vacation time payable in the event of employee departures. At April 30, 2021 and 2020, the accrued vacation obligation was \$74,017 and \$72,574, respectively, and is included as part of the accounts payable and accrued expenses in the accompanying statements of financial position.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Paycheck Protection Program loan payable:

On March 27, 2020, Congress enacted the Coronavirus Aid Relief, and Economic Security Act ("CARES Act"). The Paycheck Protection Program ("PPP") established by the CARES Act, implemented by the U.S. Small Business Administration ("SBA"), provides businesses, including certain not-for-profit organizations, with funds to pay payroll and other costs during the coronavirus ("COVID-19") outbreak.

There are two acceptable methods for accounting for the PPP funds received under the CARES Act. Entities can elect to treat the funds as a loan or as a conditional contribution. The City Bar Fund applied for and received a First Draw PPP loan which was forgiven during the fiscal-year 2021, and accordingly, is reflected as a government grant. The City Bar Fund also applied for and received a Second Draw PPP loan and has elected to record these PPP funds as a loan under the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") 470 *Debt*. The City Bar Fund will apply for loan forgiveness on its Second Draw PPP loan from the SBA in fiscal-year 2022 (see Note G).

[10] Net assets:

The net assets of the City Bar Fund and changes therein are classified and reported as follows:

(i) *Net assets without donor restrictions:*

Net assets without donor restrictions represent those resources for which there are no restrictions by donors and are therefore available for general operations that include the ongoing activities and working capital needs of the City Bar Fund.

(ii) *Net assets with donor restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor imposed restrictions, such as specific purposes and/or a specific period of time. Also included within net assets with donor restrictions are donor restrictions that are perpetual in nature and subject to the requirements of the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). These donors have stipulated that those resources be maintained in perpetuity with the resultant income and net capital appreciation arising from the underlying assets to be used in satisfaction of the wishes of the donors. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Directors, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as "net assets released from restrictions." It is the policy of the City Bar Fund that donations, the restriction of which are satisfied in the year of donation, appear in the category of net assets without donor restrictions.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[11] Revenue recognition:

(i) *Contributions and grants:*

Contributions and grants are recorded as revenue upon the receipt of cash, other assets, or unconditional pledges. Contributions and grants are considered without donor restrictions unless specifically restricted by the donor. Contributions and grants to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. The City Bar Fund periodically assesses collectability of its contributions and grants, and related receivables using management's judgment of potential defaults, which considers factors such as prior collection history, type of contribution or grants, and the nature of fund-raising activity and provides allowances for anticipated losses, if any, when necessary.

(ii) *Special events:*

The City Bar Fund conducts special events whereby a portion of the gross proceeds paid by attendees at these events, held as fundraising activities, represents contribution revenue, and the other portion represents the payment of the direct costs of the benefits received by the attendees at the event. Special-event income is reported net of the direct benefits to donors. Special event revenue, other than contributions, received for a future year's event is deferred and recognized when the event takes place.

(iii) *Donated services:*

Contributions of services are recognized by the City Bar Fund as both revenues and expenses if the services: (i) create or enhance assets; (ii) require specialized skills and (iii) are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The value of contributed legal services recognized in the statements of activities was \$289,000 and \$190,950 for fiscal-years 2021 and 2020, respectively.

The City Bar Fund directs professional services contributed at no fee by lawyers and other volunteers largely to indigent persons who need legal assistance. The City Bar Justice Center (the "Justice Center") coordinated approximately \$15,000,000 in volunteer services in both fiscal years 2021 and 2020. Because the Justice Center coordinates and supervises these services and is not the recipient of these services, these services are not reported in the financial statements.

(iv) *Other income:*

Each year, the City Bar Fund hosts lectures and various events for which tickets may be purchased; the income from these events is included as other income within the statements of activities. The income related to these events is recognized when the event takes place. The City Bar Fund does not provide refunds.

[12] Grants expense:

Unconditional grants and awards made to others are recognized in the financial statements at the time of approval by the City Bar Fund's Board of Directors. The City Bar Fund does not approve multi-year commitments.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[13] Functional allocation of expenses:

The City Bar Fund's financial statements report certain categories of expenses that are attributable to program and supporting services of the City Bar Fund. These costs have been summarized by their functional and natural classifications in the statements of functional expenses. Accordingly, certain costs that are directly attributable to a specific functional area of the City Bar Fund are reported as an expense to the appropriate program or supporting service. Natural expenses attributable to more than one functional expense category have been allocated among the programs and supporting services based on the time spent by employees and the nature of the expense. The expenses that are allocated include professional fees, occupancy, office expenses, conference, conventions and meetings, insurance, and depreciation and amortization.

[14] Income tax uncertainties:

The City Bar Fund is subject to the provisions of the FASB's ASC Topic 740, *Income Taxes*, relating to accounting and reporting for uncertainty in income taxes. Because of the City Bar Fund's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the City Bar Fund's financial statements.

[15] Adoption of accounting principles:

(i) *Revenue from Contracts with Customers:*

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)* which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry specific guidance. ASU 2014-09 requires an entity to recognize revenue depicting the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard permits the use of either the retrospective or cumulative effect transition method. The standard is effective for fiscal years beginning after December 15, 2019, and accordingly, the City Bar Fund adopted this pronouncement for its fiscal year ended April 30, 2021 on the retrospective basis. Analysis of the various provisions of this standard resulted in no significant changes in the way the City Bar Fund recognized revenue, and therefore, no changes to the previously issued audited financial statements were required on a retrospective basis.

(ii) *Collections:*

In March 2019, the FASB issued ASU 2019-03, *Not-for-Profit Entities (Topic 958): Updating the Definition of Collections*, to align the definition of collections with the American Alliance of Museums' Code of Ethics for Museums, thereby changing the types of collections that are eligible to not be reported as assets in the statements of financial position. The ASU modifies the definition of the term collections by expanding the acceptable uses of the proceeds of sales of collection items so that the proceeds can be used to support the direct care of existing collections, in addition to the current requirement that proceeds be used to acquire other items for collections. The standard should be applied on the prospective basis. It is effective for fiscal-years beginning after December 15, 2019, accordingly, the City Bar Fund adopted this for its fiscal year ended April 30, 2021, and this accounting guidance did not have a material effect on the City Bar Fund's financial statements.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[16] Upcoming accounting pronouncements:

(iii) *Accounting Updates to Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets:*

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statements of activities, apart from contributions of cash or other financial assets. For each category of contributed nonfinancial assets recognized, not-for-profit organization will need to disclose: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, a description of the programs or other activities in which those assets were used; (ii) the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in *Topic 820, Fair Value Measurement*, at initial recognition; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure, if it is a market in which the recipient entity is prohibited by a donor imposed restriction from selling or using the contributed nonfinancial assets. The amendments in this ASU will be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021.

(iv) *Leases:*

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require entities to recognize lease assets and lease liabilities (related to leases previously classified as operating under previous U.S. GAAP) on the statements of financial position. The ASU will be effective for the City Bar Fund commencing on January 1, 2022 and will be applied on a retrospective basis. The City Bar Fund is currently evaluating the effect that this new guidance will have on the financial statements and related disclosures.

[17] Reclassification:

Certain information in the fiscal-year 2020 financial statements has been reclassified to conform to the accompanying fiscal-year 2021 presentation.

[18] Subsequent events:

The City Bar Fund evaluated subsequent events through September 29, 2021, the date on which the financial statements were available to be issued.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE B - PLEDGES AND GRANTS RECEIVABLE

At each fiscal year-end, pledges and grants receivable are estimated to be due as follows:

	<u>April 30,</u>	
	<u>2021</u>	<u>2020</u>
Less than one year	\$ 3,881,623	\$ 2,697,071
One to five years	<u>575,000</u>	<u>924,451</u>
	4,456,623	3,621,522
Reduction of contributions due in excess of one year to present value at a discount rate ranging from .16%-.2%	<u>(1,837)</u>	<u>(3,765)</u>
	<u>\$ 4,454,786</u>	<u>\$ 3,617,757</u>

The City Bar Fund's management estimates that based on a history of satisfactory collections, receivables will be collected in full. Therefore, no allowance for uncollectable amounts has been provided.

NOTE C - INVESTMENTS

At each fiscal year-end, the City Bar Fund's investments consisted of the following:

	<u>April 30,</u>	
	<u>2021</u>	<u>2020</u>
Money-market funds	\$ 22,106	\$ 13,389
Corporate stocks	13,703	9,285
Exchange traded fund	185,021	269,066
Mutual funds:		
Equity funds	5,553,966	3,801,358
Fixed-income fund	1,596,710	1,392,906
Limited liability company (a)	<u>599,810</u>	<u>471,648</u>
	<u>\$ 7,971,316</u>	<u>\$ 5,957,652</u>

- a) Invests at least 80% of its net assets, plus any borrowings for investment purposes, in securities of medium-sized companies in a diversified portfolio of structured credit products in the United States and European credit markets.

The City Bar Fund utilizes a "total-return policy" on its investment portfolio, whereby an annual specified spending rate is established to determine the amount of investment earnings to be used for current operations. A spending rate of 4.75% was used for both fiscal-years 2021 and 2020. The City Bar Fund's investment earnings appropriated for current operations are composed of income from the externally managed investment portfolio, pursuant to the spending rate, plus investment income earned on other short-term investments managed internally.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE C - INVESTMENTS (CONTINUED)

The investment return and its classification in the statements of activities were as follows for each of the fiscal years ended:

	April 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	\$ 94,010	\$ 13,867	\$ 107,877
Net realized gains	555,431	237,386	792,817
Net unrealized gains	<u>941,043</u>	<u>492,354</u>	<u>1,433,397</u>
	1,590,484	743,607	2,334,091
Investment fees	<u>(12,052)</u>	<u>(5,953)</u>	<u>(18,005)</u>
Net investment income	<u>\$ 1,578,432</u>	<u>\$ 737,654</u>	<u>\$ 2,316,086</u>

	April 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	\$ 129,859	\$ 49,428	\$ 179,287
Net realized gains	21,257	9,594	30,851
Net unrealized losses	<u>(329,306)</u>	<u>(136,492)</u>	<u>(465,798)</u>
	(178,190)	(77,470)	(255,660)
Investment fees	<u>(12,030)</u>	<u>(5,499)</u>	<u>(17,529)</u>
Net investment losses	<u>\$ (190,220)</u>	<u>\$ (82,969)</u>	<u>\$ (273,189)</u>

ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy for fair-value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1 - Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments, at the reporting date.

Level 2 - Valuations are based on: (i) quoted prices for similar investments in active markets; or (ii) quoted prices for identical investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. The City Bar Fund had no Level 2 investments in fiscal-years 2021 or 2020.

Level 3 - Valuations are based on pricing inputs that are unobservable and include situations where there is little, if any, market activity for the investments, or the investments cannot be independently valued. The City Bar Fund had no Level 3 investments in fiscal-years 2021 or 2020.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE C - INVESTMENTS (CONTINUED)

The City Bar Fund has an investment that is valued using the NAV per share as a practical expedient of fair value. The use of the practical expedient applies to investments which: (i) do not have a readily determinable fair value; and (ii) whose financial statements were prepared by the respective investment manager consistent with the measurement principles of an investment company or have the attributes of an investment company. Investments that are valued using NAV are not required to be categorized within the fair value hierarchy, and accordingly, have been excluded from the fair-value hierarchy.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The following tables summarize the fair values of the City Bar Fund's assets at each fiscal year-end, in accordance with ASC Topic 820 valuation levels:

	April 30, 2021		
	Amounts within Fair- Value Hierarchy		
	Level 1	Valued at NAV	Total Investments
Money-market funds	\$ 22,106	\$ -	\$ 22,106
Corporate stocks	13,703	-	13,703
Exchange traded fund	185,021	-	185,021
Mutual funds	7,150,676	-	7,150,676
Limited liability company	-	599,810	599,810
	<u>\$ 7,371,506</u>	<u>\$ 599,810</u>	<u>\$ 7,971,316</u>

	April 30, 2020		
	Amounts within Fair- Value Hierarchy		
	Level 1	Valued at NAV	Total Investments
Money-market funds	\$ 13,389	\$ -	\$ 13,389
Corporate stocks	9,285	-	9,285
Exchange traded fund	269,066	-	269,066
Mutual funds	5,194,264	-	5,194,264
Limited liability company	-	471,648	471,648
	<u>\$ 5,486,004</u>	<u>\$ 471,648</u>	<u>\$ 5,957,652</u>

At April 30, 2021, the City Bar Fund had no unfunded commitments for its investments. The City Bar Fund can redeem its interest in the limited liability company on a monthly basis, with 10-days' notice.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE D - PROPERTY AND EQUIPMENT

At each fiscal year-end, property and equipment consisted of the following:

	<u>April 30,</u>	
	<u>2021</u>	<u>2020</u>
Computers and software	\$ 195,208	\$ 195,208
Accumulated depreciation and amortization	<u>(177,287)</u>	<u>(155,319)</u>
	<u>\$ 17,921</u>	<u>\$ 39,889</u>

NOTE E - RETIREMENT PLANS

[1] Defined-benefit pension plan:

Employees of the City Bar Fund participate in the Association's defined-benefit pension plan upon meeting the requirements for eligibility. The plan was amended to cease all benefit accruals effective July 1, 2004 and no future employees are eligible for this benefit. All active participants are fully vested in their accrued benefits. During fiscal-year 2016, the Association offered a buy-out to all current participants in the plan, approximately 50% of participants accepted the buy-out. The City Bar Fund does not contribute towards this plan.

[2] 401(k) plan:

The City Bar Fund participates in the Association's Section 401(k) Plan, under which employees make contributions up to the maximum allowable by law. All eligible employees are entitled to receive up to a 3% matching contribution. In April 2020, the City Bar Fund suspended its 3% matching contribution due to the coronavirus ("COVID-19") pandemic. However, in January 2021, the match was reinstated. Accordingly, the 3% match contributed by the City Bar Fund in fiscal-years 2021 and 2020 was \$29,287 and \$80,278, respectively.

NOTE F - REVENUE FOR SPECIAL EVENTS

The following table provides information about significant changes in deferred revenue from special events ticket sales consisting of the following:

	<u>April 30</u>	
	<u>2021</u>	<u>2020</u>
Deferred revenue, beginning of year	\$ 527,000	\$ 351,675
Donors changed characterization of revenue to contributions	(527,000)	-
Revenue recognized that was included in deferred revenue at the beginning of the year	-	(351,675)
Increase in deferred revenue due to cash received during the period	<u>-</u>	<u>527,000</u>
Deferred revenue, end of year	<u>\$ -</u>	<u>\$ 527,000</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Notes to Financial Statements
April 30, 2021 and 2020**

NOTE G - LOANS PAYABLE

During fiscal-year 2021, the City Bar Fund applied for and received a First Draw PPP loan in the amount of \$740,785 in May 2020. The City Bar applied for forgiveness of this loan and received notification that the full amount had been forgiven by the SBA as of April 30, 2021. Accordingly, these fund were recognized as a government grant within the accompanying statements of activities.

In February 2021, the City Bar Fund applied for and received a Second Draw PPP loan for \$740,785 and this amount is reported as a loan payable on the accompanying statements of financial position as of April 30, 2021. Neither principal nor interest is due for a deferral period, which ends when the SBA remits the loan forgiveness amount to the bank. This loan may be forgiven subject to bank approval in accordance with SBA guidelines. Any outstanding principal of the loan that is not forgiven under the PPP Loan program at the end of the deferral period will convert to a term loan with an interest rate of 1% payable in equal installments of principal and interest over the remaining period until the loan maturity date. The loan matures on February 2026. There is no collateral for this loan. Until the determination of forgiveness is made, the scheduled future principal payments as of April 30, 2021 are as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2026	\$ <u>740,785</u>

Subsequent to the 2021 fiscal year end, in September 2021 the City Bar Fund was notified that it received full forgiveness from the SBA on its Second Draw PPP loan.

NOTE H - RELATED-PARTY TRANSACTIONS

[1] Operating expenses reimbursement:

Certain expenses are paid for by the Association on behalf of the City Bar Fund. Of these inter-entity transactions the City Bar Fund reimburses a portion of them to the Association. Such reimbursements totaled \$102,345 and \$456,835 in fiscal years 2021 and 2020, respectively.

[2] Lease agreement:

The City Bar Fund pays rent for its usage of space and reimburses the Association for support services provided to the usage of the leased space within the Association's building based on an office lease agreement, renewable annually. Rent expense for fiscal-years 2021 and 2020 was \$650,085 and \$374,243, respectively. In March 2021, the City Bar Fund renewed its annual lease with the Association through April 20, 2022 and its future minimum lease payment is approximately \$313,000 for fiscal-year 2022.

[3] Loan and other receivables:

In July 2020, the City Bar Fund loaned \$2,000,000 to the Association to assist in funding business related expenses affected by the COVID-19 outbreak. In lieu of paying interest on the loan, the Association will provide administrative and financial management services to the City Bar Fund during the term of the loan, which are valued at approximately \$82,031, the equivalent of a 4.1% annual interest rate. During fiscal-year 2021, the City Bar Fund earned loan interest income of \$82,031 for administrative and financial management services provided by the Association and this balance is included within other income on the statements of activities. Principal shall be collected in twenty four equal monthly installments beginning in July 2021 through July 2023.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

Notes to Financial Statements April 30, 2021 and 2020

NOTE H - RELATED-PARTY TRANSACTIONS (CONTINUED)

[3] Loan and other receivables: (continued)

In addition, as of April 30, 2021 and 2020, the Association owed the City Bar Fund \$88,569 and \$301,723, respectively, mainly related to contributions sent to the Association on behalf of the City Bar Fund. These amounts were repaid in full subsequent to year end.

NOTE I - SIGNIFICANT SOURCE OF REVENUE

The City Bar Fund received grants from an unrelated party in fiscal-year 2021 totaling \$2,535,415. The City Bar Fund received grants from an unrelated party in fiscal-year 2020 totaling \$341,888. Such grants represented approximately 33% and 7% of total contributions and grant revenue in fiscal-years 2021 and 2020, respectively.

NOTE J - CONCENTRATION OF CREDIT RISK

The City Bar Fund maintains its cash and cash equivalents in high-credit-quality financial institutions in amounts which, at times, may exceed federally insured limits. The City Bar Fund has not experienced any losses in such accounts, and management believes that the City Bar Fund is not exposed to any significant risk of loss due to the failure of the financial institutions.

NOTE K - ENDOWMENT

[1] The endowment:

The City Bar Fund's endowment consists of nine individual funds established for a variety of purposes including education, lectures and library renovations.

[2] Interpretation of relevant law:

NYPMIFA is applicable to the City Bar Fund's endowment funds. The Board of Directors will continue to adhere to NYPMIFA's requirements.

[3] Return objectives and risk parameters:

The Board of Directors of the City Bar Fund has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the City Bar Fund must hold in perpetuity. Under these policies, as approved by the Board of Directors, the endowment assets are invested with the long-term objective of earning a net return of at least the Consumer Price Index (the "CPI"). Actual returns in any given year may vary from this amount.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Notes to Financial Statements
April 30, 2021 and 2020**

NOTE K - ENDOWMENT (CONTINUED)

[4] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the City Bar Fund relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The City Bar Fund targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

[5] Spending policy and related objectives:

For both fiscal-years 2021 and 2020, the Board of Directors of the City Bar Fund approved a policy of appropriating for distribution, and did appropriate 4.75% of its endowment fund's average fair value over the prior 12 quarters, through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Board considered the long-term expected return on its endowment. Accordingly, over the long term, the Board expects the current spending policy to allow its endowment to grow at an annual average of the CPI, plus the spending rate. This is consistent with the City Bar Fund's objective of maintaining the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment returns.

[6] Policy on underwater funds spending:

It is the policy of the Board of Directors of the City Bar Fund not to spend from underwater endowment funds, unless otherwise stipulated by donor intent or unless affirmatively approved by the Board of Directors.

[7] Endowment net-asset composition, by type of fund, as of each fiscal year-end:

	April 30, 2021		
	Amounts Subject to Appropriation	Amounts Held In Perpetuity	Total
Endowment funds – with donor restrictions	<u>\$ 1,322,258</u>	<u>\$ 702,101</u>	<u>\$ 2,024,359</u>
	April 30, 2020		
	Amounts Subject to Appropriation	Amounts Held In Perpetuity	Total
Endowment funds – with donor restrictions	<u>\$ 613,287</u>	<u>\$ 702,101</u>	<u>\$ 1,315,388</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Notes to Financial Statements
April 30, 2021 and 2020**

NOTE K - ENDOWMENT (CONTINUED)

[8] Changes in endowment net assets, by type of fund, during each fiscal year:

	Year Ended April 30, 2021		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment net assets and the earnings thereon, beginning of year	<u>\$ 613,287</u>	<u>\$ 702,101</u>	<u>\$ 1,315,388</u>
Investment return:			
Investment income, net	7,914	-	7,914
Net appreciation (realized and unrealized)	<u>729,740</u>	<u>-</u>	<u>729,740</u>
Total investment return	<u>737,654</u>	<u>-</u>	<u>737,654</u>
Other changes:			
Appropriation of endowment assets for expenditures	<u>(28,683)</u>	<u>-</u>	<u>(28,683)</u>
Endowment net assets and the earnings thereon, end of year	<u>\$ 1,322,258</u>	<u>\$ 702,101</u>	<u>\$ 2,024,359</u>

	Year Ended April 30, 2020		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment net assets and the earnings thereon, beginning of year	<u>\$ 771,879</u>	<u>\$ 702,101</u>	<u>\$ 1,473,980</u>
Investment return:			
Investment income, net	11,601	-	11,601
Net depreciation (realized and unrealized)	<u>(139,292)</u>	<u>-</u>	<u>(139,292)</u>
Total investment return	<u>(127,691)</u>	<u>-</u>	<u>(127,691)</u>
Other changes:			
Appropriation of endowment assets for expenditures	<u>(30,901)</u>	<u>-</u>	<u>(30,901)</u>
Endowment net assets and the earnings thereon, end of year	<u>\$ 613,287</u>	<u>\$ 702,101</u>	<u>\$ 1,315,388</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Notes to Financial Statements
April 30, 2021 and 2020**

NOTE K - ENDOWMENT (CONTINUED)

[9] Funds with deficiencies:

Due to unfavorable market fluctuations, from time-to-time the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original restricted contribution, or the amount required to be maintained under state law, referred to as underwater endowment. Under the terms of NYPMIFA, the City Bar Fund has no responsibility to restore such decreases in value. At April 30, 2021 and 2020, there were no deficiencies of this nature

NOTE L - NET ASSETS WITH DONOR RESTRICTIONS

At each fiscal year-end, net assets with donor restrictions consisted of the following:

	Year Ended April 30,	
	2021	2020
Time restricted	\$ 7,747,762	\$ 6,304,742
Purpose restricted:		
Education and research	1,764,060	952,194
Community outreach and services	551,444	428,769
Amounts subject to appropriation	<u>1,322,258</u>	<u>613,287</u>
	<u>3,637,762</u>	<u>1,994,250</u>
Perpetual in nature:		
Education and research	175,719	175,719
Operations	<u>526,382</u>	<u>526,382</u>
	<u>702,101</u>	<u>702,101</u>
	<u>\$ 12,087,625</u>	<u>\$ 9,001,093</u>

During each fiscal year, net assets released from restrictions were as follows:

	Year Ended April 30,	
	2021	2020
Time restricted	\$ 3,412,815	\$ 2,526,401
Purpose restrictions satisfied:		
Education and research	1,258,996	1,830,301
Community outreach and services	<u>627,804</u>	<u>519,614</u>
	<u>1,886,800</u>	<u>2,349,915</u>
	<u>\$ 5,299,615</u>	<u>\$ 4,876,316</u>

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK FUND, INC.

**Notes to Financial Statements
April 30, 2021 and 2020**

NOTE M - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the City Bar Fund's financial assets as of the statements of financial position date, reduced by amounts not available for general use within one year of April 30, 2021 and 2020 because of donor imposed restrictions.

	<u>April 30,</u>	
	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 4,912,354	\$ 4,459,595
Pledges and grants receivable, net	4,454,786	3,617,757
Investments	7,971,316	5,957,652
Loan receivable	2,000,000	-
Other receivables	88,988	303,056
	<hr/>	<hr/>
Total financial assets available within one year	<u>19,427,444</u>	<u>14,338,060</u>
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donors for:		
Time	(7,747,762)	(6,304,742)
Purpose	(3,637,762)	(1,994,250)
Perpetual in nature	(702,101)	(702,101)
	<hr/>	<hr/>
Total amounts unavailable for general expenditure within one year	<u>(12,087,625)</u>	<u>(9,001,093)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 7,339,819</u>	<u>\$ 5,336,967</u>

Liquidity policy:

The City Bar Fund maintains a sufficient level of operating cash and investments to be available as its general expenditures, liabilities, and other obligations come due as part of the City Bar Fund's liquidity management. Additionally, the City Bar Fund has appreciated earnings on endowment funds, whereby amounts could be made available for current operations, if necessary; however, the City Bar Fund does not intend to spend these funds for purposes other than those approved by the donors.

NOTE N - COVID-19

The extent of the impact of the COVID-19 outbreak on the operational and financial performance of the City Bar Fund's services will depend on the continued future developments, including the duration and spread of the outbreak, related travel advisories and restrictions, and the impact of COVID-19 on the overall availability of contributions towards the City Bar Fund's programs and services, all of which are highly uncertain and cannot be predicted. In response to the shelter-in-place mandated order in New York State due to COVID-19 in March 2020, the City Bar Fund closed its office maintaining very limited access to ensure the continuation of critical operations. The office of the City Bar Fund has partially reopened for appointments and provide in-person services on a limited basis. Wherever possible, the City Bar Fund has continued to provide services remotely. If demand for the City Bar Fund's programs and services, as well as receipt of contributions and grants, are impacted for an extended period, results of operations may be materially adversely affected.