The Junior League of Denver, Inc.

Combined Financial Statements
and Supplementary Information

May 31, 2023 and 2022

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Montoya, P.C.

Certified Public Accountants

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Independent Auditor's Report

Board of Directors
2023 The Junior League of Denver, Inc.

Opinion

We have audited the accompanying combined financial statements of the Junior League of Denver, Inc. and affiliate, which comprise the combined statements of financial position as of May 31, 2023 and 2022, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Junior League of Denver, Inc. and affiliate as of May 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Board of Directors
The Junior League of Denver, Inc.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Junior League of Denver, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Junior League of Denver, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental combining schedules are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Kundinger, Corder & Montoya, P.C.

February 20, 2024

The Junior League of Denver, Incorporated
Combined Statements of Financial Position
May 31, 2023 and 2022

		2023	2022
Assets			
Cash and cash equivalents	$	528,211	627,252
Accounts receivable, net of allowance of $0 in 2023 and $408 in 2022		1,366	6,913
Prepaid expenses and other assets		895	23,961
Inventory (note 3)		430,323	459,880
Investments (note 4)		9,154,135	9,455,083
Property and equipment, net (note 5)		2,586,073	2,099,160
Total assets	$	12,701,003	12,672,249
Liabilities and Net Assets			
Accounts payable and accrued liabilities	$	372,369	56,260
Deferred revenue (note 6)		113,658	101,528
Total liabilities		486,027	157,788
Net assets without donor restrictions			
Undesignated		11,622,354	11,895,461
Designated (note 8)		592,622	619,000
Total net assets		12,214,976	12,514,461
Commitments (note 4)			
Total liabilities and net assets	$	12,701,003	12,672,249

See the accompanying notes to the combined financial statements.

The Junior League of Denver, Incorporated
Combined Statement of Activities
Year Ended May 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Support			
Contributions	$ 103,555	-	103,555
In-kind donations (note 7)	81,920	-	81,920
Holiday Mart revenue	206,239	-	206,239
Less costs of direct benefits to donors	(54,420)	-	(54,420)
The Journey revenue	142,228	-	142,228
Less costs of direct benefits to donors	(139,608)	-	(139,608)
Cookbook sales	31,135	-	31,135
Less cost of sales	(16,456)	-	(16,456)
Other fundraising revenue, net	38,715	-	38,715
Membership dues	113,739	-	113,739
Investment return	3,637	-	3,637
Total revenues, gains and support	510,684	-	510,684
Expenses			
Program services			
Programs and community outreach	239,009	-	239,009
Training and education	63,996	-	63,996
Total program services	303,005	-	303,005
Supporting activities			
General and administrative	401,653	-	401,653
Fundraising	105,511	-	105,511
Total supporting activities	507,164	-	507,164
Total expenses	810,169	-	810,169
Change in net assets	(299,485)	-	(299,485)
Net assets at beginning of year	12,514,461	-	12,514,461
Net assets at end of year	$ 12,214,976	-	12,214,976

See the accompanying notes to the combined financial statements.

The Junior League of Denver, Incorporated
Combined Statement of Activities
Year Ended May 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Support			
Contributions	$ 197,636	-	197,636
Holiday Mart revenue	187,097	-	187,097
Less costs of direct benefits to donors	(70,145)	-	(70,145)
The Journey revenue	205,869	-	205,869
Less costs of direct benefits to donors	(156,812)	-	(156,812)
Cookbook sales	39,774	-	39,774
Less cost of sales	(31,208)	-	(31,208)
Other fundraising revenue, net	15,367	-	15,367
Membership dues	156,891	-	156,891
Investment return	(169,390)	-	(169,390)
Total revenues, gains and support	375,079	-	375,079
Expenses			
Program services			
Programs and community outreach	226,123	-	226,123
Training and education	87,027	-	87,027
Total program services	313,150	-	313,150
Supporting activities			
General and administrative	363,247	-	363,247
Fundraising	114,173	-	114,173
Total supporting activities	477,420	-	477,420
Total expenses	790,570	-	790,570
Change in net assets before sale of building	(415,491)	-	(415,491)
Gain on sale of building (note 5)	1,331,331	-	1,331,331
Change in net assets	915,840	-	915,840
Net assets at beginning of year	11,598,621	-	11,598,621
Net assets at end of year	$ 12,514,461	-	12,514,461

See the accompanying notes to the combined financial statements.

The Junior League of Denver, Incorporated
Combined Statement of Functional Expenses
Year Ended May 31, 2023

	Program Services			Supporting Activities		
	Programs and Community Outreach	Training and Education	Total Program	General and Administrative	Fund-Raising	Total
Salaries and benefits	$ 38,655	19,328	57,983	139,725	48,504	246,212
Grants and direct programming	97,840	-	97,840	-	-	97,840
Special events expense	-	-	-	-	194,028	194,028
Professional services	30,000	-	30,000	49,351	-	79,351
Advertising and promotion	-	-	-	34,416	-	34,416
Office expenses	6,365	3,182	9,547	23,007	7,987	40,541
Information technology	1,185	593	1,778	10,431	1,487	13,696
Occupancy	6,485	2,779	9,264	16,471	-	25,735
Conferences and meetings	-	31,875	31,875	10,578	-	42,453
Depreciation	13,091	5,610	18,701	33,246	-	51,947
Insurance	1,468	629	2,097	4,278	1,754	8,129
Other expenses	-	-	-	80,150	45,779	125,929
In-kind donations (note 7)	43,920	-	43,920	-	-	43,920
Total functional expenses	239,009	63,996	303,005	401,653	299,539	1,004,197
Less expenses included with revenue	-	-	-	-	(194,028)	(194,028)
Total expenses	$ 239,009	63,996	303,005	401,653	105,511	810,169

See the accompanying notes to the combined financial statements.

The Junior League of Denver, Incorporated
Combined Statement of Functional Expenses
Year Ended May 31, 2022

	Program Services			Supporting Activities		
	Programs and Community Outreach	Training and Education	Total Program	General and Administrative	Fund-Raising	Total
Salaries and benefits	$ 47,802	23,901	71,703	172,785	59,980	304,468
Grants	107,923	-	107,923	-	-	107,923
Special events expense	-	-	-	-	226,957	226,957
Professional services	31,827	-	31,827	32,745	-	64,572
Advertising and promotion	-	-	-	19,439	17,361	36,800
Office expenses	2,766	1,383	4,149	10,000	3,471	17,620
Information technology	2,440	1,220	3,660	14,821	3,062	21,543
Occupancy	15,897	6,813	22,710	17,301	6,622	46,633
Conferences and meetings	-	46,224	46,224	23,994	-	70,218
Interest	4,976	2,132	7,108	5,415	2,073	14,596
Depreciation	9,543	4,090	13,633	10,386	3,975	27,994
Insurance	2,949	1,264	4,213	8,139	2,370	14,722
Other expenses	-	-	-	48,222	15,259	63,481
	226,123	87,027	313,150	363,247	341,130	1,017,527
Less expenses included with revenue	-	-	-	-	(226,957)	(226,957)
Total expenses	$ 226,123	87,027	313,150	363,247	114,173	790,570

See the accompanying notes to the combined financial statements.

The Junior League of Denver, Incorporated
Combined Statements of Cash Flows
Years Ended May 31, 2023 and 2022

		2023	2022
Cash flows from operating activities			
Change in net assets	$	(299,485)	915,840
Adjustments to reconcile change in net assets to net cash used in operating activities			
Depreciation expense		51,947	27,994
Net realized and unrealized loss on investments		174,065	459,549
Gain on sale of building		-	(1,331,331)
Gain on loan forgiveness		-	(55,063)
Capitalized in-kind donations		(38,000)	-
Change in operating assets and liabilities			
Accounts receivable		5,547	(3,873)
Prepaid expenses and other		23,066	18,549
Inventory		29,557	(16,726)
Accounts payable and accrued liabilities		316,109	27,551
Deferred revenue		12,130	(12,584)
Net cash provided by operating activities		274,936	29,906
Cash flows from investing activities			
Payments for construction in process		(500,860)	-
Sales (purchases) of investments, net		126,883	(15,786)
Proceeds from the sale of building		-	2,982,897
Purchase of building		-	(2,092,025)
Net cash (used in) provided by investing activities		(373,977)	875,086
Cash flows from financing activities			
Payments on note payable		-	(713,386)
Net cash used in financing activities		-	(713,386)
Net change in cash and cash equivalents		(99,041)	191,606
Cash and cash equivalents, beginning of year		627,252	435,646
Cash and cash equivalents, end of year	$	528,211	627,252
Supplemental cash flow information			
Interest paid	$	-	14,596
Donated equipment	$	38,000	-

See the accompanying notes to the combined financial statements.

(1) Summary of Significant Accounting Policies

(a) Organization

The Junior League of Denver, Incorporated (the League) was incorporated in 1918 as an educational and charitable organization of women committed to promoting volunteerism, developing the potential of women, and improving the community through the effective action and leadership of trained volunteers. The League's purpose is exclusively educational and charitable and its focus is to improve the community through the health and education of women and children. The League's efforts are carried out through the following programs:

Programs and Community Outreach – The League provides volunteer and financial support to various community projects in its focus area throughout the Metro Denver community. Grant applicants undergo a rigorous screening and application process to ensure alignment with the League's mission, focus and goals.

Training and Education – The League co-sponsors conferences, programs and other activities for its members, on behalf or in support of community agencies, and for the benefit of the not-for-profit community through its collaborative efforts and by acting as a convener and coalition builder.

(b) Financial Statement Presentation

Reporting Entity
The accompanying combined financial statements include the accounts of the Junior League of Denver Foundation, Inc. (the Foundation), a separate not-for-profit organization established in 1992 to support the purposes and programs of the League. All significant intercompany balances and transactions have been eliminated in the combination.

Basis of Accounting
The accompanying combined financial statements of the organization have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation
The League and the Foundation are required to present information regarding financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and 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.

(1) Summary of Significant Accounting Policies, Continued

(b) Financial Statement Presentation, Continued

Basis of Presentation, Continued

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At May 31, 2023 and 2022, there are no net assets with donor restrictions.

(c) Cash and Cash Equivalents

For the purpose of the combined statements of cash flows, all unrestricted highly liquid investments with an original maturity of three months or less, and which are not held as a part of an investment portfolio, are considered to be cash equivalents.

(d) Concentrations of Credit Risk

Financial instruments which potentially subject the League and Foundation to concentrations of credit risk consist of cash and temporary investments (such as certificates of deposit), investments in debt and equity securities, and alternative investments. Cash and temporary investments are placed with creditworthy, high quality financial institutions. At various times throughout the year, cash balances may exceed the FDIC insurance limits.

Investments are made by investment managers engaged by the Foundation and are monitored by the Board of Directors. Though the market value of investments is subject to fluctuations on a year-to-year basis, the Board of Directors believes that the investment policy is prudent for the long-term welfare of the Foundation.

(e) Contributions and Contributions Receivable

Contributions are recognized when cash, securities, and unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend are substantially met. Payments received in advance of conditions being met are recorded as a refundable advance in the combined statements of financial position.

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-imposed restrictions. When a 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 combined statements of activities as net assets released from restrictions.

(1) Summary of Significant Accounting Policies, Continued

(e) Contributions and Contributions Receivable, Continued

Contributions receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. There were no contributions receivable at May 31, 2023 or 2022.

(f) Accounts Receivable

Accounts receivable represent amounts due resulting from the sale of cookbooks during the normal course of operations. The allowance for doubtful accounts is based on past experience and analysis of the collectability of current accounts receivable. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. Accounts receivable are considered to be past due based on contractual terms.

(g) Inventory

Inventory consists of Junior League cookbooks held for sale and valued at the lower of cost or net realizable value.

(h) Investments

Investments are recorded at fair value. Fair value is more fully discussed in note 1(i). Investments in marketable equity and fixed income securities with readily determinable market values are reported at fair value based on quoted prices in active markets. The market value for alternative investments represents the pro-rata interest in the net assets of the investment and is based on financial information determined and reported by the investment manager or on the basis of other information evaluated periodically by the Board of Directors. Alternative investments are not publicly traded on national security markets exchanges, are generally illiquid and may be valued differently than if readily available markets existed for such investments. Based on inherent uncertainties of valuation of alternative investments, the reported market value of the investment may differ significantly from realizable value.

Investment return consists of interest, dividends, capital gains and losses generated from investments, as well as the change in fair value of the investments. Gains and losses attributable to investments are realized and reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the statement of activities.

(1) Summary of Significant Accounting Policies, Continued

(i) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles in the U.S. (GAAP) establishes a fair value hierarchy that prioritizes investments based on the assumptions market participants would use when pricing an asset. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

Assets are grouped at fair value in three levels based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. In addition, certain investments are reported using the "practical expedient" method. The practical expedient method allows net asset value per share or its equivalent to represent fair value for reporting purposes when the criteria for using this method are met. Investments valued using net asset value per share or its equivalent are not categorized within the hierarchy.

These levels are:

Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 Other observable inputs, either directly or indirectly, including:
- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 Unobservable inputs that cannot be corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Level 1, 2 and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not necessarily an indication of risk or liquidity.

The carrying amount reported in the combined statements of financial position for cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

(1) Summary of Significant Accounting Policies, Continued

(j) Property and Equipment

Property and equipment are stated at cost at the date of purchase or, if donated, at the approximate fair market value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets (3 to 30 years). The League's policy is to capitalize all expenditures for property and equipment in excess of $2,000 and with a useful life exceeding one year and to expense normal repairs and maintenance as incurred. When assets are sold, retired or otherwise disposed of, the applicable costs are removed from the accounts and any resulting gain or loss is recognized. Management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

(k) Donated Goods and Services

Donated services and materials are recorded as contributions and corresponding expenses at their estimated fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the League. Unpaid volunteers have donated a significant number of hours in assisting the League in achieving the goals of its various service programs. The value of this contributed time is not reflected in the accompanying combined financial statements as it does not meet the requirements of recognition under GAAP. The League received approximately 57,883 and 67,685 volunteer hours in 2023 and 2022, respectively. See also note 6.

(l) Revenue Recognition

Membership dues and provisional fees are recognized ratably over the term of the membership period. Payments received for any membership dues related to the following fiscal year are classified as deferred revenue at year-end. Revenue from fundraising events is recognized during the year in which the event is held. Other revenue is recognized as earned.

(m) Advertising

The League uses advertising to promote its cookbook sales and fundraising efforts. The production costs of the advertising are expensed as incurred. During the years ended May 31, 2023 and 2022, the League incurred advertising costs of $34,416 and $36,800 in connection with its cookbook sales and various fundraising efforts.

(1) Summary of Significant Accounting Policies, Continued

(n) Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying combined statements of functional expenses. The League and Foundation incur expenses that directly relate to, and can be assigned to, specific programs or supporting activities. The entities also conduct a number of activities which benefit both program objectives as well as supporting services (i.e. fundraising and general and administrative activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel.

(o) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(p) Income Taxes

The League and the Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and qualify for the charitable contribution deduction. Income from activities not directly related to their tax-exempt purpose is subject to taxation as unrelated business income. At times, certain of the Foundation's investment funds incur unrelated business income. Unrelated business income reported in 2023 was ($36,182) and $27,358 in 2022. The Foundation was subject to $0 and $4,982 in unrelated business income tax for the years ended May 31, 2023 and 2022, respectively.

Management is required to evaluate tax positions taken and recognize a tax liability (or asset) if a position has been taken that more than likely would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken or expected to be taken by the League and the Foundation that would require recognition of a liability (or asset) or disclosure in the financial statements and determined there are none. The League and Foundation are subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. Management believes that the League and Foundation are no longer subject to income tax examinations for years prior to 2020.

(q) Subsequent Events

Subsequent events have been evaluated through February 20, 2024, the date the combined financial statements were available to be issued.

(1) Summary of Significant Accounting Policies, Continued

(r) Adoption of New Accounting Principle

During 2023, the League adopted Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard is aimed at increasing the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The provisions of ASU No. 2020-07 have been implemented in the accompanying combined financial statements on a retrospective basis. The amendments under this accounting standard update do not change the recognition and measurement requirements for contributed nonfinancial assets. Accordingly, there is no effect on net assets in connection with the implementation of ASU No. 2020-07.

(2) Availability and Liquidity of Financial Assets

The following reflects the financial assets that are available for general expenditure within one year as of May 31, 2023:

	League	Foundation
Financial assets at year-end		
Cash and cash equivalents	$ 517,751	10,460
Accounts receivable, net	1,366	-
Certificate of deposit (note 4)	526,320	-
Due from affiliate	-	48,185
Total financial assets	1,045,437	58,645
Amounts available through board resolution		
Foundation appropriation to the League	350,000	-
Amounts not available to be used within one year		
Board designated capital reserve	(75,000)	-
Board designated operating reserve	(517,622)	-
Amounts not available within one year	(592,622)	-
Financial assets available for general expenditure within one year	$ 802,815	58,645

(2) Liquidity, Continued

The following reflects the financial assets that are available for general expenditure within one year as of May 31, 2022:

	League	Foundation
Financial assets at year-end		
Cash and cash equivalents	$ 615,283	11,969
Accounts receivable, net	6,913	-
Certificate of deposit (note 4)	525,530	-
Due from affiliate	-	11,577
Total financial assets	1,147,726	23,546
Amounts available through board resolution		
Foundation appropriation to the League	383,514	-
Amounts not available to be used within one year		
Board designated capital reserve	(75,000)	-
Board designated operating reserve	(544,000)	-
Amounts not available within one year	(619,000)	-
Financial assets available for general expenditure within one year	$ 912,240	23,546

General expenditures include administrative, program, and fundraising expenses incurred in the conduct of ongoing activities. The League's activities are sustained primarily through membership dues, special events, and distributions from the Foundation. The League anticipates collecting sufficient revenue to cover general expenditures not covered by the above current financial assets available largely through membership dues and fundraising activities. The table above includes the distribution from the Foundation that is expected to be received in the next fiscal year. The League considers donor restricted contributions for on-going programs to be available for expenditure, provided they are available for expenditure within the next twelve months.

The League's Board of Directors has designated an operating reserve equal to six months of operating expenses and a capital reserve of $75,000. In accordance with the League's policy, these reserves are not available for general operations.

The Foundation has established a distribution policy that provides for annual distributions to the League in an amount up to 4% of the average investable assets of the Foundation for the prior twelve quarters. In addition, the Foundation may contribute up to $50,000 annually to the League to offset costs associated with Foundation operations. In May 2023, the Foundation board approved a 4% distribution to the League for fiscal year 2024, and $0 as a reimbursement for operating and fundraising expenses. Although the Foundation board does not intend to spend from the investment funds (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these funds could be made available if necessary.

(3) Inventory

Inventory consisted of cookbooks valued at $430,323 and $459,880 in 2023 and 2022, respectively.

(4) Investments

At May 31, 2023 and 2022, the League's investments consist of a certificate of deposit with a balance of $526,320 and $525,530, respectively, and a maturity date of December 13, 2023 and 2022, respectively. The League took an early redemption and the certificate of deposit was redeemed on August 2, 2023.

The Foundation's investment assets include private and publicly held investments dedicated to providing the financial resources needed to meet the Foundation's grant making and other charitable objectives. The Foundation's investments are held in various investment structures which may include foreign domiciled funds and pooled investments.

Marketable and private alternative investments are exposed to various risks that may cause the reported value of the Foundation's investment assets to fluctuate from period to period and result in a material change to the net assets of the Foundation. Investments in equity securities fluctuate in value in response to many factors such as the activities and financial condition of individual companies, business and industry market conditions and the general economic environment.

The value of bond investments and other fixed income securities fluctuate in response to changing interest rates, credit worthiness of issuers and overall economic policies that impact market conditions. Some investment managers retained by the Foundation are permitted to use various investment strategies and techniques that are designed to achieve higher investment returns with lower volatility and low correlations to major market indices and other asset classes.

Strategies and techniques, such as the use of leverage, futures and forward contracts, option agreements, and other derivative instruments, create special risks and could increase the impact of adverse security price movements on the Foundation's investment portfolio.

At May 31, 2023 and 2022, the Foundation had unfunded commitments of approximately $206,600 and $134,000, respectively, related to its investments in alternative investments.

(4) Investments, Continued

Investments are stated at their fair values and consist of the following at May 31:

	2023	2022
Publicly traded mutual funds invested in:		
Bond funds		
Floating rate	$ -	451,825
Total return	432,562	573,412
Equity funds		
Domestic	943,832	1,123,453
International	2,249,009	2,707,271
Combination	513,464	396,282
Index funds	1,737,870	1,750,325
Money market fund	87,722	5,932
Certificate of deposit	526,320	525,530
Alternative investments		
Golub Capital Partners	460,000	-
Partners Group	208,338	-
Ironwood Institutional Multi-Strategy Fund	617,905	607,943
U.S. Real Estate Investment Fund	531,561	543,449
Capital Partners VII, LP	440,435	387,636
Lighthouse Global Long/Short Fund	405,117	382,025
Total investments	$ 9,154,135	9,455,083

The following table summarizes the valuation of investments by the fair value hierarchy levels as of May 31, 2023:

Description	Fair Value	Assets valued using NAV (a)	Level 1
Money market funds	$ 87,722	-	87,722
Certificate of deposit	526,320	-	526,320
Equity funds	3,706,305	-	3,706,305
Fixed income funds	432,562	-	432,562
Index funds	1,737,870	-	1,737,870
Alternative funds	2,663,356	2,663,356	-
Total investments	$ 9,154,135	2,656,006	6,490,779

(4) Investments, Continued

The following table summarizes the valuation of investments by the fair value hierarchy levels as of May 31, 2022:

Description	Fair Value	Assets valued using NAV (a)	Level 1
Money market funds	$ 5,932	-	5,932
Certificate of deposit	525,530	-	525,530
Equity funds	4,227,006	-	4,227,006
Fixed income funds	1,025,237	-	1,025,237
Index funds	1,750,325	-	1,750,325
Alternative funds	1,921,053	1,921,053	-
Total investments	$ 9,455,083	1,921,053	7,534,030

(a) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient, which is a reasonable estimate of fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the combined statements of financial position.

All assets have been valued using a market approach or net asset value per share. There were no changes in valuation techniques during the current year.

The following table summarizes the significant information related to the investments that are valued using net asset value per share, or its equivalent, as of May 31, 2023:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Lighthouse Global Long/Short Fund (a)	$ 405,117	–	Quarterly	60-90 days
U.S. Real Estate Investment Fund (b)	$ 531,561	–	Quarterly	90 days
Capital Partners VII (c)	$ 440,435	91,600	N/A	N/A
Ironwood Institutional Multi-Strategy Fund (d)	$ 617,905	–	Semi-annually	95 days
Golub Capital Partners (e)	$ 460,000	115,000	Quarterly	90 days
Partners Group (f)	$ 208,338	–	Quarterly	90 days

(4) Investments, Continued

The following table summarizes the significant information related to the investments that are valued using net asset value per share, or its equivalent, as of May 31, 2022:

		Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Lighthouse Global Long/Short Fund (a)	$	382,025	–	Quarterly	60-90 days
U.S. Real Estate Investment Fund (b)	$	543,449	–	Quarterly	90 days
Capital Partners VII (c)	$	387,636	134,000	N/A	N/A
Ironwood Institutional Multi-Strategy Fund (d)	$	607,943	–	Semi-annually	95 days

(a) Lighthouse Global Long/Short Fund is a limited partnership interest in an actively managed global long/short equity fund seeking equity-like returns with lower volatility than traditional global equity investments. The portfolio is 100% invested through managed accounts. Each limited partner has the right to withdraw all or any portion of its capital account balance upon giving at least a 60-day prior written notice before the end of each quarter or at least a 90-day prior written notice before the end of each month. The General Partner may, in its sole discretion, suspend or restrict the right of any partner to withdraw capital from the Partnership and also may deduct from any withdrawal payments or otherwise charge to any withdrawing limited partner that has not held its partnership interest for at least 12 complete, consecutive months, a withdrawal charge equal to 2% of any amounts withdrawn.

(b) U.S. Real Estate Investment Fund is a limited partnership whose objective is to make investments in real estate assets, owning, managing, supervising, and disposing of such investments through its subsidiaries. Each limited partner has the right to redeem some or all of its interest in the partnership by providing written notice at least 90 days prior to a calendar quarter end.

(c) Capital Partners VII, LP is a limited partnership whose objective is capital appreciation with limited variability of returns. The partnership attempts to achieve this objective by investing in a diversified pool of underlying U.S. private equity, global private equity ex-U.S., emerging markets, global venture capital and natural resource investment partnerships. The term of the partnership will end twelve years from its initial closing, unless extended, not more than once, by the general partner for a period not exceeding three years.

(d) Ironwood Institutional Multi-Strategy Fund is a limited partnership whose objective is capital appreciation with limited variability of returns. The Fund attempts to achieve this objective by allocating capital among a number of pooled investment vehicles that are generally organized in non-U.S. jurisdictions and classified as corporations for U.S. federal income tax purposes. The Fund is allowed to repurchase Members' units at the net asset value per unit on a repurchase date. Ironwood expects the Fund will offer to repurchase units from Members as of June 30 and December 31 of each year. Redemption requests must be submitted to the Fund at least 95 days prior to the redemption date.

(4) Investments, Continued

(e) Golub Capital Partners' primary investment objective is to achieve a high level of current income and attractive risk-adjusted returns, relative to more liquid fixed income alternatives, with an emphasis on the preservation of capital. The fund seeks to achieve its objectives primarily by obtaining indirect leveraged exposure to: (1) US middle market, senior secured, floating rate loans directly originated by Golub Capital Finance; and (2) secondarily, broadly syndicated loans primarily acquired from unaffiliated third parties. The fund may also invest in opportunistic investments. The fund has an expected ten-year life, subject to two two-year extensions at the election of the general partner. The fund is valued at net asset value per share.

(f) Partners Group is a limited liability company whose objective is to make direct investments and primary and secondary private equity investments in a variety of markets, regions and sectors. Direct equity, specifically control buyouts, were the fund's investment focus in 2022 and an important driver of returns in the future. The fund is valued at net asset value per share.

(5) Property and Equipment

Property and equipment consisted of the following at May 31:

	2023	2022
Land	$ 625,000	625,000
Building	1,501,325	1,467,025
Furniture, fixtures and equipment	126,121	126,121
Construction in progress	504,560	-
	2,725,006	2,218,146
Less accumulated depreciation	(170,933)	(118,986)
Net property and equipment	$ 2,586,073	2,099,160

In May 2022, the League purchased a new headquarters building for $2,092,025. Depreciation on the new building will begin during the year ending May 30, 2024, after renovations are completed.

(6) Deferred Revenue

Deferred revenue consists of the following at May 31:

	2023	2022
Membership dues	$ 113,658	86,544
Fundraising events	-	14,984
	$ 113,658	101,528

(7) In-kind Donations

Donated goods and services consisted of the following at May 31, 2023:

Storage space	$ 43,920
Equipment and installation	38,000
Total in-kind donations	$ 81,920

During fiscal year 2023, the League received donated goods and services that would typically be purchased if not provided as an in-kind contribution. These services are recognized as in-kind donations at fair value using current rates provided by the business or service provider. The League also received donated goods, which are valued at the retail price that would be paid for purchasing similar products. All donated goods and services were utilized by the League's programs and supporting services, with $38,000 in goods that have been capitalized within the accompanying combined financial statements. There were no donor-imposed restrictions associated with these in-kind donations.

(8) Net Assets

Net assets without donor restrictions include amounts designated by the League's Board of Directors for the following purposes at May 31:

	2023	2022
Operating reserve	$ 517,622	544,000
Capital reserve	75,000	75,000
Board designated reserves	$ 592,622	619,000

The Junior League of Denver, Incorporated
Supplementary Combining Schedule of Financial Position
May 31, 2023

	Junior League of Denver	Junior League Foundation	Combined Total
Assets			
Cash and cash equivalents	$ 517,751	10,460	528,211
Accounts receivable, net	1,366	-	1,366
Due (to) from affiliate	(48,185)	48,185	-
Prepaid expenses and other assets	895	-	895
Inventory	430,323	-	430,323
Investments	526,320	8,627,815	9,154,135
Property and equipment, net	2,586,073	-	2,586,073
Total assets	$ 4,014,543	8,686,460	12,701,003
Liabilities and Net Assets			
Accounts payable and accrued liabilities	$ 372,369	-	372,369
Deferred revenue	113,658	-	113,658
Total liabilities	486,027	-	486,027
Net assets			
Without donor restrictions			
Undesignated	2,935,894	8,686,460	11,622,354
Designated	592,622	-	592,622
Total net assets	3,528,516	8,686,460	12,214,976
Total liabilities and net assets	$ 4,014,543	8,686,460	12,701,003

The Junior League of Denver, Incorporated
Supplementary Combining Schedule of Activities
Year Ended May 31, 2023

		Junior League of Denver	Junior League of Denver Foundation	Combined Total
		Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions
Revenues, Gains and Support				
Contributions	$	22,381	81,174	103,555
In-kind donations (note 7)		81,920	-	81,920
Holiday Mart revenue		206,239	-	206,239
Less costs of direct benefits to donors		(54,420)	-	(54,420)
The Journey revenue		142,228	-	142,228
Less costs of direct benefits to donors		(139,608)	-	(139,608)
Cookbook sales		31,135	-	31,135
Less cost of sales		(16,456)	-	(16,456)
Other fundraising revenue, net		38,715	-	38,715
Membership dues		113,739	-	113,739
Investment return, net		1,416	2,221	3,637
Total revenues, gains and support	$	427,289	83,395	510,684
Distributions from affiliate	$	338,514	-	-
Expenses				
Program services				
Programs and community outreach	$	239,009	-	239,009
Training and education		63,996	-	63,996
Total program services		303,005	-	303,005
Distributions to affiliate		-	338,514	-
Supporting activities				
General and administrative		390,236	11,417	401,653
Fundraising		105,511	-	105,511
Total supporting activities		495,747	11,417	507,164
Total expenses		798,752	349,931	810,169
Change in net assets		(32,949)	(266,536)	(299,485)
Net assets at beginning of year		3,561,465	8,952,996	12,514,461
Net assets at end of year	$	3,528,516	8,686,460	12,214,976