



Sonnenberg & Company, CPAs

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**SAN DIEGO HUMAN
DIGNITY FOUNDATION
Audited Financial Statements
December 31, 2000**

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INDEPENDENT AUDITOR'S REPORT

San Diego Human Dignity Foundation

Members of the Board of Directors:

We have audited the accompanying statement of assets, liabilities, and net assets—cash basis of San Diego Human Dignity Foundation, as of December 31, 2000, and the related statements of revenues, expenses, and other changes in net assets—cash basis and of functional expenses—cash basis for the year then ended. These financial statements are the responsibility of San Diego Human Dignity Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 3, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and net assets of San Diego Human Dignity Foundation as of December 31, 2000, and its revenues, expenses, and other changes in net assets for the year then ended on the basis of accounting described in note 3.

October 26, 2001

Sonnenberg & Company, CPAs

SAN DIEGO HUMAN DIGNITY FOUNDATION
Statement of Assets, Liabilities, and Net Assets--Cash Basis
December 31, 2000
(With Summarized Totals for 1999)

	<u>2000</u>	<u>1999</u>
ASSETS:		
Cash - Checking	\$ 60,678	\$ 61,914
Cash - Bill Silva Endowment	55,210	
Cash - SDHD Endowment	32,965	
Smith Barney Money Funds	12,513	
Investments		27,835
Deposits	75	75
Total Assets	<u>\$ 161,441</u>	<u>\$ 89,824</u>
 LIABILITIES:		
Payroll Taxes Payable	\$ 1,690	\$ 739
Total Liabilities	1,690	739
 NET ASSETS:		
Unrestricted	71,576	89,085
Temporarily Restricted	0	0
Permanently Restricted	<u>88,175</u>	<u>0</u>
Total Net Assets	<u>159,751</u>	<u>89,085</u>
Total Liabilities and Net Assets	<u>\$ 161,441</u>	<u>\$ 89,824</u>

See accompanying notes to financial statements

SAN DIEGO HUMAN DIGNITY FOUNDATION
Statement of Revenues, Expenses, and Other Changes in Net Assets--Cash Basis
For the Year Ended December 31, 2000
(With Summarized Totals for the Year ended December 31, 1999)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2000 Totals</u>	<u>1999 Totals</u>
REVENUES AND OTHER SUPPORT:					
Grants	\$	\$	\$	\$ 0	\$ 10,000
Contributions - Board of Directors			32,735	32,735	8,455
Contributions - Others	3,975		5,000	8,975	23,282
Bill Silva Matching Endowment			50,000	50,000	25,000
Special Event Revenue - Gala	100,481			100,481	87,337
Interest	1,987		440	2,427	386
Other Income	<u>5,000</u>			<u>5,000</u>	<u>620</u>
Total Revenues and Other Support	111,443	0	88,175	199,618	155,080
EXPENSES:					
Program Services	52,640			52,640	42,252
Management & General	17,074			17,074	17,530
Fund Raising	3,267			3,267	10,564
Special Event Expense - Gala	<u>55,971</u>			<u>55,971</u>	<u>52,197</u>
Total Expenses	128,952	0	0	128,952	122,543
Change in Net Assets	(17,509)	0	88,175	70,666	32,537
Net Assets, Beginning of Year	<u>89,085</u>			<u>89,085</u>	<u>56,548</u>
Net Assets, End of Year	<u>\$ 71,576</u>	<u>\$ 0</u>	<u>\$ 88,175</u>	<u>\$ 159,751</u>	<u>\$ 89,085</u>

See accompanying notes to financial statements

SAN DIEGO HUMAN DIGNITY FOUNDATION
Statement of Functional Expenses--Cash Basis
For the Year Ended December 31, 2000
(With Summarized Totals for the Year ended December 31, 1999)

	<u>SUPPORTING SERVICES</u>					
	<u>Program</u> <u>Services</u>	<u>Management</u> <u>& General</u>	<u>Fund</u> <u>Raising</u>	<u>Special</u> <u>Event</u>	<u>2000</u> <u>Totals</u>	<u>1999</u> <u>Totals</u>
FUNCTIONAL EXPENSES:						
Salaries and Wages	\$ 10,205	\$ 10,206	\$	\$	\$ 20,411	\$ 9,174
Payroll Taxes	<u>405</u>	<u>405</u>			<u>810</u>	<u>3,290</u>
Total Payroll Expense	10,610	10,611	0	0	21,221	12,464
Advertising					0	934
Conference	722	108	208		1,038	0
Contract Labor	827	827	414		2,068	0
Dues and Subscriptions					0	315
Insurance	1,905	476			2,381	2,497
Miscellaneous	2,918	1,250			4,168	1,512
Office Supplies & Equipment	1,257	314			1,571	5,537
Professional Fees	300	100	100		500	14,435
Printing & Postage	5,714	1,905	1,904		9,523	4,160
Rent	3,370	842			4,212	1,380
Special Event Expense				55,971	55,971	52,197
Telephone	1,239	413	413		2,065	1,800
Travel & Entertainment	683	228	228		1,139	554
Grants- Pass Thru					0	10,000
Other Grants	23,095				23,095	7,077
Program Expense					0	3,416
Pride Festival - 99					<u>0</u>	<u>4,265</u>
Total Expenses	\$ <u>52,640</u>	\$ <u>17,074</u>	\$ <u>3,267</u>	\$ <u>55,971</u>	\$ <u>128,952</u>	\$ <u>122,543</u>

See accompanying notes to financial statements

San Diego Human Dignity Foundation
Notes to Financial Statements
December 31, 2000

Note 1. Organization and Purpose:

San Diego Human Dignity Foundation (the Foundation) was incorporated as a California non-profit corporation in 1996. The Foundation is committed to providing perpetual and significant funding to community based organizations serving the San Diego area's lesbian, gay, bisexual and transgender population. The Foundation raises, invests and distributes funds in partnership with donors and grantees.

Note 2. Income Tax Status:

San Diego Human Dignity Foundation is a not-for-profit corporation under Internal Revenue Code Section 501(c)(3) and California R & T code 23701(d) whereby it is exempt from income taxes.

Note 3. Summary of Significant Accounting Policies:

Basis of Accounting:

The accompanying financial statements are prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. That basis differs from accounting principles generally accepted in the United States of America because San Diego Human Dignity Foundation has not recognized receivables, prepaid expenses, interest accruals, accounts payable to vendors, and their related effects on the change in net assets. Revenues are recognized when collected. All contributions and donations are considered available for unrestricted use unless specifically restricted by the donors. Pledges for contributions are recorded as received.

San Diego Human Dignity Foundation accounts for contributions in accordance with the requirements of the Financial Accounting Standards Board in SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Accordingly, any contributions received would be recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Donated assets are recorded at their estimated fair market value.

Functional expenses have been allocated between Program Services and Supporting Services based on reasonable estimations of personnel time, space utilized, and other factors charged to each activity.

San Diego Human Dignity Foundation
Notes to Financial Statements
December 31, 2000

Note 3. Summary of Significant Accounting Policies: (Cont.)

The preparation of financial statements 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 4. Grants:

San Diego Human Dignity Foundation makes grants in different ways.

Direct grants - The Foundation directs grants to address specific needs.

Pass-Through Grant - It helps to facilitate donations to specific organizations.

During the year 2000, the Foundation awarded grants in the amount of \$7,500 to KPBS and \$8,099 to San Diego Foundation.

Note 5. Donated Materials and Services:

Donated materials and services have not been reflected in the accompanying financial statements due to the lack of objective measures available to value such materials and services.

Note 6. Special Event - Gala:

Every year the Foundation holds a Springtime Gala to raise funds. The revenue from the 2000 Gala was \$105,481 and the expenses were \$55,971.

Note 7. Bill Silva Higher Education Endowment:

In 1999, Bill Silva set up an Endowment Fund with the Foundation to assist higher education students with LGBT programs. During the year ended December 2000, Bill Silva made a contribution of \$25,000 to this fund. The Foundation matched it with an amount of \$25,000 of their own funds.

Note 8. Partnership Program:

The Foundation is in partnership with the National Gay and Lesbian Funding Partnership and the San Diego Foundation in a two year matching grant program.