

Special Olympics Northern California, Inc.

Financial Statements
and Supplementary Information

December 31, 2021 and 2020





INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Special Olympics Northern California, Inc.
Pleasant Hill, California

Opinion

We have audited the accompanying financial statements of Special Olympics Northern California, Inc. (a California corporation) (the "Organization"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Special Olympics Northern California, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Special Olympics Northern California, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 generally accepted auditing standards 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, including omissions, 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Special Olympics Northern California, 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Special Olympics Northern California, 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information on pages 19 - 20 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Armanino^{LLP}
San Francisco, California

May 24, 2022

SUPPLEMENTARY INFORMATION
SPECIAL OLYMPICS NEVADA OPERATIONS

Special Olympics Northern California, Inc.
 Statements of Activities for Special Olympics Nevada
 December 31, 2021

	2021 Total	2020 Total
Revenues, gains, and other support		
Special event revenue, net		
Proceeds from fundraising events	\$ 242,993	\$ 160,802
Expenses from fundraising events	<u>(40,787)</u>	<u>(12,755)</u>
Total special event revenue, net	<u>202,206</u>	<u>148,047</u>
In-kind contributions	247,424	580,025
Public contributions	1,529,049	626,074
Grants	89,891	163,822
Contributions from bequests, estates, and trusts	-	49,159
Other revenue	<u>57,701</u>	<u>1,060</u>
Total revenues, gains, and other support	2,126,271	1,568,187
Operating expenses		
Training and competitions	343,676	625,596
Professional fees and consultants	286,840	217,594
Salaries	636,913	645,497
Payments to affiliates - Special Olympics, Inc.	106,798	100,477
Office costs	66,127	59,007
Travel, meetings, and conferences	17,525	27,229
Benefits	63,684	59,527
Payroll taxes	53,174	50,797
Insurance	16,431	15,878
Partnership grants	14,350	32,342
Depreciation and amortization	1,832	1,818
Interest expense	105	277
Other expenses	<u>29,180</u>	<u>10,595</u>
Total operating expenses	<u>1,636,635</u>	<u>1,846,634</u>
Change in net assets	<u>\$ 489,636</u>	<u>\$ (278,447)</u>

Special Olympics Northern California, Inc.
Statement of Functional Expenses for Special Olympics Nevada
For The Year Ended December 31, 2021

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>2020 Total</u>
Salaries	\$ 427,299	\$ 23,518	\$ 186,096	\$ 636,913	\$ 645,497
Training and competitions	343,676	-	-	343,676	625,596
Professional and consultants	133,794	6,383	146,663	286,840	217,594
Partnership grants	14,350	-	-	14,350	32,342
Office costs	46,312	4,499	15,316	66,127	59,007
Benefits	43,114	2,703	17,867	63,684	59,527
Travel, meetings and conferences	10,943	31	6,551	17,525	27,229
Payroll taxes	35,654	2,042	15,478	53,174	50,797
Payments to affiliates- Special Olympics, Inc.	106,798	-	-	106,798	100,477
Other expenses	27,582	191	1,407	29,180	10,595
Insurance	11,091	1,232	4,108	16,431	15,878
Depreciation and amortization	1,237	137	458	1,832	1,818
Interest expense	<u>71</u>	<u>8</u>	<u>26</u>	<u>105</u>	<u>277</u>
 Total expenses	 <u>\$ 1,201,921</u>	 <u>\$ 40,744</u>	 <u>\$ 393,970</u>	 <u>\$ 1,636,635</u>	 <u>\$ 1,846,634</u>