

LOS ANGELES PARKS FOUNDATION
NOTES TO FINANCIAL STATEMENTS

8 Liquidity and availability of net assets

The Foundation has \$5,959,177 of financial assets consisting of cash and cash equivalents of \$1,271,256 and investments of \$4,687,921 available as of the financial position date. Included in the above amounts is \$3,537,175 in donor restricted net assets and \$1,031,730 in net assets designated by the board. For the year ended December 31, 2021, \$1,390,275 is available to be used within one year of the financial position date to meet cash needs for general expenditures.

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Excess cash is generally held in savings or money market accounts until it is required for operational use.

9 COVID-19 update

Since March 2020, there has been a global pandemic due to an outbreak of a novel coronavirus (COVID-19) which has resulted in reduced economic activity and market changes. All park recreation centers were closed for recreation purposes from March 2020 to July 2021 due to COVID. The Foundation were unable to host fundraising event or activities to raise fund through conventional method. Management continues to monitor the impact that the COVID-19 pandemic is having on the Foundation and the industry in which the Foundation operates. However, given the speed and frequency of continuously evolving developments with respect to this pandemic, the Foundation cannot reasonably estimate the magnitude of the impact on its results of operations.

