

**There With Care**

(a nonprofit Colorado corporation)

Boulder, Colorado

**Financial Statements**

December 31, 2020 and 2019

# There With Care

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## **Independent Auditor's Report**

To the Board of Directors  
There With Care  
Boulder, Colorado

We have audited the accompanying financial statements of There With Care (a nonprofit Colorado corporation), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, 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**

The Organization's 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.

**Independent Auditor's Report (continued)**

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of There With Care as of December 31, 2020 and 2019, 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.

*Brock and Company, CPAs, P.C.*  
Certified Public Accountants

Boulder, Colorado  
May 6, 2021

# There With Care

## Statements of Financial Position

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December 31	2020	2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,406,006	\$ 1,035,506
Investments, at fair value	447,389	998,201
Pledges receivable	52,764	15,522
Inventory	192,727	180,771
Prepaid expenses and other current assets	25,469	15,251
Total current assets	<u>3,124,355</u>	<u>2,245,251</u>
<b>Property and Equipment</b>		
Computers and software	131,640	129,790
Furniture and equipment	50,427	50,427
Vehicles	109,331	98,789
Leasehold improvements	41,064	41,064
	<u>332,462</u>	<u>320,070</u>
Less accumulated depreciation	(183,703)	(141,956)
Net property and equipment	<u>148,759</u>	<u>178,114</u>
Total assets	<u>\$ 3,273,114</u>	<u>\$ 2,423,365</u>

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Statements of Financial Position (continued)

December 31	2020	2019
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 40,217	\$ 13,436
Accrued compensation and benefits	239,502	170,653
Refundable advances	347,379	125,000
Current maturities of capital lease obligation	2,477	2,333
Current maturities, note payable	3,614	-
Total current liabilities	<u>633,189</u>	<u>311,422</u>
<b>Long-Term Liabilities</b>		
Capital lease obligation, net of current maturities	9,156	11,634
Note payable, net of current maturities	6,627	-
Total long-term liabilities	<u>15,783</u>	<u>11,634</u>
Total liabilities	<u>648,972</u>	<u>323,056</u>
<b>Net Assets</b>		
Without donor restrictions		
Undesignated	2,028,069	1,699,591
Board designated, expansion	116,878	116,878
Total without donor restrictions	<u>2,144,947</u>	<u>1,816,469</u>
With donor restrictions	479,195	283,840
Total net assets	<u>2,624,142</u>	<u>2,100,309</u>
Total liabilities and net assets	<u>\$ 3,273,114</u>	<u>\$ 2,423,365</u>

The accompanying Notes are an integral part of these financial statements

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# There With Care

## Statements of Activities and Changes in Net Assets

Year ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
<b>Support</b>			
Contributions and grants	1,646,864	512,327	\$ 2,159,191
Special events income	708,720	-	708,720
Special events expense	(148,027)	-	(148,027)
Government grant, Paycheck Protection Program	241,200	-	241,200
Contributions, in-kind			
Goods	449,572	-	449,572
Services	27,759	-	27,759
	<u>2,926,088</u>	<u>512,327</u>	<u>3,438,415</u>
<b>Revenue</b>			
Chapter fees	16,547	-	16,547
Interest and dividend income	21,819	-	21,819
Unrealized gain on investments	27,205	-	27,205
Realized gain on investments	-	-	-
Other income	1,122	-	1,122
Net assets released from restrictions	316,972	(316,972)	-
Total revenue	<u>383,665</u>	<u>(316,972)</u>	<u>66,693</u>
Total support and revenue	<u>3,309,753</u>	<u>195,355</u>	<u>3,505,108</u>
<b>Functional Expenses and Loss</b>			
<b>Functional Expenses</b>			
Program Services	2,222,877	-	2,222,877
Supporting Services			
General and administrative	239,977	-	239,977
Fundraising	510,675	-	510,675
Total functional expenses	<u>2,973,529</u>	<u>-</u>	<u>2,973,529</u>
<b>Loss</b>			
Realized loss on investments	7,746	-	7,746
Total functional expenses and loss	<u>2,981,275</u>	<u>-</u>	<u>2,981,275</u>
<b>Change in Net Assets</b>	<b>328,478</b>	<b>195,355</b>	<b>523,833</b>
<b>Net Assets, Beginning of Year</b>	<u>1,816,469</u>	<u>283,840</u>	<u>2,100,309</u>
<b>Net Assets, End of Year</b>	<u>\$ 2,144,947</u>	<u>\$ 479,195</u>	<u>\$ 2,624,142</u>

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Statements of Activities and Changes in Net Assets

Year ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
<b>Support</b>			
Contributions and grants	1,031,828	411,294	\$ 1,443,122
Special events income	860,576	-	860,576
Special events expense	(328,707)	-	(328,707)
Contributions, in-kind			
Goods	517,503	-	517,503
Services	16,658	-	16,658
	<u>2,097,858</u>	<u>411,294</u>	<u>2,509,152</u>
<b>Revenue</b>			
Chapter fees	20,000	-	20,000
Interest and dividend income	27,104	-	27,104
Unrealized gain on investments	51,275	-	51,275
Realized gain on investments	1,214	-	1,214
Other income	2,341	-	2,341
Net assets released from restrictions	290,659	(290,659)	-
Total revenue	<u>392,593</u>	<u>(290,659)</u>	<u>101,934</u>
Total support and revenue	<u>2,490,451</u>	<u>120,635</u>	<u>2,611,086</u>
<b>Functional Expenses and Loss</b>			
<b>Functional Expenses</b>			
Program Services	2,134,437	-	2,134,437
Supporting Services			
General and administrative	226,859	-	226,859
Fundraising	478,598	-	478,598
Total functional expenses	<u>2,839,894</u>	<u>-</u>	<u>2,839,894</u>
<b>Change in Net Assets</b>	(349,443)	120,635	(228,808)
<b>Net Assets, Beginning of Year</b>	<u>2,165,912</u>	<u>163,205</u>	<u>2,329,117</u>
<b>Net Assets, End of Year</b>	<u>\$ 1,816,469</u>	<u>\$ 283,840</u>	<u>\$ 2,100,309</u>

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Statements of Functional Expenses

Year ended December 31, 2020

	Program Services	Supporting Services		Total Expenses
		General and Administrative	Fundraising	
Salaries	\$ 910,008	\$ 142,027	\$ 368,444	\$ 1,420,479
Payroll taxes and benefits	166,450	27,527	72,524	266,501
Total personnel	<u>1,076,458</u>	<u>169,554</u>	<u>440,968</u>	<u>1,686,980</u>
Family Meal Program	307,812	-	-	307,812
Parent and Sibling Program	278,398	-	-	278,398
Home Maintenance Program	120,014	-	-	120,014
Rent	102,490	5,918	8,492	116,900
Other Programs	113,099	-	-	113,099
Transportation Program	94,090	-	-	94,090
Office expenses	15,479	1,344	42,128	58,951
Information technology	27,483	5,349	4,034	36,866
Utilities	20,242	1,028	2,054	23,324
Bank and investment fees	-	25,817	-	25,817
Automobile expenses	14,635	-	-	14,635
Professional services	-	14,512	-	14,512
Repairs and maintenance	10,577	586	1,644	12,807
Insurance	4,908	4,561	-	9,469
Other	-	1,618	3,880	5,498
Chapter expansion	-	5,388	-	5,388
Grant consulting	-	-	4,000	4,000
Volunteer expenses	<u>3,222</u>	<u>-</u>	<u>-</u>	<u>3,222</u>
Total expenses before depreciation	<u>2,188,907</u>	<u>235,675</u>	<u>507,200</u>	<u>2,931,782</u>
Depreciation	<u>33,970</u>	<u>4,302</u>	<u>3,475</u>	<u>41,747</u>
Total expenses	<u>\$ 2,222,877</u>	<u>\$ 239,977</u>	<u>\$ 510,675</u>	<u>\$ 2,973,529</u>

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Statements of Functional Expenses

Year ended December 31, 2019

	Program Services	Supporting Services		Total Expenses
		General and Administrative	Fundraising	
Salaries	\$ 848,034	\$ 136,788	\$ 317,223	\$ 1,302,045
Payroll taxes and benefits	135,883	25,144	69,771	230,798
Total personnel	983,917	161,932	386,994	1,532,843
Family Meal Program	275,554	-	-	275,554
Parent and Sibling Program	278,679	-	-	278,679
Home Maintenance Program	130,203	-	-	130,203
Rent	87,409	5,121	9,089	101,619
Other Programs	131,492	-	-	131,492
Transportation Program	99,654	-	-	99,654
Office expenses	30,233	2,996	49,005	82,234
Information technology	26,270	3,397	4,979	34,646
Utilities	18,984	1,057	1,871	21,912
Bank and investment fees	-	8,664	-	8,664
Automobile expenses	17,648	-	-	17,648
Professional services	-	19,895	-	19,895
Repairs and maintenance	11,226	1,615	1,982	14,823
Insurance	3,694	4,267	-	7,961
Other	-	1,529	7,148	8,677
Chapter expansion	-	12,263	-	12,263
Grant consulting	-	-	14,200	14,200
Volunteer expenses	7,281	-	-	7,281
Total expenses before depreciation	2,102,244	222,736	475,268	2,800,248
Depreciation	32,193	4,123	3,330	39,646
Total expenses	\$ 2,134,437	\$ 226,859	\$ 478,598	\$ 2,839,894

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2020	2019
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 523,833	\$ (228,808)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	41,747	39,646
In-kind contributions in inventory	(157,659)	(165,015)
Noncash investing activities	(19,459)	(51,275)
Increase (decrease) from changes in assets and liabilities		
Pledges receivable	(37,242)	(15,522)
Inventory	145,703	175,404
Prepaid expenses and other current assets	(10,218)	3,002
Accounts payable	26,781	(3,465)
Accrued compensation and benefits	68,849	81,118
Deferred revenue	222,379	125,000
Net cash provided (used) by operating activities	<u>804,714</u>	<u>(39,915)</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sales and maturities of investments	570,271	461,572
Purchases of investments	-	(486,854)
Purchases of equipment	(1,850)	(83,440)
Net cash provided (used) by investing activities	<u>568,421</u>	<u>(108,722)</u>
<b>Cash Flows From Financing Activities</b>		
Payments on capital lease obligation	(2,334)	-
Payments on note payable	(301)	-
Net cash used by investing activities	<u>(2,635)</u>	<u>-</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,370,500</b>	<b>(148,637)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>1,035,506</b>	<b>1,184,143</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 2,406,006</b>	<b>\$ 1,035,506</b>
<b>Supplemental Information</b>		
Equipment acquired with note payable	\$ 10,542	\$ -

The accompanying Notes are an integral  
part of these financial statements

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# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 1 - Nature of Organization and Significant Accounting Policies

*Nature of Organization.* There With Care ("the Organization") is a Colorado non-profit corporation that was incorporated in 2005 to provide a range of thoughtful and fundamental services to families and children during the critical phase of a medical crisis. The Organization serves primarily the Boulder County and metro-Denver regions.

There With Care serves families with critically ill children by providing basic needs programs that offset financial, economic, and emotional stresses that families experience during a medical crisis. With the help of 900 multi-generational volunteers and dozens of local business partners, There With Care serves an average 170-180 families daily. Since 2005, thousands of families have benefitted from There With Care's programs. Families are referred by a licensed social worker at one of 15 area hospitals and hospice agencies. The program goals are to give a family more time together, and to mitigate the stresses that can overwhelm a family during a fragile time. There With Care supports families from the time of diagnosis until the medical crisis has been stabilized. While carefully listening to families in crisis, the overarching goal is to thoughtfully deliver meaningful care to families when they need it most.

*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.

*Basis of Accounting.* The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

*Net Asset Classification.* The Organization distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. The Organization complies with established standards for external reporting by not-for-profit organizations, which requires that resources be classified for reporting purposes into two net asset categories according to externally (donor) imposed restrictions. The two net asset categories are as follows:

*Net Assets Without Donor Restrictions.* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

*Net Assets With Donor Restrictions.* Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2020 and 2019, the Organization does not have any funds that are restricted in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Cash and Cash Equivalents.* The Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

*Investments.* The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment custodian.

*Fair Value Measurements.* The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2      Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3      Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

*Equity Securities.* The Organization values equity securities with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year. Securities traded on the over-the-counter market are valued at the last reported bid price.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Debt Securities.* The Organization values debt securities with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year. Securities traded on the over-the-counter market are valued at the last reported bid price.

*Certificates of Deposit.* The Organization values certificates of deposit at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. Early withdrawal charges may apply in the event the instruments are liquidated prior to their scheduled maturity date.

There have been no changes in the methodologies used at December 31, 2020 and 2019.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

*Promises to Give.* Unconditional promises to give (pledges) are recognized as revenues in the period received. Pledges receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible pledges. The allowance for uncollectible pledges is estimated based on management's review of specific pledges outstanding. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

*Inventory.* Inventory consists of food products, stored value cards for gasoline, bags assembled for various individual and family needs, books, safety products, and other supplies and materials. Inventory is stated at the lower of cost or fair value on the date of donation using the first-in, first-out method, or at market.

*Equipment.* It is the Organization's policy to capitalize equipment at cost for purchases over \$1,000, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value at the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Equipment is depreciated using straight-line methods over the estimated useful lives of the assets, which is generally two to seven years. Depreciation expense for the years ended December 31, 2020 and 2019 was \$41,747 and \$39,646, respectively.

Amortization of equipment under capital lease is included in depreciation expense.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Impairment of Long-Lived Assets.* In the event that facts and circumstances indicate that equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2020 and 2019.

*Revenue Recognition.* Payments received for sponsorships that are reciprocal in nature are deferred and recognized as the events occur and services are rendered.

*Contributions.* Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with restrictions upon receipt of the pledge or contribution. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions.

*Refundable Advances.* Grant funding received in advance of incurring related expenses are considered refundable advances and are deferred upon receipt. Revenue is recognized as the related costs are incurred.

*Contributed Services.* Contributed services are recognized if the services received satisfy the criteria for recognition under accounting principles generally accepted in the United States of America. The contributions of services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

*Functional Allocation of Expenses.* Direct expenses have been allocated to the applicable program for which the expense was incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

*Income Taxes.* The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

The Organization utilizes the provisions of ASC 740, pertaining to accounting for uncertainty in income taxes. The pronouncement requires the use of a more-likely-than-not recognition criteria before and separate from the measurement of a tax position. An entity shall initially recognize the financial statement effects of a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. With respect to the organization, this would primarily relate to the determination of unrelated business taxable income and to the maintenance of its tax exempt status.

Management has evaluated the adopted policies and procedures that have been implemented to provide assurance that income is properly characterized and activities that jeopardize its tax exempt status are within limits established under existing tax code and regulations.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

Management has determined the effects of uncertain tax positions are not material to the Organization for recognition or disclosure in the accompanying financial statements and, accordingly, no income tax liability has been recorded for uncertain income tax positions in the accompanying financial statements.

*Concentrations.* Cash is routinely maintained in excess of federally insured limits, and investments are held at a single brokerage, which is covered by SPIC insurance in amounts exceeding the investment balance.

The Organization receives broad-based community support, and large grants from a limited number of grantors. The grantors and purpose of the grants may vary from year to year, but the Organization relies on the grants to maintain services at the current levels.

*Reclassifications.* Certain amounts from the financial statements for the year ended December 31, 2019 have been reclassified to conform to current year presentation, without affecting the change in net assets.

*Subsequent Events.* The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through May 6, 2021, the date at which the financial statements were available for release.

### Note 2 - Liquidity and Available Resources

The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. During the years ended December 31, 2020 and 2019, the level of liquidity and reserves was managed within the guiding principles. The Organization's financial assets available for general expenditures within one year are as follows at December 31:

	<u>2020</u>	<u>2019</u>
Financial assets at year end		
Cash and cash equivalents	\$ 2,406,006	\$ 1,035,506
Investments	447,389	998,201
Pledges receivable	52,764	15,522
Total financial assets	<u>2,906,159</u>	<u>2,049,229</u>



# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 2 - Liquidity and Available Resources (continued)

	<u>2020</u>	<u>2019</u>
Total financial assets	\$ 2,906,159	\$ 2,049,229
Less amounts not available to be used within one year used for general purposes		
Board designated and restricted funds for expansion	<u>264,497</u>	<u>116,878</u>
Financial assets available to meet general expenditures expenditures over the next twelve months	<u>\$ 2,641,662</u>	<u>\$ 1,932,351</u>

In alignment with non-profit best practices, the Organization strives to reach a one-year reserve of operating funds to maintain good financial health. This best practice is to protect the vulnerabilities of the Organization from unknown risks caused by financial, environmental or other unknown events that could put the organization in jeopardy of long-term sustainability.

There With Care receives 56% of the annual revenue in the first six months of each year. The remaining generated revenue of 44% is received in the second half of each year, through the fall Annual Signature Events and the year-end Annual Giving Campaigns.

The Organization supports families and children facing a life-threatening illness. To do this, the Organization relies on philanthropy to accomplish fundraising goals, and does not have a revenue stream generated through program offerings. The Organization achieves the fundraising goals by nurturing meaningful relationships with individual supporters, foundations and business partners to ensure a balance of consistent incoming revenue.

The Organization builds community around each family in a medical crisis. The Organization relies on an average of \$550,000 annually of in-kind program items to deliver care to families. To accomplish this, the Organization normally facilitates more than 100 community events each year, bringing together the community to collect hundreds of thousands of dollars in diapers, food, cleaning supplies, and other program items. In 2020, due to the COVID19 pandemic, many community events were cancelled. The Organization pivoted to new partners to secure the in-kind contributions. These donated items help to significantly reduce the annual program expenses, and increase the awareness and engagement by the community to support the mission of There With Care.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 3 - Investments

The following table sets forth the unrealized gains and (losses) and estimated fair value of the Organization's investments at December 31, 2020:

	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
Debt securities, corporate bonds	\$ 196,437	\$ 5,781	\$ -	\$ 202,218
Equity securities, U.S. stocks	159,871	56,095	(8,629)	207,337
Non-U.S. stocks	28,077	9,757	-	37,834
	<u>\$ 384,385</u>	<u>\$ 71,633</u>	<u>\$ (8,629)</u>	<u>\$ 447,389</u>

The following table sets forth the unrealized losses and estimated fair value of the Organization's investments at December 31, 2019:

	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
Certificates of deposit	\$ 299,426	\$ 1,095	\$ -	\$ 300,521
Debt securities, corporate bonds	462,426	6,298	(1,273)	467,451
Equity securities, U.S. stocks	159,879	29,313	(1,638)	187,554
Non-U.S. stocks	38,277	6,471	(2,073)	42,675
	<u>\$ 960,008</u>	<u>\$ 43,177</u>	<u>\$ (4,984)</u>	<u>\$ 998,201</u>

Investment income (loss) is as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Interest	\$ 16,212	\$ 21,054
Dividends	5,607	5,534
Realized gain (loss) on investments	(7,746)	1,214
Unrealized gain on investments, net	27,205	51,638
Investment fees	(1,652)	(1,583)
	<u>\$ 39,626</u>	<u>\$ 77,857</u>

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 4 - Fair Values

The following table sets forth by level, within the fair value hierarchy, assets valued by the Organization, at fair value, on a recurring basis as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities, corporate bonds	\$ 202,218	\$ -	\$ -	\$ 202,218
Equity securities, U.S. stocks		-	-	-
Non-U.S. stocks	207,337	-	-	207,337
In-kind contributions	-	477,331	-	477,331
	<u>\$ 409,555</u>	<u>\$ 477,331</u>	<u>\$ -</u>	<u>\$ 886,886</u>

The following table sets forth by level, within the fair value hierarchy, assets valued by the Organization, at fair value, on a recurring basis as of December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ -	\$ 300,521	\$ -	\$ 300,521
Debt securities, corporate bonds	467,451	-	-	467,451
Equity securities, U.S. stocks	187,554	-	-	187,554
Non-U.S. stocks	42,675	-	-	42,675
In-kind contributions	-	-	-	-
	<u>\$ 697,680</u>	<u>\$ 300,521</u>	<u>\$ -</u>	<u>\$ 998,201</u>

In-kind contributions consist of food and other inventory items, and services. Food is valued on a per pound basis using a nationally recognized source. Contributions of other in-kind inventory items and services are estimated based on the purchase cost of comparable items. All in-kind contributions are valued using Level 2 inputs.

*Changes in Fair Value Levels.* The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2020 and 2019, there were no significant transfers in or out of fair value levels.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 6 - Note Payable

The Organization has a note payable for a vehicle with outstanding borrowings of \$10,241 at December 31, 2020. The note is non-interest bearing, and is due in monthly installments of \$301. The agreement is collateralized by a vehicle. The note matures in October 2023.

Scheduled maturities of the long-term note payable are as follows at December 31, 2020:

Year	Amount
2021	\$ 3,614
2022	3,614
2023	3,013
	<u>\$ 10,241</u>

### Note 7 - Lease Obligations and Subsequent Event

*Capital Lease.* The Organization leases office equipment under a noncancelable capital lease obligation. Cost of the equipment and accumulated amortization under capital lease totals \$13,967 and \$3,026, respectively, at December 31, 2020.

Future scheduled minimum lease payments under the capital lease are as follows at December 31, 2020:

Year	Amount
2021	\$ 3,108
2022	3,108
2023	3,108
2024	3,108
2025	777
	<u>13,209</u>
Less amount representing interest	<u>(1,576)</u>
	<u>\$ 11,633</u>

*Operating Leases.* The Organization leases a building in Boulder, Colorado under a noncancelable operating lease. The lease requires monthly base rent payments of \$4,092, and requires the Organization to pay common area costs. The lease expires in February 2025. Rent expense under the lease totaled \$73,714 and \$69,927, including common area costs, for the years ended December 31, 2020 and 2019, respectively.

The Organization leases facilities in Denver, Colorado under an operating lease that expired in May 2017 and has continued on an informal month-to-month basis. The lease requires monthly rent payments of \$1,928, and requires the Organization to pay common area costs. Rent expense under the lease totaled \$23,050 and \$23,258 for the years ended December 31, 2020 and 2019, respectively.

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 7 - Lease Obligations and Subsequent Event (continued)

In April 2021, the Organization entered a noncancelable operating lease for office space in Nashville, Tennessee. The lease requires monthly rent payments of \$1,948 and expires in March 2024.

Future annual minimum base lease payments required under the noncancelable operating lease are as follows at December 31, 2020:

<u>Year</u>	<u>Amount</u>
2021	\$ 66,360
2022	73,910
2023	84,101
2024	69,970
2025	11,072
	<u>\$ 305,413</u>

### Note 8 - Net Assets With Restrictions

The following summarizes the changes in net assets with restrictions for the years ended December 31, 2020:

	<u>Balance January 1, 2020</u>	<u>Receipts</u>	<u>Releases</u>	<u>Balance December 31 2020</u>
Funeral Assistance Program	\$ 74,478	\$ 36,142	\$ (13,010)	\$ 97,610
Family Assistance Program	49,694	61,000	(78,447)	32,247
Sibling Program	15,095	130	(3,756)	11,469
Care Letters Program	5,635	2,393	-	8,028
Kyra Cares Program	36,013	6,378	(3,993)	38,398
Nashville Expansion	-	150,000	(2,381)	147,619
Meals Program	-	131,250	(82,746)	48,504
Basic Needs Program	-	38,500	(7,846)	30,654
Other program support	102,925	86,534	(124,793)	64,666
	<u>\$ 283,840</u>	<u>\$ 512,327</u>	<u>\$ (316,972)</u>	<u>\$ 479,195</u>

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 8 - Net Assets With Restrictions (continued)

The following summarizes the changes in net assets with restrictions for the years ended December 31, 2019:

	Balance January 1, 2019	Receipts	Releases	Balance December 31 2019
Funeral Assistance Program	\$ 81,913	\$ 13,438	\$ (20,873)	\$ 74,478
Family Assistance Program	35,340	115,000	(100,646)	49,694
Sibling Program	13,829	8,316	(7,050)	15,095
Care Letters Program	3,452	3,383	(1,200)	5,635
Kyra Cares Program	28,212	12,329	(4,528)	36,013
Other program support	459	258,828	(156,362)	102,925
	<u>\$ 163,205</u>	<u>\$ 411,294</u>	<u>\$ (290,659)</u>	<u>\$ 283,840</u>

### Note 9 - Special Events

The Organization derived net revenue from the following special fundraising events for the year ended December 31:

	2020	2019
<b>Community Fundraisers</b>		
Gross proceeds	\$ 442,957	\$ 296,807
Direct costs	(16,071)	(13,217)
Net revenue	<u>\$ 426,886</u>	<u>\$ 283,590</u>
<b>Signature Event</b>		
Gross proceeds	\$ 491,804	\$ 724,730
Contributions, reported separately	(291,803)	(311,116)
Direct costs	(117,441)	(257,446)
Net revenue	<u>\$ 82,560</u>	<u>\$ 156,168</u>
<b>Golf Tournaments</b>		
Gross proceeds	\$ 65,761	\$ 150,155
Direct costs	(14,514)	(58,044)
Net revenue	<u>\$ 51,247</u>	<u>\$ 92,111</u>
<b>Total Events</b>		
Gross proceeds	\$ 1,000,522	\$ 1,171,692
Contributions, reported separately	(291,803)	(311,116)
Direct costs	(148,026)	(328,707)
Net revenue	<u>\$ 560,693</u>	<u>\$ 531,869</u>

# There With Care

## Notes to Financial Statements

December 31, 2020 and 2019

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### Note 9 - Special Events (continued)

Direct costs include in-kind expenses of materials and supplies and services as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Materials and supplies	\$ 51,983	\$ 34,343
Services	27,035	78,507
	<u>\$ 79,018</u>	<u>\$ 112,850</u>

### Note 10 - Retirement Plan

The Organization has a retirement plan under Section 401(k) of the Internal Revenue Code. The plan covers substantially all employees ages 18 and older. The plan allows for elective contributions by the employees. The Organization does not make contributions to the plan.

### Note 11 - Contribution of In-Kind Services

The Organization recorded in-kind services totaling \$54,794 and \$95,165 for the years ended December 31, 2020 and 2019, respectively. The services are charged to direct costs of special events and program services in the accompanying statement of activities as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Direct costs of special events	\$ 27,035	\$ 78,507
Program services	27,759	16,658
	<u>\$ 54,794</u>	<u>\$ 95,165</u>

### Note 12 - Uncertainty and Subsequent Event

In March 2020 the World Health Organization declared the outbreak of the COVID19 pandemic. In response to the crisis, the federal, state, and municipal governments have enacted various policies to curtail group gatherings until the risk has diminished. Significant uncertainties may arise with respect to potential shutdowns of operations or government orders to cease activities, loss of customers, inability to operate, or employee shortages, claims for business interruption insurance, etc. Both the United States and the global economy has been negatively impacted. The pandemic is ongoing as of the date of these statements.

The federal government has enacted various legislation to mitigate some of the economic effects of the pandemic, including the CARES Act of 2020. The Organization obtained funding under the Paycheck Protection Program (PPP) in April 2020 in the amount of \$241,200. The funding was forgivable if spent for narrowly defined expenses, primarily payroll, within the allowed timeframe. The Organization spent all funds on qualified expenses and the amount was subsequently forgiven in April 2021. The funds received have been accounted for as a government grant, and are recorded as support in the accompanying statements of activities and changes in net assets, as management estimated the forgiveness to be probable at the inception of the agreement. The Organization will continue to make an ongoing assessment of the need to participate in any existing or future benefits related to COVID19 pandemic relief.