
McGregor Fund

Financial Report
June 30, 2019

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Independent Auditor's Report

To the Board of Trustees
McGregor Fund

We have audited the accompanying financial statements of McGregor Fund (the "Fund"), which comprise the balance sheet as of June 30, 2019 and 2018 and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; 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 audit 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 entity'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 entity'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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of McGregor Fund as of June 30, 2019 and 2018 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.

Emphasis of Matter

As described in Note 2, the financial statements include certain investments whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or partnership general partners. These investments are valued at \$74,584,506 (43.2 percent of net assets) at June 30, 2019 and \$78,431,659 (45.2 percent of net assets) at June 30, 2018.

To the Board of Trustees
McGregor Fund

As described in Note 2, the Fund adopted the provisions of Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, for the year ended June 30, 2019.

Our opinion is not modified with respect to these matters.

Plante & Moran, PLLC

September 11, 2019

Balance Sheet

June 30, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	\$ 1,667,017	\$ 3,879,065
Investments (Note 3)	174,206,119	173,870,231
Accrued interest and dividends	103,230	100,168
Other assets:		
Prepaid expenses	58,846	137,216
Prepaid federal excise taxes	-	13,552
Other	183,386	248,558
	<u>176,218,598</u>	<u>178,248,790</u>
Total assets	<u>\$ 176,218,598</u>	<u>\$ 178,248,790</u>
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 126,434	\$ 87,403
Grants payable (Note 4)	2,174,980	3,387,998
Deferred excise taxes (Note 5)	902,237	972,830
Federal excise taxes payable	101,611	-
Other liabilities	183,387	248,481
	<u>3,488,649</u>	<u>4,696,712</u>
Total liabilities	3,488,649	4,696,712
Net Assets - Without donor restrictions	<u>172,729,949</u>	<u>173,552,078</u>
Total liabilities and net assets	<u>\$ 176,218,598</u>	<u>\$ 178,248,790</u>

McGregor Fund

Statement of Activities and Changes in Net Assets

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Changes in Net Assets without Donor Restrictions		
Net investment return (Note 3)	\$ 7,703,845	\$ 15,782,610
Expenses:		
Program services:		
Grants	6,832,964	8,903,953
Other program expenses	<u>718,792</u>	<u>610,139</u>
Total program services	7,551,756	9,514,092
Support services:		
Management and general	737,586	754,291
Federal excise tax expense (Note 5)	151,161	167,721
Federal and state tax on unrelated business income from investments	<u>85,471</u>	<u>144,345</u>
Total support services	<u>974,218</u>	<u>1,066,357</u>
Total expenses	<u>8,525,974</u>	<u>10,580,449</u>
(Decrease) Increase in Net Assets without Donor Restrictions	(822,129)	5,202,161
Net Assets - Beginning of year	<u>173,552,078</u>	<u>168,349,917</u>
Net Assets - End of year	<u><u>\$ 172,729,949</u></u>	<u><u>\$ 173,552,078</u></u>

Statement of Cash Flows

Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
(Decrease) increase in net assets	\$ (822,129)	\$ 5,202,161
Adjustments to reconcile (decrease) increase in net assets to net cash and cash equivalents from operating activities:		
Net realized and unrealized gains on securities	(7,307,710)	(15,385,385)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Accrued interest and dividends	(3,062)	(35,118)
Prepaid expenses	78,370	(96,886)
Prepaid federal excise taxes	13,552	87,026
Accrued expenses	39,109	18,583
Deferred federal excise taxes	(70,593)	80,695
Federal excise taxes payable	101,611	-
Grants payable	(1,213,018)	1,153,583
Net cash and cash equivalents used in operating activities	(9,183,870)	(8,975,341)
Cash Flows from Investing Activities		
Purchases of investments	(28,905,754)	(23,094,607)
Proceeds from sales and maturities of investments	35,877,576	31,200,445
Net cash and cash equivalents provided by investing activities	6,971,822	8,105,838
Net Decrease in Cash and Cash Equivalents	(2,212,048)	(869,503)
Cash and Cash Equivalents - Beginning of year	3,879,065	4,748,568
Cash and Cash Equivalents - End of year	\$ 1,667,017	\$ 3,879,065

June 30, 2019 and 2018

Note 1 - Nature of Business

McGregor Fund (the "Fund"), located in Detroit, Michigan and established in 1925, is a private foundation that was organized to relieve misfortune and promote the well-being of humankind. The primary activity of the Fund is to provide support to Detroit metropolitan area not-for-profit organizations that operate in three program areas that are of particular interest to the Fund's board of trustees: basic needs, recovery and restoration, and skill building.

Note 2 - Significant Accounting Policies

Cash Equivalents

The Fund considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Concentration of Credit Risk Arising from Deposit Accounts

The Fund maintains cash balances at a bank whose accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Fund evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits.

Investments

Investments in government and corporate debt and equity securities are stated at current quoted market values. The alternative investments, primarily composed of real estate, private equities, hedge funds, oil and gas, and other limited partnerships, which are not readily marketable, are carried at estimated fair values, as provided by the various investment managers. The Fund reviews and evaluates the values provided by the investment managers and agrees with the valuation methods used and significant assumptions used in determining fair value. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. Purchases and sales of investments are recorded as of the trade date. Gain or loss on the sale of investments is computed using the first-in, first-out method.

Classification of Net Assets

Net assets of the Fund are classified based on the presence or absence of donor-imposed restrictions. All net assets of the Fund are without donor restrictions.

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the statement of activities and changes in net assets. Costs have been allocated between program and support services based on estimates, as determined by management. Salaries and benefits are allocated on the basis of the actual employee time and effort devoted to these activities. Other expenses are allocated on the basis of the program or support service that used the related asset or service. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Tax Status

The Fund is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. As a private foundation, the Fund is subject to an excise tax on net investment income, including realized gains, as defined in the Tax Reform Act of 1969.

June 30, 2019 and 2018

Note 2 - Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Fair Value Disclosures

The estimated fair value amounts have been determined by the Fund using available market information and appropriate valuation methodologies. These estimates are subjective in nature and involve uncertainties and matters of considerable judgment. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Fund could realize in a current market exchange. The use of different assumptions, judgments, and/or estimation methodologies may have a material effect on the estimated fair value amounts. All investment securities are carried at fair value in the financial statements.

Risks and Uncertainties

The Fund invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

Adoption of New Accounting Pronouncement

For the year ended June 30, 2019, applied retrospectively to all years presented, the Fund adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This standard requires net assets to be classified in two categories, net assets without donor restrictions and net assets with donor restrictions, rather than the three previous classifications. This standard also requires changes in the way certain information is aggregated and reported by the Fund, including disclosures of quantitative and qualitative information about the liquidity and availability of resources and the presentation of expenses by both functional and natural classification. The standard also clarifies the definition of management and general expenses and prohibits certain expenses from being allocated out of management and general. As a result of the adoption of this standard, functional expenses for the year ended June 30, 2018 have been restated as follows: program services expenses increased and support services expenses decreased by \$610,139.

Upcoming Accounting Pronouncement

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in determining whether a contribution is conditional. The accounting guidance may delay expense recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Fund's year ending June 30, 2021 and will be applied on a modified prospective basis. The Fund has not yet determined the impact on the timing of recognition of individual grants made.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 11, 2019, which is the date the financial statements were available to be issued.

June 30, 2019 and 2018

Note 3 - Investments

Investments consisted of the following at June 30:

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Fixed-income and equity securities:				
Domestic fixed-income securities	\$ 13,897,239	\$ 14,360,191	\$ 13,684,773	\$ 13,326,780
International fixed-income securities	5,646,606	6,318,043	5,509,068	5,929,578
U.S. equity securities	11,473,604	31,394,925	19,632,483	37,351,181
Foreign equity securities	40,943,842	47,548,454	31,275,529	38,831,033
Total fixed-income and equity securities	71,961,291	99,621,613	70,101,853	95,438,572
Alternative investments:				
Hedge funds and multistrategy	24,626,709	31,438,501	21,869,524	30,338,980
Oil and gas limited partnerships	6,142,048	5,509,107	7,612,675	9,729,327
Private equity and venture capital limited partnerships	23,069,883	34,143,019	19,592,355	29,521,193
Real estate limited partnerships	3,294,317	3,493,879	3,716,888	5,227,042
Commodities and natural resources limited partnerships	-	-	2,335,418	3,615,117
Total alternative investments	57,132,957	74,584,506	55,126,860	78,431,659
Total	\$ 129,094,248	\$ 174,206,119	\$ 125,228,713	\$ 173,870,231

Net investment return is composed of the following for the years ended June 30:

	2019	2018
Interest	\$ 530,797	\$ 360,940
Dividends	1,362,153	1,343,792
Net realized and unrealized gains on securities	7,307,710	15,385,385
Other partnership losses	(822,565)	(609,202)
Investment advisory and custodial fees	(674,250)	(698,305)
Total	\$ 7,703,845	\$ 15,782,610

Note 4 - Grants Payable

Unconditional grants are recognized as an expense at the time of formal approval by the full board of trustees. A present value discount for grants to be paid beyond one year has been calculated using a rate of approximately 2.08 and 1.89 percent at June 30, 2019 and 2018, respectively, based on when the grant was approved. At June 30, 2019 and 2018, the total discount on grants payable was \$48,350 and \$74,402, respectively.

The following summarizes the changes in grants payable for the years ended June 30, 2019 and 2018:

	2019	2018
Grants payable - Beginning of year	\$ 3,387,998	\$ 2,234,415
Grants approved	5,579,017	8,685,375
Payments made	(6,818,087)	(7,475,620)
Change in discount on grants payable	26,052	(56,172)
Grants payable - End of year	\$ 2,174,980	\$ 3,387,998

Notes to Financial Statements

June 30, 2019 and 2018

Note 4 - Grants Payable (Continued)

	2019	2018
Amounts due in:		
Less than one year	\$ 1,980,830	\$ 2,687,400
One to five years	242,500	775,000
Less discount	(48,350)	(74,402)
Total	\$ 2,174,980	\$ 3,387,998

Conditional grants are expensed when such conditions are substantially met. Conditional grants approved for future payment were \$5,145,000 and \$6,630,000 at June 30, 2019 and 2018, respectively. Included in these amounts is a \$6 million conditional 20-year grant to the Foundation for Detroit's Future (FDF), a supporting organization of the Community Foundation for Southeast Michigan, which was approved by the Fund on August 19, 2014. The grant and payment of the annual grant installments are conditioned upon the terms and conditions outlined in the Fund's agreement with FDF. The Fund made payments on this grant totaling \$650,000 and \$300,000 during the years ended June 30, 2019 and 2018, respectively.

Note 5 - Excise Taxes

The Fund's excise tax expense as of June 30, 2019 and 2018 is composed of the following:

	2019	2018
Current	\$ 221,754	\$ 87,026
Deferred	(70,593)	80,695
Total excise tax expense	\$ 151,161	\$ 167,721

The deferred excise tax liability on the balance sheet represents the tax on unrealized gains on investment securities.

Note 6 - Deferred Compensation Plan

The Fund sponsors a defined contribution 401(k) plan for all eligible full-time employees, as defined in the plan document. The plan became effective as of January 1, 2008. The Fund contributes a specified percentage of the annual eligible compensation of participants. Total contributions to the plan for the years ended June 30, 2019 and 2018 amounted to approximately \$95,800 and \$114,900, respectively.

Note 7 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Fund's assets measured at fair value on a recurring basis at June 30, 2019 and 2018 and the valuation techniques used by the Fund to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Fund has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

Notes to Financial Statements

June 30, 2019 and 2018

Note 7 - Fair Value Measurements (Continued)

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Fund's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Fund's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the end of the reporting period. There were no transfers between levels of the fair value hierarchy during the years ended June 30, 2019 and 2018.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2019				
Quoted Prices in				
	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2019
Assets				
Investments:				
U.S. government securities	\$ -	\$ 5,386,273	\$ -	\$ 5,386,273
Domestic municipal bonds	-	2,843,819	-	2,843,819
Domestic corporate bonds	-	6,130,099	-	6,130,099
U.S. equity mutual funds	5,192,212	-	-	5,192,212
Foreign equity mutual funds	17,937,968	-	-	17,937,968
Cash equivalents - Money market mutual funds	1,863,070	-	-	1,863,070
Total	\$ 24,993,250	\$ 14,360,191	\$ -	39,353,441
Investments measured at NAV:				
International fixed-income securities limited partnership				6,318,043
U.S. equity commingled funds				26,202,713
Foreign equity commingled funds				29,610,486
Hedge fund and multistrategy				31,438,501
Oil and gas partnership				5,509,107
Private equity and venture capital limited partnerships				34,143,019
Real estate limited partnerships				3,493,879
Total investments measured at NAV				136,715,748
Total assets				\$ 176,069,189

June 30, 2019 and 2018

Note 7 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2018			
	Quoted Prices in			Balance at June 30, 2018
	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets				
Investments:				
U.S. equity mutual funds	\$ 13,958,717	\$ -	\$ -	\$ 13,958,717
U.S. government securities	-	4,951,852	-	4,951,852
Domestic municipal bonds	-	3,039,339	-	3,039,339
Domestic corporate bonds	-	5,335,589	-	5,335,589
Foreign equity mutual funds	16,680,946	-	-	16,680,946
Cash equivalents - Money market mutual funds	3,346,468	-	-	3,346,468
Total	\$ 33,986,131	\$ 13,326,780	\$ -	47,312,911
Investments measured at NAV:				
International fixed-income securities limited partnership				5,929,578
U.S. equity commingled funds				23,392,464
Foreign equity commingled funds				22,150,087
Hedge fund and multistrategy				30,338,980
Oil and gas partnership				9,729,327
Private equity and venture capital limited partnerships				29,521,193
Real estate limited partnerships				5,227,042
Commodities and natural resources limited partnerships				3,615,117
Total investments measured at NAV				129,903,788
Total assets				\$ 177,216,699

The fair value of U.S. government securities, domestic municipal bonds, and domestic corporate bonds is determined using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry standard models that consider various assumptions, including time value and yield curve, as well as other relevant economic measures.

Investments in Entities that Calculate Net Asset Value per Share

The Fund holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

Note 7 - Fair Value Measurements (Continued)

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	June 30, 2019	June 30, 2018		June 30, 2019	
	Fair Value	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
International fixed-income securities limited partnership (a)	\$ 6,318,043	\$ 5,929,578	\$ -	Monthly Daily and	10 days
U.S. equity commingled funds (b)	26,202,713	23,392,464	-	quarterly	1-60 days
Foreign equity commingled funds (c)	29,610,486	22,150,087	-	Monthly Monthly, quarterly, and	10-60 days
Hedge fund and multistrategy (d)	31,438,501	30,338,980	-	annually	30-90 days
Oil and gas limited partnerships (e)	5,509,107	9,729,327	2,143,644	N/A	N/A
Private equity and venture capital limited partnerships (f)	34,143,019	29,521,193	16,092,470	N/A	N/A
Real estate limited partnerships (g)	3,493,879	5,227,042	1,539,868	N/A	N/A
Commodities and natural resources limited partnerships (h)	-	3,615,117	-	N/A	N/A
Total	<u>\$136,715,748</u>	<u>\$129,903,788</u>	<u>\$ 19,775,982</u>		

(a) The international fixed-income securities category includes an investment in a commingled bond fund that invests in foreign sovereign bonds. The fair value of the investment in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital.

(b) The U.S. equity securities category includes investments in commingled U.S. stock funds. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital or net asset value per share of the investments, whichever is applicable.

(c) The foreign equity securities category includes investments in commingled international stock funds. The fair value of the investments in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital or net asset value per share of the investments, whichever is applicable.

(d) The hedge funds and multistrategy category includes direct investments in hedge funds that invest in event arbitrage, multistrategy, distressed securities, U.S. long/short equities, and global long/short equities. The fair value of the investments in this category has been estimated using net asset value per share of the investments.

(e) The oil and gas limited partnerships category includes investments with energy managers that invest across the energy industry. The fair value of the investments in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next 3 to 12 years.

(f) The private equity and venture capital limited partnerships category includes investments with fund of funds, managers that invest in Asian, European, U.S. and U.S. distressed private equity funds, and early stage U.S. venture capital funds. The fair value of the investments in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next 5 to 12 years.

(g) The real estate limited partnerships category includes investments with real estate managers that invest in European and U.S. commercial and residential real estate. The fair value of the investments in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next one to six years.

Notes to Financial Statements

June 30, 2019 and 2018

Note 7 - Fair Value Measurements (Continued)

(h) The commodities and natural resources category includes an investment with a timber manager that invests in U.S. timberland. The fair value of the investment in this category has been estimated using net asset value of the Fund's ownership interest in partners' capital. This investment was sold on July 13, 2018. Proceeds of \$3,615,117 were received.

Note 8 - Functional Expenses

Expenses are functionally allocated as follows for the year ended June 30, 2019:

	Program Services	Support Services	Total
Grants	\$ 6,832,964	\$ -	\$ 6,832,964
Salaries and benefits	657,399	413,412	1,070,811
Legal, accounting, and professional fees	2,700	90,343	93,043
Occupancy	23,609	96,539	120,148
Taxes	-	236,922	236,922
Other expenses	35,084	137,002	172,086
Total	\$ 7,551,756	\$ 974,218	\$ 8,525,974

Expenses are functionally allocated as follows for the year ended June 30, 2018:

	Program Services	Support Services	Total
Grants	\$ 8,903,953	\$ -	\$ 8,903,953
Salaries and benefits	546,884	462,443	1,009,327
Legal, accounting, and professional fees	-	68,931	68,931
Occupancy	22,138	87,284	109,422
Taxes	-	312,212	312,212
Other expenses	41,117	135,487	176,604
Total	\$ 9,514,092	\$ 1,066,357	\$ 10,580,449

Note 9 - Liquidity and Availability of Resources

The following reflects the Fund's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual restrictions within one year of the balance sheet date:

	2019	2018
Cash and cash equivalents	\$ 1,667,017	\$ 3,879,065
Investments	174,206,119	173,870,231
Accrued interest and dividends	103,230	100,168
Financial assets - At year end	175,976,366	177,849,464
Less those unavailable for general expenditures within one year due to investment redemption restrictions	43,146,005	48,092,679
Financial assets available to meet cash needs for general expenditures within one year	\$ 132,830,361	\$ 129,756,785

Note 9 - Liquidity and Availability of Resources (Continued)

The Fund has a goal to maintain financial assets, which consist of cash and short-term investments, and receivables on hand to meet normal operating expenses. None of the financial assets are subject to donor or other restrictions that make them unavailable for general expenditures within one year of the balance sheet date. The Fund has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Fund also realizes there could be unanticipated liquidity needs.