

**2020 MOM**

Financial Statements

For the year ended September 30, 2021

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For the year ended September 30, 2021

### **TABLE OF CONTENTS**

	<u>PAGE</u>
<b>Independent Auditors' Report</b>	1 - 2
<b>Financial Statements:</b>	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 10

**Independent Auditors' Report**

Board of Directors  
2020 Mom

***Opinion***

We have audited the accompanying financial statements of 2020 Mom, which comprise the statements of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 2020 Mom as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 2020 Mom and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair representation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 2020 Mom's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.


### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 2020 Mom's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 2020 Mom's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

  
Encino, California  
February 7, 2022

## 2020 MOM

### Statement of Financial Position

September 30, 2021

#### ASSETS

**Current Assets:**

Cash - without donor restrictions	\$	397,251
Cash - with donor restrictions	\$	380,942
Grants receivable - with donor restrictions		5,000
Prepaid expenses		9,455
Total Current Assets		<u>792,648</u>

**Property and Equipment, at cost:**

Office Furniture and Equipment		8,954
Less: Accumulated depreciation		<u>(859)</u>
Total Property and Equipment		8,095

TOTAL ASSETS	\$	<u><u>800,743</u></u>
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#### LIABILITIES AND NET ASSETS

**Current Liabilities:**

Accounts payable and accrued expenses	\$	41,385
Accrued payroll costs		<u>24,156</u>
Total Current Liabilities		<u>65,541</u>

**Net Assets:**

Without donor restrictions		354,260
With donor restrictions		<u>380,942</u>
Total Net Assets		<u>735,202</u>

TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>800,743</u></u>
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(See Independent Auditors' Report and Notes to the Financial Statements)

## 2020 MOM

### Statement of Activities

For the year ended September 30, 2021

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Public Support and Revenues:</b>			
Contributions	\$ 323,407	\$ 80,000	\$ 403,407
Donated professional services	1,950	-	1,950
Grants	-	381,950	381,950
Program fees	243,096	-	243,096
Net assets released from restrictions by incurring costs satisfying the restriction	331,008	(331,008)	-
<b>Total Public Support and Revenues</b>	<b>899,461</b>	<b>130,942</b>	<b>1,030,403</b>
<b>Expenses:</b>			
Program Services	617,894	-	617,894
Fundraising	58,499	-	58,499
Supporting Services, Management and General	80,081	-	80,081
<b>Total Expenses</b>	<b>756,474</b>	<b>-</b>	<b>756,474</b>
<b>Change in Net Assets</b>	<b>142,987</b>	<b>130,942</b>	<b>273,929</b>
 Net assets, beginning of year	 211,273	 250,000	 461,273
 <b>Net assets, end of year</b>	 <b>\$ 354,260</b>	 <b>\$ 380,942</b>	 <b>\$ 735,202</b>

(See Independent Auditors' Report and Notes to the Financial Statements)

## 2020 MOM

### Statement of Functional Expenses

For the year ended September 30, 2021

	<b>Program Services</b>	<b>Fundraising</b>	<b>Management and General</b>	<b>Total Expenses</b>
Salaries	\$ 334,793	\$ 1,601	\$ 29,542	\$ 365,936
Employee benefits	16,460	9	3,242	19,711
Payroll taxes	28,414	156	2,469	31,039
<b>Total Personnel Costs</b>	379,667	1,766	35,253	416,686
Accounting	-	-	13,500	13,500
Advertising	5,117	800	1,327	7,244
Computer expenses	3,006	-	1,224	4,230
Conferences, conventions and meetings	805	325	-	1,130
Consultants	44,623	53,465	2,167	100,255
Depreciation	858	-	-	858
Grants, contracts and direct assistance	60,567	-	-	60,567
Insurance	-	-	2,246	2,246
Membership dues	375	-	799	1,174
Miscellaneous expenses	1,354	594	757	2,705
Office expenses	3,965	522	2,310	6,797
Outside contract services	12,967	-	-	12,967
Payroll processing fees	-	-	2,916	2,916
Processing fees	1,944	-	3,232	5,176
Professional fees	71,892	185	1,483	73,560
Telephone	389	-	5,257	5,646
Travel	22,446	57	452	22,955
Website	7,919	785	7,158	15,862
<b>Total Functional Expenses</b>	<b>\$ 617,894</b>	<b>\$ 58,499</b>	<b>\$ 80,081</b>	<b>\$ 756,474</b>

(See Independent Auditors' Report and Notes to the Financial Statements)

## 2020 MOM

### Statement of Cash Flows

For the year ended September 30, 2021

#### Cash flows from Operating Activities:

Change in Net Assets	\$	273,929
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation		858
Change in assets and liabilities:		
Accounts receivable		(5,000)
Prepaid expenses		(3,094)
Accounts payable and accrued expenses		34,221
Net cash provided by operating activities		300,914
Cash flow from investing activities:		
Purchase of furniture, fixtures and equipment		(8,954)
Net cash used by investing activities		(8,954)
Net increase in cash and cash equivalents		291,960
Cash, cash equivalents and restricted cash at beginning of year		486,233
Cash, cash equivalents and restricted cash at end of year	\$	778,193

#### Supplemental disclosure of cash flow information:

Cash paid during the year for

Interest	\$	-
Taxes	\$	-

(See Independent Auditors' Report and Notes to the Financial Statements)

## 2020 MOM

### Notes to Financial Statements

For the year ended September 30, 2021

#### **Note 1: Nature of Organization**

2020 Mom is working to prevent the suffering of mothers, babies, and families associated with untreated maternal mental health disorders, like postpartum depression. 2020 Mom has driven the national conversation from one centered around raising awareness to one focused on closing gaps in the healthcare delivery system. The organization's work centers around scaling change through identification of evidence-based and emerging solutions, cross-sector collaboration, and driving legislative and regulatory policy solutions.

#### **Note 2: Summary of Significant Accounting Policies**

##### **Contributions**

Contributions are recorded in the period received. Contributions received are recorded as net assets without donor restrictions, or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The related expense or cost of assets purchased in order to satisfy the donor restriction is expensed or capitalized.

When restrictions are satisfied in the same accounting period that the contribution is received, both revenue and expenses are reported in the net assets without donor restrictions class.

##### **Income Taxes**

2020 Mom qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701(d). Accordingly, no provision has been made for Federal and state income taxes.

2020 Mom accounts for income taxes by evaluating its tax positions and recognizes a liability for any positions that would not be considered "more likely than not" to be upheld under a tax authority examination. If such issues exist, 2020 Mom's policy will be to recognize any tax liability so recorded, including applicable interest and penalties, as a component of income tax expense.

## 2020 MOM

### Notes to Financial Statements

For the year ended September 30, 2021

#### **Note 2: Summary of Significant Accounting Policies (cont.)**

2020 Mom has reviewed its tax positions and determined that an accrual for uncertain income tax positions and adjustment to the tax provision was not necessary. With few exceptions, 2020 Mom is no longer subject to U. S. Federal and state income tax examinations for fiscal years before 2018.

#### **Property and Equipment**

All acquisitions of property and equipment and all expenditures for repairs, maintenance, renewals, and betterment that materially prolong the useful lives of assets are capitalized. Property and equipment is carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over five years.

#### **Long-Lived Assets**

2020 MOM reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. No impairment losses were recognized on long-lived assets during the year ended September 30, 2021.

#### **Functional Allocation of Expenses**

The costs of providing 2020 Mom's programs have been presented in the statements of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by the method that best measures the relative degree of benefit. 2020 Mom uses direct salary expenses to allocate their indirect and shared costs.

#### **Concentrations of Credit Risk**

Financial instruments that potentially subject 2020 Mom to concentrations of credit risk consist of cash and cash equivalents. 2020 Mom places its cash and cash equivalents with high-credit, quality financial institutions. At times, such deposits may be in excess of amounts insured by the Federal Deposit Insurance Corporation. 2020 Mom has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

## 2020 MOM

### Notes to Financial Statements

For the year ended September 30, 2021

#### **Note 2: Summary of Significant Accounting Policies (cont.)**

##### **Management's Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to use certain estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses during the reporting period. Although management believes its estimates are appropriate, changes in assumptions utilized in preparing such estimates could cause these estimates to change sometime in the future. Significant estimates used in these financial statements include allocation of indirect costs to program expenses, fund raising expenses and management and general expenses.

#### **Note 3: Subsequent Events**

2020 Mom has evaluated events and transactions occurring subsequent to the statement of financial position date of September 30, 2021 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through February 7, 2022, the date these financial statements were available to be issued.

There were no items to disclose.

#### **Note 4: Net Assets With Donor Restriction**

Net assets with donor restriction consists of the following:

Time restrictions for operations	\$ 245,249
Restrictions as to usage	72,476
Peer support	<u>63,217</u>
	<u>\$ 380,942</u>

## 2020 MOM

### Notes to Financial Statements

For the year ended September 30, 2021

#### **Note 5: Liquidity and Availability of Financial Assets**

The following reflects 2020 Mom's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year or because of contractual or donor-imposed restrictions.

	<u>2021</u>
Financial assets at year end—	
Cash	\$ 778,193
Receivables	<u>5,000</u>
	783,193
Less financial assets unavailable for general expenditures within one year—	
Net assets with donor restrictions	<u>(380,942)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>402,251</u>

As part of 2020 Mom's liquidity management, it establishes detailed budgets before the start of the year, then, on a monthly basis, closely monitor actual financial performance compared to budgets.