STRONGER FAMILIES

FINANCIAL STATEMENTS

DECEMBER 31, 2019 AND 2018

SMITH BUNDAY BERMAN BRITTON, P.S.

CERTIFIED PUBLIC ACCOUNTANTS

September 16, 2020

To the Board of Directors
Stronger Families

Independent Auditor's Report

We have audited the accompanying financial statements of Stronger Families (a non-profit corporation), which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stronger Families as of December 31, 2019 and 2018, and the changes in its net assets, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Smith Bunday Berman Britton, P.S.

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STRONGER FAMILIES

STATEMENT OF FINANCIAL POSITION

Assets

	December 31	
	2019	2018
Current assets:		
Cash and cash equivalents	$ 1,745,335	$ 1,457,740
Accounts receivable	88,412	77,518
Unconditional promises to give - Note 2	450	6,200
Prepaid expenses	57,337	23,450
Total current assets	1,891,534	1,564,908
Property and equipment, net of accumulated depreciation of $92,748 as of December 31, 2019 and 2018	-	-
Website and software development costs, net of accumulated amortization of $176,576 as of December 31, 2019 and $132,432 as of December 31, 2018	-	44,144
Other assets	8,198	8,198
Total assets	$ 1,899,732	$ 1,617,250

Liabilities and Net Assets

	2019	2018
Current liabilities:		
Accounts payable	$ 26,737	$ 30,347
Accrued vacation	41,903	41,878
Deferred contract revenue	7,128	261,864
Deferred rent	15,009	24,287
Total liabilities	90,777	358,376
Commitment - Note 5		
Net assets:		
Without donor restrictions	1,528,955	1,258,874
With donor restrictions for future periods	280,000	-
Total net assets	1,808,955	1,258,874
Total liabilities and net assets	$ 1,899,732	$ 1,617,250

The accompanying notes are an integral part of these financial statements.

STRONGER FAMILIES

STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Unrestricted revenues and other support:		
Contributions	$ 834,969	$ 657,418
Fee for service income	1,365,198	1,390,802
In-kind gifts and services	225,494	157,800
Sales of books and products	254,968	212,616
Interest income	5,270	1,864
Total unrestricted revenues and other support	2,685,899	2,420,500
Net assets released from donor restrictions	-	2,350
Total revenues and other support without donor restrictions and reclassifications	2,685,899	2,422,850
Expenses:		
Program services:		
Communications	573,458	475,698
Program	1,408,241	1,326,315
Supporting services:		
Management and general	38,271	45,737
Fundraising	395,848	270,804
Total expenses	2,415,818	2,118,554
Increase in net assets without donor restrictions	270,081	304,296
Net assest with donor restrictions		
Additions in (releases from) net assets with donor restrictions	280,000	(2,350)
Increase in net assets	550,081	301,946
Net assets at beginning of year	1,258,874	956,928
Net assets at end of year	$ 1,808,955	$ 1,258,874

The accompanying notes are an integral part of these financial statements.

STRONGER FAMILIES

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program Services		Supporting Services		
	Communications	Program	Management and general	Fundraising	Total
Salaries and wages	$ 168,198	$ 562,549	$ 19,830	$ 105,380	$ 855,957
Professional services	136,409	138,207	2,084	83,972	360,672
Travel	7,926	289,326	440	6,652	304,344
In-kind gift expense for auction	112,115	39,834	1,194	109,330	262,473
Payroll taxes and benefits	35,762	83,765	4,415	17,612	141,554
Materials	1,550	96,398	-	-	97,948
Facility rental and catering	38,661	3,599	243	38,095	80,598
IT and computer	13,187	42,352	1,856	2,934	60,329
Rent	11,421	30,788	2,979	4,469	49,657
Amortization	10,153	27,369	2,649	3,973	44,144
Postage and shipping	824	39,374	151	472	40,821
Supplies	13,977	10,315	305	13,204	37,801
Printing	11,196	20,998	54	5,022	37,270
Office expenses	5,577	16,317	1,447	2,201	25,542
Bank fees	2,542	2,396	227	2,011	7,176
Telephone and internet	1,470	3,963	384	575	6,392
Advertising	2,201	131	-	-	2,332
Product development and procurement	350	420	-	39	809
Miscellaneous	(61)	140	13	(93)	(1)
Total expenses	$ 573,458	$ 1,408,241	$ 38,271	$ 395,848	$ 2,415,818

The accompanying notes are an integral part of these financial statements.

STRONGER FAMILIES

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	Program Services		Supporting Services		
	Communications	Program	Management and general	Fundraising	Total
Salaries and wages	$ 183,706	$ 575,953	$ 23,157	$ 85,164	$ 867,980
Travel	6,090	229,227	557	4,617	240,491
Professional services	71,513	112,469	3,553	34,197	221,732
In-kind donations	62,111	35,367	1,294	59,027	157,800
Payroll taxes and benefits	34,310	86,130	3,684	17,731	141,855
Facility rental and catering	35,663	6,304	358	34,771	77,097
Rent	15,112	53,366	4,906	3,421	76,805
Amortization	11,581	40,896	3,760	2,622	58,859
Printing	4,905	47,596	34	4,823	57,358
Materials	11	49,630	3	2	49,647
IT and computer	15,455	23,936	1,531	6,392	47,313
Postage and shipping	1,036	31,257	177	249	32,718
Supplies	14,445	6,324	204	11,201	32,174
Office expenses	5,468	17,514	1,574	1,147	25,704
Bank fees	5,631	3,759	338	4,824	14,553
Telephone and internet	1,613	5,695	524	365	8,196
Advertising	6,399	424	21	31	6,875
Product development and procurement	247	518	2	2	768
Miscellaneous	404	(51)	58	216	629
Total expenses	$ 475,698	$ 1,326,315	$ 45,737	$ 270,804	$ 2,118,554

The accompanying notes are an integral part of these financial statements.

STRONGER FAMILIES

STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Cash flows from operating activities:		
Cash received from contributions	$ 1,120,719	$ 667,648
Cash received from service fee grant income	1,104,568	1,458,943
Cash received from books and products	249,968	212,617
Cash paid to suppliers and employees	(2,192,930)	(1,891,239)
Interest received	5,270	1,865
Net cash provided by operating activities	287,595	449,834
Net increase in cash	287,595	449,834
Cash and cash equivalents at beginning of year	1,457,740	1,007,906
Cash and cash equivalents at end of year	$ 1,745,335	$ 1,457,740

Reconciliation of Change in Net Assets to Net Cash
Used in Operating Activities

	2019	2018
Change in net assets	$ 550,081	$ 301,946
Adjustments to reconcile net cash used in operations:		
Amortization	44,144	58,859
Change in related asset and liability accounts:		
Decrease (increase) in promises to give	5,750	(6,200)
Decrease (increase) in grant receivable	(40,183)	151,046
Decrease (increase) in accounts receivable	29,289	(17,859)
Decrease (increase) in prepaid expenses	(33,887)	7,695
Decrease (increase) in accounts payable	(3,610)	13,916
Decrease (increase) in accrued expenses	25	(3,088)
Decrease in deferred revenue	(254,736)	(48,616)
Decrease in deferrent rent	(9,278)	(7,865)
	(262,486)	147,888
Net cash provided by operating activities	$ 287,595	$ 449,834

The accompanying notes are an integral part of these financial statements.

STRONGER FAMILIES

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Stronger Families (the Organization) is a non-profit, non-partisan research, education, and communications organization dedicated to making Washington State the best place in the world for marriage, children and family life.

Our mission is to bring life-changing skills to marriage and families so they can be strong and thrive.

Our vision is to see healthy marriages and strong families in every community. Today, however, we have an intentional focus on marriages that need additional support, including military (active duty, special operations, wounded, ill and injured), law enforcement and first responder families.

We know that couples are most likely to succeed when they have relationship training and support. Without these two resources, their marriages and families are at greater risk of breaking apart. Our best and most promising contribution to making our vision a reality is to transform marriages at the family level with relationship education and support through our *Oxygen for Your Relationships* program. *Oxygen for Your Relationships* is a marriage-saving program that brings two vital elements to couples' relationship training and long-term support.

We work with each couple to assess their marriage health and identify challenges that may hold them back from a deeper sense of intimacy and fulfillment. Once we've diagnosed the relationship's need, *Oxygen* meets the couple's immediate crisis with live teaching, online support and resources at *Oxygen365.com,* and optional mentorship with their local *Oxygen* facilitator. In short, we come alongside to help them. We succeed when a family succeeds– when a couple experiences a revitalized marriage, and builds a strong and healthy family.

Our primary program services are Community Strategies and Communications. Community Strategies works in communities to form partnerships and coalitions between churches, business, government, schools and civic organizations in order to create and implement effective strategies to promote marriage and reduce family fragmentation. Communications adds support to these efforts through targeted radio broadcasts, print publications and media outreach.

Our support and revenue is provided primarily from fees for services, contributions, special events and grants. We operate from offices in Bellevue, Washington.

The financial statements of the Organization have been presented on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Note 1 - continued:

Adoption of accounting pronouncements – During the year ended December 31, 2019, the Organization adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2018-08 – Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This update was issued to clarify and improve the scope and accounting guidance for contributions received and contributions made. The update assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and (2) determining whether a contribution is conditional. As a result, it enhances the comparability of financial information among not-for-profit entities. The Organization adopted ASU 2018-08 using a modified prospective method effective January 1, 2019. Under the modified prospective method, this ASU only applied to agreements not completed or entered into (revenue or expense that has not been recognized) as of January 1, 2019. As a result, the 2018 financial statements are not restated and there was no cumulative-effect adjustment to opening net assets as of January 1, 2019. There was a material change to the recognition of contribution revenue during 2019. The Organization received $250,000 from a foundation in December 2019 for a 2020 grant. The grant was determined to not have a donor – imposed condition (as defined by ASU 2018-8) and was classified as an unconditional contribution with donor restrictions as of December 31, 2019. Prior to the adoption of ASU 2018-8, this receipt would have been recorded as deferred revenue as of December 31, 2019.

On January 1, 2019, the Organization adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2014-09- *Revenue from Contracts with Customers (Topic 606)* and other related ASUs. These ASUs replaced the existing revenue recognition guidance in U.S. GAAP and require entities to recognize revenues when control of the promised goods or services is transferred to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization adopted Topic 606 using the modified retrospective method applied to those contracts which were not completed as of January 1, 2019, (the practical expedient elected). Results for reporting periods beginning after January 1, 2019, are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with the Organization's historic accounting under Topic 605. Topic 606 applies to the United Service Organization (USO) and National Conferencing (d/b/a Federal Conference – Strong Bonds) 2019 contracts; however, application of the new standard did not result in changes to the revenue recognition methods used by the Organization for these contracts.

Financial statement presentation - The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification 958, *Not-for-Profit Entities*. Under the provisions of this statement, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

> **Without donor restrictions –** Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

Note 1 - continued:

> **With donor restrictions –** Those resources subject to donor-imposed restrictions that will be satisfied by action of the Organization or by the passage of time.

The Organization has elected to present contributions with donor restrictions that are fulfilled in the same period within the net assets without donor restrictions class.

Cash and cash equivalents - For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Accounts receivable - Accounts receivable are reported at the amount management expects to collect on balances outstanding at year end. Payment terms are generally 30 days. Management estimates the allowance for doubtful accounts based on historical collections together with a review of the current status of the existing accounts receivable. As of December 31, 2019, and 2018, there was no allowance for uncollectible accounts receivable deemed necessary.

Promises to give - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Donor-restricted promises to give are not included as support until the conditions are substantially met.

Property and equipment - Property and equipment are recorded at cost if purchased and, if donated, at fair market value at the date of donation. Expenditures for maintenance and repairs are expensed as incurred. Costs of renewals and betterments of a nature considered to materially extend the useful lives of assets in excess of $2,500 are capitalized. Depreciation expense for the years ended December 31, 2019 and 2018 was $0 and $0, respectively, as the property and equipment owned by the Organization is fully depreciated.

Depreciation is provided for in amounts sufficient to relate the cost or donated value of depreciable assets to operations over their estimated useful lives of five to fifteen years, on a straight-line basis.

Website development costs - The Organization accounts for website development costs in accordance with Accounting Standards Codification (ASC) 350-50, *Website Development Costs*. Accordingly, all costs incurred in the planning stage are expensed as incurred, costs incurred in the website application and infrastructure development stage that meet specific criteria are capitalized, and capitalized costs incurred in the day to day operation of the website are expensed as incurred. Capitalized costs associated with the website are subject to straight-line amortization over a three-year period.

Note 1 - continued:

Software development costs - Costs for software developed for internal use are accounted for through the capitalization of those costs incurred in connection with developing or obtaining internal-use software.

Costs incurred during the preliminary project along with post-implementation stages of internal use computer software development and costs incurred to maintain existing product offerings are expensed as incurred. The capitalization and ongoing assessment of recoverability of development costs require considerable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility and estimated economic life. During the year ended December 31, 2016, the Company incurred capitalized software development costs of $176,576. Capitalized software is amortized over the software's estimated economic life of 3 years. Amortization expense for the years ended December 31, 2019 and 2018 was $44,144 and $58,859, respectively.

Long-lived Assets - The Organization reviews long-lived assets and certain identifiable intangibles held and used for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In evaluating the fair value and future benefits of its intangible assets, management performs an analysis of the anticipated undiscounted future net cash flow of the individual assets over the remaining amortization period. The Organization recognizes an impairment loss if the carrying value of the asset exceeds the expected future cash flows. No such losses were recognized in 2019 and 2018.

Deferred rent - When the terms of an operating lease provide for periods of free rent, rent concessions, and/or rent escalations, the Organization establishes a deferred rent liability for the difference between the scheduled rent payment and the straight-line rent expense recognized. This deferred rent liability is amortized over the underlying lease term on a straight-line basis as reduction of rent expense.

Revenue recognition - The Organization generally measures revenue based on the amount of consideration the Organization expects to be entitled for the transfer of goods or services to a customer, then recognizes this revenue when or as the Organization satisfies its performance obligations under a contract, except in transactions where U.S. GAAP provides other applicable guidance. The Organization evaluates its revenue contracts with customers (i.e. earned revenue) based on the five-step model under Topic 606: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

Contributed income is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of restrictions on net assets due to either the Organization fulfilling donor-imposed restrictions or the passage of time, are reported as net assets released from restrictions.

Contributed income may include gifts of cash, donated items, or promises to give. Contributions and grants, including unconditional promises to give, are recognized as revenues in the period received and recorded in the appropriate net asset category in

Note 1 - continued:

accordance with donor-imposed restrictions. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions are substantially met. Contributions of assets other than cash (gifts in kind) are reported at their estimated fair value at the date of donation. When considered material, contributions and grants to be received after one (1) year are discounted at an appropriate discount rate commensurate with the risk involved. Multi-year commitments are recorded during the year of the initial pledge.

Marketable securities received as gifts are recorded at their estimated market values and are held as investments until sold. The Organization's policy is to liquidate all donated marketable securities within thirty days of receipt. Changes in the fair value of contributed marketable securities are recorded as adjustments to contributions.

Earned revenue from services is recognized as services are provided or upon shipment of products. Contract assets consist of accounts receivable.

The Organization recognizes in-kind services in accordance with applicable accounting standards if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

In accordance with ASC Sub-Topic 958-605, *Revenue Recognition*, the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Income taxes - The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statements regarding a tax position taken or expected to be taken in a tax return. The Organization has determined that there are no uncertain tax positions which qualify for recognition or disclosure in the financial statements at December 31, 2019 and 2018. The Organization's Forms 990, *Return of Organization Exempt from Income Tax,* for the years 2016, 2017, 2018 are open for examination by the IRS, generally for three years after they were filed.

Concentration - Approximately 60% and 63% of the Organization's support was obtained from three entities during the years ended December 31, 2019 and 2018.

Note 1 - continued:

Fundraising - Fundraising costs incurred in one period may result in contributions that will be received in future periods. However, fundraising costs are expensed as incurred.

Functional allocation of expenses - The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services based upon reasonable and consistent methodologies.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - UNCONDITIONAL PROMISES TO GIVE:

Unconditional promises to give are comprised of the following as of December 31:

	2019	2018
Receivable in less than one year	$450	$6,200
Less: allowance for uncollectible promises	-	-
	$450	$6,200

NOTE 3 - LEASE AND OTHER COMMITMENTS:

Effective June 1, 2014, the Organization entered into a non-cancellable operating lease agreement for office space with an expiration date of August 31, 2019. This lease was amended on December 1, 2015, extending the lease to March 31, 2021. The lease requires a $6,198 security deposit, contains escalating rents and includes an option to extend for one five year period.

On December 1, 2015, the Organization entered into another non-cancellable operating lease agreement for office space commencing on January 1, 2016 and expiring on March 31, 2021. The lease requires a $2,000 security deposit, contains escalating rents and includes an option to extend for one year. In February 2018, the Organization signed a thirty-six-month sublease to lease suite 195 to a third party. The sublease is subject to and subordinate to the master lease with the landlord.

In addition, the Organization has a five-year non-cancellable operating lease on office equipment which will expire December 31, 2020.

Future annual minimum payments under these non-cancellable operating lease obligations are as follows:

	Rent Expense	Less: Sub lease income	Net Expense (Income)
2020	$116,771	$83,895	$32,876
2021	28,122	24,949	3,173
	$144,893	$108,844	$36,049

Note 3 - continued:

Total rent expense was $49,658 and $76,805, respectively, for the years ended December 31, 2019 and 2018. Total rent expense in 2019 and 2018 is net of sublease income of $80,879 and $52,640, respectively.

NOTE 4 - DEFERRED REVENUE:

Deferred revenue is comprised of the following as of December 31:

	2019	2018
Roundtable/Vine & Branches-#2751	$-	$23,693
Roundtable/Vine & Branches-#2897	-	225,000
Sublease security deposit	7,128	-
MJ Murdock Charitable Trust	-	6,043
	$7,128	$261,864

See Note 1.

NOTE 5 - DEFINED CONTRIBUTION PENSION PLAN:

The Organization maintains a SIMPLE IRA plan under which it contributes 3% of eligible employee compensation to separately maintained participant directed accounts. The plan covers substantially all employees. Pension expense was $24,233 and $20,434 for the years ended December 31, 2019 and 2018.

NOTE 6 - ALLOCATION OF JOINT COSTS:

The Organization conducts activities that include both program functions and fundraising activities. The activities are primarily related to a special event and direct mailing campaigns. During the annual special event, significant time is dedicated to providing attendees with relationship education in areas other than the Organization's cause. The costs of conducting those activities, including the fair value of in-kind gifts, in 2019 and 2018 was $791,695 and $541,608, respectively. These joint costs were allocated as follows:

	2019	2018
Fundraising	$395,847	$270,804
Communications	395,848	270,804
	$791,695	$541,608

NOTE 7 - RELATED PARTIES:

The Organization hired the executive director's spouse as the Event Designer and Procurement Lead for the Annual Gala. Amounts paid to her were $102,308 and $31,850 during the years ended December 31, 2019 and 2018, respectively.

NOTE 8 - LIQUIDITY AND AVAILABILITY OF RESOURCES:

The Organization's financial assets that are readily available within one year of December 31, 2019 and 2018 to meet general expenditures include:

	2019	2018
Cash and cash equivalents	$1,745,335	$1,457,740
Accounts receivable	5,000	34,289
Grant receivable	83,412	43,229
Unconditional promises to give	450	6,200
Total financial assets	$1,834,197	$1,541,458

The organization's cash and cash equivalents are comprised of a checking account and a money market account with the same financial institution. The money market is used to invest excess cash and maximize interest income.

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions at December 31, 2019 are $280,000, which is time restricted for general operations.

NOTE 10 - IN-KIND SUPPORT:

Individuals and companies may contribute goods and services to the Organization in support of its operations. These goods and services are reflected in the accompanying financial statements based upon the estimated value assigned to them by management or the donors. The value of these goods and services is as follows for the years ended December 31:

	2019	2018
Goods	$175,600	$118,541
Services	49,894	39,260
	$225,494	$157,801

NOTE 11 - SUBSEQUENT EVENTS:

The Organization has evaluated subsequent events through September 16, 2020, the date these financial statements were available to be issued.

The COVID-19 pandemic in the United States has caused business disruption and a reduction in economic activity. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration and the impact it will have on the Organization's

Note 11 - continued:

operations and financial position. Any financial impact to the Organization cannot be reasonably estimated at this time.

On April 26, 2020, the Organization received a loan in the amount of $163,437 under the Paycheck Protection Program. The loan matures in two years, is subject to interest of 1% and payments are deferred for six months. The Loan may be forgiven, in whole or in part, pursuant to the terms of the Paycheck Protection Program. The amount that may be forgiven cannot be determined at this time.