

**LIFEBRIDGE PARTNERSHIP**  
**AUDITED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

LIFEBRIDGE PARTNERSHIP

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***Fick, Eggemeyer  
& Williamson***

**Certified Public Accountants, PC**



MEMBERS OF THE  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
LifeBridge Partnership

We have audited the accompanying financial statements of LifeBridge Partnership (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 auditors' 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.

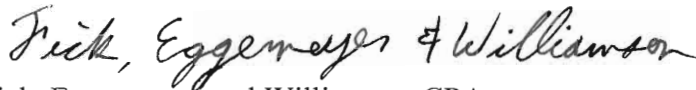
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LifeBridge Partnership as of December 31, 2020, 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.

## **Report on Summarized Comparative Information**

Brown Smith Wallace LLP have previously audited LifeBridge Partnership's 2019 financial statements, and they expressed an unmodified audit opinion on those audited financial statements in their report dated May 28, 2020. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Fick, Eggemeyer, and Williamson CPAs  
Saint Louis, Missouri  
June 2, 2021

LIFEBRIDGE PARTNERSHIP  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019

	2020	2019
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 53,090	\$ 52,568
Accounts receivable	78,544	80,028
Pledges receivable	109,769	109,000
Investments, at fair value	1,377,449	926,690
Prepaid expenses	8,615	18,921
Total current assets	1,627,467	1,187,207
<b>NONCURRENT ASSETS</b>		
Property and equipment, net	24,797	37,486
Other assets	13,015	8,537
Total noncurrent assets	37,812	46,023
Total assets	\$ 1,665,279	\$ 1,233,230
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 6,585	\$ 7,925
Accrued vacation	10,982	10,675
Interest payable	848	-
Other accrued liabilities	140	11,839
Note payable	127,265	-
Total current liabilities	145,820	30,439
<b>NONCURRENT LIABILITIES</b>		
None	-	-
Total noncurrent liabilities	-	-
Total liabilities	145,820	30,439
<b>NET ASSETS</b>		
Without donor restrictions	941,117	535,487
With donor restrictions	578,342	667,304
Total net assets	1,519,459	1,202,791
Total liabilities and net assets	1,519,459	1,202,791
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,665,279</b>	<b>\$ 1,233,230</b>

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
Contributions	\$ 117,220	\$ -	\$ 117,220
United Way	-	109,769	109,769
Bequests from estates	247,522	-	247,522
Government payments - program services	473,406	-	473,406
Special events, net of direct expenses of \$27,848	59,018	-	59,018
Program fees	7,339	-	7,339
Miscellaneous income	1,232	-	1,232
In-kind revenue	17,915	-	17,915
	<hr/>	<hr/>	<hr/>
Total support and revenue	923,652	109,769	1,033,421
<b>Net assets released from restrictions</b>			
Satisfaction of restrictions	199,968	(199,968)	-
	<hr/>	<hr/>	<hr/>
Total	1,123,620	(90,199)	1,033,421
<b>EXPENSES</b>			
<b>Programs</b>			
LifeBridge Camps	159,816	-	159,816
After School Services	140,893	-	140,893
Out & About	354,720	-	354,720
	<hr/>	<hr/>	<hr/>
Total program expenses	655,429	-	655,429
<b>Support expenses</b>			
Management and general	91,620	-	91,620
Fundraising	120,463	-	120,463
	<hr/>	<hr/>	<hr/>
Total support expenses	212,083	-	212,083
	<hr/>	<hr/>	<hr/>
Total expenses	867,512	-	867,512
	<hr/>	<hr/>	<hr/>
Changes in net assets from operations	256,108	(90,199)	165,909
<b>INVESTMENT ACTIVITIES</b>			
Interest and dividend income	16,176	134	16,310
Unrealized gain/(loss) on investments	119,732	990	120,722
Realized gain/(loss) on investments	13,614	113	13,727
	<hr/>	<hr/>	<hr/>
Total investment activities	149,522	1,237	150,759
	<hr/>	<hr/>	<hr/>
Changes in net assets	405,630	(88,962)	316,668
	<hr/>	<hr/>	<hr/>
Net assets, beginning of year	535,487	667,304	1,202,791
	<hr/>	<hr/>	<hr/>
Net assets, end of year	\$ 941,117	\$ 578,342	\$ 1,519,459
	<hr/>	<hr/>	<hr/>

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
Contributions	\$ 68,157	\$ -	\$ 68,157
United Way	-	110,493	110,493
Bequests from estates	42,597	-	42,597
Government payments - program services	555,875	-	555,875
Special events, net of direct expenses of \$44,952	86,722	-	86,722
Program fees	36,152	-	36,152
Investment income	89,474	89,475	178,949
Miscellaneous income	2,247	-	2,247
Total support and revenue	<u>881,224</u>	<u>199,968</u>	<u>1,081,192</u>
Net assets released from restrictions			
Satisfaction of restrictions	114,404	(114,404)	-
Total	<u>995,628</u>	<u>85,564</u>	<u>1,081,192</u>
<b>EXPENSES</b>			
Programs			
LifeBridge Camps	154,145	-	154,145
After School Services	121,731	-	121,731
Out & About	401,729	-	401,729
Total program expenses	<u>677,605</u>	<u>-</u>	<u>677,605</u>
Support expenses			
Management and general	74,328	-	74,328
Fundraising	118,439	-	118,439
Total support expenses	<u>192,767</u>	<u>-</u>	<u>192,767</u>
Total expenses	<u>870,372</u>	<u>-</u>	<u>870,372</u>
Changes in net assets	125,256	85,564	210,820
Net assets, beginning of year	<u>410,231</u>	<u>581,740</u>	<u>991,971</u>
Net assets, end of year	<u>\$ 535,487</u>	<u>\$ 667,304</u>	<u>\$ 1,202,791</u>

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services				Supporting Services			Total Expenses
	LifeBridge Camps	After School Services	Out & About Program	Transportation	Management and General	Fund-Raising	Total Supporting Services	
Staff salaries and support								
Direct support staff salaries	\$ 72,415	\$ 57,151	\$ 143,153	\$ 32,627	\$ -	\$ -	\$ -	\$ 305,346
Direct support payroll taxes and fringe benefits	15,386	12,516	29,880	7,581	-	-	-	65,363
Administrative staff salaries	11,137	4,444	21,150	-	52,987	82,694	135,681	172,412
Administrative payroll taxes and fringe benefits	2,300	918	4,367	-	14,493	19,909	34,402	41,987
Total staff salaries and support	101,238	75,029	198,550	40,208	67,480	102,603	170,083	585,108
Operating expenses								
Program supplies	4,893	6,876	9,472	5,041	9,669	2,479	12,148	38,430
Equipment maintenance and repair	-	-	-	12,713	-	-	-	12,713
Service agreements	4,186	4,353	11,990	4,079	1,367	1,367	2,734	27,342
Communications	1,851	1,752	5,010	1,616	541	1,568	2,109	12,338
Professional fees	4,427	4,603	12,678	4,314	1,446	3,874	5,320	31,342
Staff travel	116	126	238	61	422	344	766	1,307
Continuing education	80	101	256	24	100	1,000	1,100	1,561
Miscellaneous	118	123	796	2,147	837	539	1,376	4,560
Total operating expenses	15,671	17,934	40,440	29,995	14,382	11,171	25,553	129,593
Facility expenses								
Utilities, rent and maintenance	15,228	15,834	43,614	14,840	4,973	4,973	9,946	99,462
Insurance - other	5,457	3,358	6,529	3,148	4,119	1,049	5,168	23,660
Insurance - vehicles	-	-	-	15,426	-	-	-	15,426
Total facility expenses	20,685	19,192	50,143	33,414	9,092	6,022	15,114	138,548
Transportation expenses	20,181	26,616	59,742	(106,539)	-	-	-	-
Depreciation	2,041	2,122	5,845	2,922	666	667	1,333	14,263
Total expenses per the statement of activities	159,816	140,893	354,720	-	91,620	120,463	212,083	867,512
Direct cost of special events	-	-	-	-	-	27,848	27,848	27,848
Total expenses	\$ 159,816	\$ 140,893	\$ 354,720	\$ -	\$ 91,620	\$ 148,311	\$ 239,931	\$ 895,360

See accompanying notes and independent auditors' report



LIFEBRIDGE PARTNERSHIP  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services				Supporting Services			Total Expenses
	LifeBridge Camps	After School Services	Out & About Program	Transportation	Management and General	Fund-Raising	Supporting Services	
<b>Staff salaries and support</b>								
Direct support staff salaries	\$ 68,419	\$ 52,988	\$ 190,529	\$ 35,026	\$ -	\$ -	\$ -	\$ 346,962
Direct support payroll taxes and fringe benefits	10,443	8,704	31,632	5,459	-	-	-	56,238
Administrative staff salaries	6,525	4,375	10,381	-	46,248	91,438	137,686	158,967
Administrative payroll taxes and fringe benefits	1,348	903	2,143	-	10,079	18,276	28,355	32,749
<b>Total staff salaries and support</b>	<b>86,735</b>	<b>66,970</b>	<b>234,685</b>	<b>40,485</b>	<b>56,327</b>	<b>109,714</b>	<b>166,041</b>	<b>594,916</b>
<b>Operating expenses</b>								
Program supplies	13,204	6,419	20,756	13,035	7,661	353	8,014	61,428
Equipment maintenance and repair	-	-	-	10,584	1,825	1,535	3,360	13,944
Service agreements	5,833	3,991	13,354	4,451	-	-	-	27,629
Communications	2,437	1,135	4,544	1,259	434	434	868	10,243
Professional fees	5,384	3,684	12,328	4,109	1,417	1,417	2,834	28,339
Staff travel	406	673	644	-	885	-	885	2,608
Continuing education	1,340	1,569	1,900	30	240	-	240	5,079
Miscellaneous	11	47	25	2,798	556	3	559	3,440
<b>Total operating expenses</b>	<b>28,615</b>	<b>17,518</b>	<b>53,551</b>	<b>36,266</b>	<b>13,018</b>	<b>3,742</b>	<b>16,760</b>	<b>152,710</b>
<b>Facility expenses</b>								
Utilities, rent and maintenance	13,111	8,971	30,018	10,006	3,450	3,450	6,900	69,006
Insurance - other	4,563	2,808	6,188	2,634	878	878	1,756	17,949
Insurance - vehicles	-	-	-	21,654	-	-	-	21,654
<b>Total facility expenses</b>	<b>17,674</b>	<b>11,779</b>	<b>36,206</b>	<b>34,294</b>	<b>4,328</b>	<b>4,328</b>	<b>8,656</b>	<b>108,609</b>
Transportation expenses	18,631	23,760	71,587	(113,978)	-	-	-	-
Depreciation	2,490	1,704	5,700	2,933	655	655	1,310	14,137
<b>Total expenses per the statement of activities</b>	<b>\$ 154,145</b>	<b>\$ 121,731</b>	<b>\$ 401,729</b>	<b>\$ -</b>	<b>\$ 74,328</b>	<b>\$ 118,439</b>	<b>\$ 192,767</b>	<b>\$ 870,372</b>
<b>Direct cost of special events</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,952</b>	<b>44,952</b>	<b>44,952</b>
<b>Total expenses</b>	<b>\$ 154,145</b>	<b>\$ 121,731</b>	<b>\$ 401,729</b>	<b>\$ -</b>	<b>\$ 74,328</b>	<b>\$ 163,391</b>	<b>\$ 237,719</b>	<b>\$ 915,324</b>

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 316,668	\$ 210,820
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	14,263	14,137
Net unrealized (gain) loss on investments	(120,722)	(130,899)
Net realized (gain) loss on investments	(13,727)	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	1,484	(47,499)
(Increase) decrease in pledges receivable	(769)	4,200
(Increase) decrease in prepaid expenses	10,306	(4,276)
(Increase) decrease in other assets	(4,478)	-
Increase (decrease) in accounts payable	(1,340)	-
Increase (decrease) in accrued vacation	307	(2,358)
Increase (decrease) in other accrued liabilities	(11,699)	6,539
Increase (decrease) in interest payable	848	-
	191,141	50,664
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(1,574)	(30,157)
Purchases of securities	(300,000)	-
Reinvestment of interest and dividends	(16,310)	(48,439)
	(317,884)	(78,596)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable	127,265	-
	127,265	-
Net increase (decrease) in cash and cash equivalents	522	(27,932)
Cash and cash equivalents - beginning of year	52,568	80,500
Cash and cash equivalents - end of year	\$ 53,090	52,568

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Organization

LifeBridge Partnership (the “Organization”) is a Missouri non-profit corporation. Founded in 1927, the Organization’s overriding philosophy is to provide opportunities for children and adults with disabilities to live full, productive lives. During its history, it has evolved to meet the ever-changing needs of people with disabilities in the St. Louis community.

The Organization’s mission is to empower people with disabilities to develop skills for independence and to actively participate in the community. We accomplish this through:

- Personalized support focused on individual abilities.
- Innovative, community-based learning opportunities.
- Accessible, door-to-door transportation.
- A compassionate, family-oriented environment.
- Advocacy to enhance the quality of life and to educate society.

The Organization provides support services to children and adults with disabilities through a variety of programs and activities:

- **LifeBridge Camps** provide children and young adults an opportunity to become active participants, rather than observers. Using adaptive equipment and techniques, children participate in a variety of sporting and recreational activities such as basketball, golf, dance, music, and art therapy. Activities also include experiential learning activities such as a behind the scenes tour of the St. Louis Zoo or exploring a pirate ship. The Organization currently offers two camps in the summer, a Winter Break Camp in late December and a Spring Break Camp in March.

- **After School Services** are enrichment programs offered through SPARK Club and LifeBridge Leaders Club for students enrolled at St. Louis Public Schools’ Gateway and Nottingham campuses. The primary goals of SPARK Club are to encourage the students to develop friendships and for them to experience a sense of belonging. Students participate in two hours of enrichment activities such as developing sporting skills, art and music therapy, field trips, and themed learning experiences. The main goals of LifeBridge Leaders Club are to promote the development of soft skills for employment and for them to experience a sense of belonging. Students participate in two hours of activities including soft skills instruction and team building activities. The students also visit workplaces to learn about job opportunities and practice soft skills with hiring managers.

- The **Out & About** program provides adults with individualized support services to assist with building and maintaining skills for independence and experiencing an inclusive community life. In cooperation with the Organization’s staff, participants initiate and coordinate recreational and educational activities at venues throughout the St. Louis metropolitan area and in virtual settings. Through these activities, participants develop skills to navigate the community, socialize in a community-based setting, and self-advocate.

LIFEBRIDGE PARTNERSHIP  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with generally accepted accounting principles (GAAP) in the United States of America. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to the following net asset classifications:

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. Donor restrictions may be temporary or perpetual in nature. Temporary restrictions will be met by action of the Organization or by the passage of time. Perpetual restrictions occur when the donor has stipulated that the funds be maintained 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 statement of activities.

Comparative Data

The amounts shown for the year ended December 31, 2019 in the accompanying financial statements are included to provide a basis for comparison with 2020 and present summarized totals only. Accordingly, the 2019 totals are not intended to present all information necessary for a fair presentation in conformity with the accrual basis of accounting. Such information should be read in conjunction with the Organization's financial statements, for the year ended December 31, 2019, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Investments

The Organization has adopted "Accounting for Certain Investments Held by Non-Profit Organizations". Under the standard, investments with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the accompanying statements of activities.

LIFEBRIDGE PARTNERSHIP  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at their estimated fair market value at the date of the donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment greater than \$500 are capitalized and depreciated using the straight-line method over their estimated useful lives ranging from three to ten years. Expenditures for major renewals and improvements, which increase the useful lives of respective assets, are capitalized, while expenditures for repairs and maintenance are charged to operating expense as incurred.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's program services and support services. Nonoperating activities are limited to resources that generate a return on investment and other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

The Organization constitutes a qualified not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes.

The Organization has addressed the provisions of ASC 740, *Accounting for Income Taxes*. In that regard, the Organization has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings and believes that no provision for income taxes is necessary, at this time, to cover any uncertain tax positions. The Organization's tax returns filed for 2017 and prior are closed.

LIFEBRIDGE PARTNERSHIP  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue Recognition

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-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a stipulated time restriction ends or purpose restriction, depending on the nature of the 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.

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with funding sources having outstanding balances and current relationships with them, management has concluded that no allowance for losses is considered necessary at December 31, 2020 and 2019.

Pledges receivable are recognized as revenue in the period the promise to contribute is made. Conditional pledges receivable are not recognized as revenue until they become unconditional, that is when the conditions are substantially met. Unconditional pledges expected to be collected in future years are recorded at the present value of expected future cash flows. The cash flows are discounted at a rate commensurate with the risks involved, at the date the promise to contribute was made. When considered necessary, an allowance is recorded on pledges receivable based on management's estimate of uncollectibility including such factors as prior collection history, type of contribution, and the nature of the activity. As of December 31, 2020, an allowance has not been established.

Bequests receivable represent an estimate of a gift to be received. A bequest receivable is recognized as revenue when verifiable documentary evidence is received from an independent third party. At a minimum, this evidence must identify the source of the gift, the party responsible for coordinating the distribution of the gift, an estimate of the value, and an anticipated distribution date of less than 12 months.

Government payments – program services represent conditional promises to give under annual contracts with county SB40 Boards and the City of St. Louis. These contracts, which require fulfillment of certain conditions and performance of services, may provide either a fixed payment for each unit of service provided to a client or a lump sum payment in accordance with the terms of the contracts. Cash and other assets received under these contracts are recognized and recorded as the conditions are met. No amounts have been reflected in these financial statements for the conditional promises to give until conditions are satisfied at which time amounts are recorded as revenue in the statement of activities.

LIFEBRIDGE PARTNERSHIP  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue from special events and program fees from clients are recognized as revenue when earned. Revenue is earned upon completion of an event or service provided over the course of time. Special event ticket sales received in advance are deferred to the period in which the related event is held. Program fees are realized at the completion of service provided to clients.

In-kind contributions are contributions of assets other than cash and contributions of services that are recorded at their estimated fair value at the date of donation. Contributions of services are recognized in the financial statements when they are received if the services (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 donated.

Volunteers donate significant amounts of time to the Organization in various capacities. However, these services have not been recognized in the financial statements since they do not require specialized skills. The value of these services is not readily determinable.

**NOTE 2 - FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and activities have been summarized on a functional program basis in the statement of activities. The statement of functional expenses presents the detailed classification of expenses for each functional program. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the estimates of management at that time. Management allocates certain costs to functional programs based on the following:

- Utilization of organizational common resources such as square footage, professional services, and general supplies,
- Estimate of management's time and effort spent on specific functional program operations and oversight,
- Hours of service and number of one-way trips provided to clients within a functional program as a percentage of total services and/or trips provided.

**NOTE 3 - INVESTMENTS**

Fair Value Measurements

Financial Accounting Standards Board Statement *Fair Value Measurements* establishes a framework for measuring fair value. That 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 and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy under *Fair Value Measurements* are described as follows:

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**NOTE 3 - INVESTMENTS (Continued)**

*Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets 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 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 market data by correlation or other means.

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

Management determines the fair value measurement valuation policies and procedures, which are subject to Board of Directors assessment and approval. At least annually, management determines if the current valuation techniques used in fair value measurements are still appropriate. The Organization recognizes transfers, if any, between levels in the fair value hierarchy at the end of the reporting period.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during 2020.

Mutual funds: Valued at the net asset value of shares held by the Organization at year-end.

The methods 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 methods are appropriate and consistent, 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.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,377,449	\$ -	\$ -	\$ 1,377,449
Total	\$ 1,377,449	\$ -	\$ -	\$ 1,377,449

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 926,690	\$ -	\$ -	\$ 926,690
Total	\$ 926,690	\$ -	\$ -	\$ 926,690



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**NOTE 4 - PROPERTY AND EQUIPMENT**

A summary of property and equipment as of December 31, 2020 and 2019 follows:

	2020	2019
Transportation equipment	\$ 234,974	\$ 234,974
Recreation equipment	61,364	61,364
Office furniture and equipment	15,956	14,383
Total depreciable property	<u>312,294</u>	<u>310,721</u>
Accumulated depreciation	<u>(287,497)</u>	<u>(273,235)</u>
Property and equipment, net	<u>\$ 24,797</u>	<u>\$ 37,486</u>

Depreciation expense for the years ended December 31, 2020 and 2019 were \$14,263 and \$14,137 respectively.

**NOTE 5 - NOTE PAYABLE**

In April 2020, the Organization received loan proceeds in the amount of \$127,265 under the Paycheck Protection Program (“PPP”). The PPP is administered by the Small Business Administration. The loan and accrued interest are forgivable after eight to twenty-four weeks as long as the Organization uses the loan proceeds for eligible purposes, such as payroll, benefits, rent, and utilities. The amount of loan forgiveness may be reduced if the Organization reduces payroll during the eight to twenty-four week period. The unforgiven portion of the PPP loan is payable over a two-year period at an interest rate of 1%, with a deferral of payments for the first six months. The loan may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. As of December 31, 2020, the Organization had not yet requested loan forgiveness, and the loan balance was \$127,265. Subsequent to year-end, the Organization applied for and received loan forgiveness in the amount of \$127,265.

**NOTE 6 - CONCENTRATION RISK OF REVENUE**

The Organization received 47.5% and 50.9% of its revenue from three funding sources in 2020 and 2019, respectively. While these funding sources annually consider continuation of funding, management believes support from these funding sources will remain consistent.

**NOTE 7 - PLEDGES RECEIVABLE**

Pledges receivable for the years ended December 31, 2020 and 2019 consists of pledges related to the Organization’s United Way allocation in the amounts of \$109,769 and \$109,000, respectively, all of which management has determined to be collectible within one year.

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**NOTE 8 - GRANTS AND GOVERNMENT PAYMENTS**

The Organization received government payments and grants for program services from the following agencies for the years ended December 31, 2020 and 2019:

	2020	2019
Productive Living Board (PLB)	\$ 304,908	\$ 331,325
St. Louis Office of Developmental Disability Resources (DDR)	148,194	110,425
City of St. Louis	-	82,459
Developmental Disabilities Resource Board of St. Charles (DDRB)	16,324	29,968
Missouri Department of Transportation	3,980	1,698
Total	<u>\$ 473,406</u>	<u>\$ 555,875</u>

Funds from the PLB, DDR, and DDRB are to be used in the programs as set forth in agreements between the Organization and the PLB, DDR, and DDRB, respectively to serve individuals with developmental disabilities. Funds from the Missouri Department of Transportation are for operating and maintaining the fleet used to provide transportation services.

**NOTE 9 - REVENUES FROM SPECIAL EVENTS**

The Organization recognizes revenue for special events at the time of the event. The following table presents disaggregated special event revenue by source for the years ended December 31, 2020 and 2019:

	2020	2019
Special event ticket sales	\$ 43,714	\$ 44,100
Special event contributions	43,152	87,574
Special event expenses	<u>(27,848)</u>	<u>(44,952)</u>
Special event revenue, net as		
Presented on the statement of activities	<u>\$ 59,018</u>	<u>\$ 86,722</u>

**NOTE 10 - ENDOWMENT FUNDS**

Following the requirements stipulated in the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the Organization classifies net assets with donor restrictions that are perpetual in nature as (a) the original value of gifts donated as such, (b) the original value of subsequent gifts donated as such, and (c) accumulations to the endowment that are perpetual in nature made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the endowment with donor restrictions, that is not classified as net assets that are perpetual in nature, is classified as net assets time restricted for future use until those amounts are appropriated for expenditure.

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**NOTE 10 - ENDOWMENT FUNDS (Continued)**

Realized gains, as well as the net appreciation of permanent endowment funds, may be expended for the same purpose as the endowment was established, unless explicit donor restrictions specify other treatment. Currently, the Organization has two endowment funds: Mrs. Katherine B. Humphrey fund and Dr. George Bernard Key fund. According to donor stipulations, the original donation of each fund must be held perpetually. Investment income generated in the Humphrey fund is unrestricted and may be expended for general operating expenditures whereas investment income generated in the Key fund must be used for the direct benefit of children.

With the goal of providing supplemental income for operations as needed and funding the long-term objectives of the organization, the Board of Directors has adopted the following policies and objectives related to the endowment funds:

- Build non-designated endowment principal to fund a minimum of twelve months of operations in the event of a catastrophic loss (i.e., more than 50%) of funding.
- Manage the endowment in accordance with state and federal investment guidelines established for non-profit organizations.
- Utilize a diversified investment strategy, giving consideration to preservation of principal, generation of both growth and income, and diversity of investment vehicles with ratings of AA or above, unless approved by the Board of Directors.

Change in endowment net assets as of December 31, 2020 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - beginning balance	\$ 369,879	\$ 556,811	\$ 926,690
Interest and dividends, net of investment expenses	16,176	134	16,310
Net unrealized gain/(loss) on investment	119,732	990	120,722
Net realized gain/(loss) on investment	13,614	113	13,727
Gifts and expenditures	300,000	-	300,000
Satisfaction of donor restrictions	89,475	(89,475)	-
Endowment net assets -ending balance	<u>\$ 908,876</u>	<u>\$ 468,573</u>	<u>\$ 1,377,449</u>

Endowment net asset composition as of December 31, 2020 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 16,176	\$ 134	\$ 16,310
Unrealized gains	119,732	990	120,722
Realized gains	13,614	113	13,727
Perpetual in nature	-	467,336	467,336
Unrestricted operating reserves	759,354	-	759,354
Total endowment funds	<u>\$ 908,876</u>	<u>\$ 468,573</u>	<u>\$ 1,377,449</u>

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**NOTE 10 - ENDOWMENT FUNDS (Continued)**

Change in endowment net assets as of December 31, 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - beginning balance	\$ 280,016	\$ 467,336	\$ 747,352
Interest and dividends, net of investment expenses	24,219	24,220	48,439
Net unrealized gain/(loss) on investment	65,255	65,255	130,510
Gifts and expenditures	389	-	389
Satisfaction of donor restrictions	-	-	-
Endowment net assets - ending balance	<u>\$ 369,879</u>	<u>\$ 556,811</u>	<u>\$ 926,690</u>

Endowment net asset composition as of December 31, 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Unexpended endowment earnings	\$ -	\$ 89,475	\$ 89,475
Perpetual in nature	-	467,336	467,336
Unrestricted operating reserves	369,879	-	369,879
Total endowment funds	<u>\$ 369,879</u>	<u>\$ 556,811</u>	<u>\$ 926,690</u>

**NOTE 11 - SIMPLE IRA RETIREMENT PLAN**

The Organization offers a simple IRA plan for its employees, matching 100% of contributions up to 3% of participants' eligible compensation. Matching contributions were \$8,188 and \$5,854 for the years ended December 31, 2020 and 2019, respectively.

**NOTE 12 - RELATED PARTIES AND SUBSIDIARY ORGANIZATION**

An employee of the Organization is related to a vendor. This vendor was paid \$13,414 and \$16,203 for services rendered for the years ended December 31, 2020 and 2019, respectively. In accordance with policy, the vendor was awarded the contract after a competitive bidding process ratified by the Board of Directors. The related employee did not participate in the review or approval of this vendor.

On April 17, 2020, the Organization, along with two other nonprofit organizations, formed a new subsidiary known as IDD Collaborative LLC. The Organization owns 33.33% of the LLC and the purpose of the new entity is to share lease and other operating costs. The two other members are Options for Justice for Persons with Developmental Disabilities and Pathways to Independence.

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**NOTE 13 - OPERATING LEASES**

The Organization leases office space in the City of Creve Coeur, Missouri. The lease term is for March 2014 through August 2021 and requires minimum monthly rent payments ranging from \$4,747 to \$5,513.

On April 17, 2020, the Organization entered into a lease agreement jointly with two other non-profit organizations for the use of office space in Creve Coeur, Missouri. The lease term is August 1, 2020 to November 30, 2030. Monthly rent payments range from \$8,143 to \$10,117. The Organization's portion of the lease is 55%. In the event of nonpayment by the other organizations, the Organization is required to make payments to cover the shortfall.

Future minimum lease payments are as follows:

For the year ending December 31,	Organization's Obligation	Total Lease Obligation
2021	\$ 97,911	\$ 141,939
2022	54,624	99,316
2023	55,509	100,926
2024	57,133	103,879
2025	58,764	106,843
2026 and thereafter	312,947	568,274
Total	<u>\$ 636,888</u>	<u>\$ 1,121,177</u>

Lease expenditures for the years ended December 31, 2020 and 2019 were \$99,461 and \$69,006, respectively.

**NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at December 31, 2020 and 2019 are available for the following purposes or periods:

	2020		2019	
	Purpose	Period	Purpose	Period
United Way	\$ -	\$ 109,769	\$ -	\$ 110,493
Mrs. Katherine B. Humphrey fund	-	458,273	87,686	458,273
Dr. George Bernard Key fund	-	9,063	-	9,063
Direct benefit of children	1,237	-	1,789	-
Total	<u>\$ 1,237</u>	<u>\$ 577,105</u>	<u>\$ 89,475</u>	<u>\$ 577,829</u>

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**NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Donor restricted net assets that were released from donor restrictions during the years ended December 31, 2020 and 2019 are as follows:

	2020	2019
Endowment earnings	\$ 89,475	\$ -
United Way	110,493	114,404
	\$ 199,968	\$ 114,404

**NOTE 15 - AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets at December 31, 2020 and 2019:

	2020	2019
Financial assets at year-end:		
Cash and cash equivalents	\$ 53,090	\$ 52,568
Accounts receivable	78,544	80,028
Pledges receivable	109,769	109,000
Investments	1,377,449	926,690
Total financial assets at year-end	1,618,852	1,168,286
Less amounts not available for general expenditures		
Net assets with period restrictions in excess of one year	467,336	467,336
Net assets with purpose restrictions	1,237	89,475
Net assets with timing restrictions	109,769	110,493
Total amounts not available to meet general expenditures	578,342	667,304
Financial assets available to meet general expenditures	\$ 1,040,510	\$ 500,982

Pledges receivable are subject to time restrictions, but will be collected before year end December 31, 2021.

The Organization applies annually for funding through the PLB, DDR, and DDRB to support program services. It has historically been awarded funding from each agency and receives payment for each unit of service provided to clients eligible for funding through the respective agencies. The Organization believes support from these funding sources will remain consistent with 2020 levels.

The Board of Directors has designated endowment assets that are not perpetual in nature for operating reserves. As of December 31, 2020, endowment assets designated for operating reserves are \$908,876. Additionally, management estimates that realized investment income of \$20,000 may be utilized during 2021. Through the annual budget process the Board has approved an income appropriation representing this estimated investment income.

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**NOTE 16 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 2, 2021, the date which the financial statements were available for issue, and noted the following events.

On January 29, 2021, the Organization received a new loan under the Paycheck Protection Program (“PPP”) for \$127,265.

On February 22, 2021, the Organization received loan forgiveness on the original PPP loan balance of \$127,265 as noted in Note 5. In addition, the entire amount of accrued interest of \$848 was also forgiven.