

**JANET H. & C. HARRY KNOWLES FOUNDATION, INC.  
D/B/A KNOWLES TEACHER INITIATIVE**

**Statements of Cash Flows**

	<b>Year Ended</b>	
	<b>May 31,</b>	
	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	<b>\$ (2,632,565)</b>	\$ (4,870,962)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	<b>191,424</b>	180,940
Deferred federal excise tax	<b>3,061</b>	(26,894)
Change in present value discount	<b>7,029</b>	(89,700)
Net realized (gains) losses on sales of investments	<b>184,899</b>	(465,517)
Net unrealized (appreciation) depreciation in fair value of investments	<b>(306,109)</b>	2,689,405
Changes in assets and liabilities:		
Accrued interest and dividends	<b>(6,813)</b>	(1,373)
Other receivable	<b>5,103</b>	(9,399)
Prepaid expenses	<b>(3,284)</b>	6,961
Unconditional promises to give	<b>(299,602)</b>	250,531
Accounts payable and accrued expenses	<b>34,483</b>	(35,501)
Net cash used in operating activities	<u><b>(2,822,374)</b></u>	<u>(2,371,509)</u>
Cash flows from investing activities:		
Proceeds from sales of investments	<b>20,826,569</b>	9,001,989
Purchases of investments	<b>(16,996,242)</b>	(7,927,525)
Purchases of property and equipment	<b>(180,729)</b>	(31,709)
Net cash provided by investing activities	<u><b>3,649,598</b></u>	<u>1,042,755</u>
Cash flows from financing activities:		
Proceeds from PPP loan payable	<b>491,325</b>	-
Advances (repayments) on line-of-credit, net	<b>(500,000)</b>	500,000
Net cash provided by (used in) financing activities	<u><b>(8,675)</b></u>	<u>500,000</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>818,549</b>	(828,754)
Cash and cash equivalents at beginning of year	<u><b>1,541,348</b></u>	<u>2,370,102</u>
<b>Cash and cash equivalents at end of year</b>	<u><b>\$ 2,359,897</b></u>	<u>\$ 1,541,348</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the year for interest	<u><b>\$ 237,138</b></u>	<u>\$ 225,339</u>

See notes to financial statements