LIFEBRIDGE PARTNERSHIP

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

LIFEBRIDGE PARTNERSHIP

CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
LifeBridge Partnership

Opinion

We have audited the accompanying financial statements of the LifeBridge Partnership (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 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.

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, 2021 and 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.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of LifeBridge Partnership 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 presentation of the 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 LifeBridge Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 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 LifeBridge Partnership'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 LifeBridge Partnership'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.

Fick, Eggemeyer, & Williamson

Fick, Eggemeyer, & Williamson CPAs
Saint Louis, Missouri
April 25, 2022

LIFEBRIDGE PARTNERSHIP

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 148,013	$ 53,090
Accounts receivable	58,670	78,544
Pledges receivable	112,604	109,769
Investments, at fair value	1,633,758	1,377,449
Prepaid expenses	10,196	8,615
Total current assets	1,963,241	1,627,467
NONCURRENT ASSETS		
Property and equipment, net	133,848	24,797
Other assets	11,086	13,015
Total noncurrent assets	144,934	37,812
Total assets	$ 2,108,175	$ 1,665,279
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 1,493	$ 6,115
Accrued vacation	12,097	10,982
Accrued interest	-	848
Deferred revenue	11,050	610
Note payable	-	127,265
Total current liabilities	24,640	145,820
NONCURRENT LIABILITIES		
None	-	-
Total noncurrent liabilities	-	-
Total liabilities	24,640	145,820
NET ASSETS		
Without donor restrictions	1,498,469	941,117
With donor restrictions	585,066	578,342
Total net assets	2,083,535	1,519,459
Total liabilities and net assets	$ 2,108,175	$ 1,665,279

See accompanying notes and independent auditors' report

LIFEBRIDGE PARTNERSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	$ 174,465	$ -	$ 174,465
United Way	-	112,604	112,604
Government payments - program services	509,578	-	509,578
Special events, net of direct expenses of $27,904	63,887	-	63,887
Program fees	11,324	-	11,324
Debt forgiveness	254,530	-	254,530
Other	6,463	-	6,463
Total support and revenue	1,020,247	112,604	1,132,851
Net assets released from restrictions			
Satisfaction of restrictions	111,006	(111,006)	-
Total	1,131,253	1,598	1,132,851
EXPENSES			
Programs			
LifeBridge Camps	187,529	-	187,529
After School Services	170,327	-	170,327
Out & About	281,341	-	281,341
Total program expenses	639,197	-	639,197
Support expenses			
Management and general	88,949	-	88,949
Fundraising	95,819	-	95,819
Total support expenses	184,768	-	184,768
Total expenses	823,965	-	823,965
Changes in net assets from operations	307,288	1,598	308,886
INVESTMENT ACTIVITIES			
Interest and dividend income	21,506	434	21,940
Unrealized gain/(loss) on investments	154,494	3,153	157,647
Realized gain/(loss) on investments	75,408	1,539	76,947
Gain (loss) on sale of property and equipment	(1,344)	-	(1,344)
Total investment activities	250,064	5,126	255,190
Changes in net assets	557,352	6,724	564,076
Net assets - beginning of year	941,117	578,342	1,519,459
Net assets - end of year	$ 1,498,469	$ 585,066	$ 2,083,535

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
SUPPORT AND REVENUE			
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
Total support and revenue	923,652	109,769	1,033,421
Net assets released from restrictions			
Satisfaction of restrictions	199,968	(199,968)	-
Total	1,123,620	(90,199)	1,033,421
EXPENSES			
Programs			
LifeBridge Camps	159,816	-	159,816
After School Services	140,893	-	140,893
Out & About	354,720	-	354,720
Total program expenses	655,429	-	655,429
Support expenses			
Management and general	91,620	-	91,620
Fundraising	120,463	-	120,463
Total support expenses	212,083	-	212,083
Total expenses	867,512	-	867,512
Changes in net assets from operations	256,108	(90,199)	165,909
INVESTMENT ACTIVITIES			
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
Total investment activities	149,522	1,237	150,759
Changes in net assets	405,630	(88,962)	316,668
Net assets - beginning of year	535,487	667,304	1,202,791
Net assets - end of year	$ 941,117	$ 578,342	$ 1,519,459

LIFEBRIDGE PARTNERSHIP
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services					Supporting Services			
	LifeBridge Camps	After School Services	Out & About	Transportation	Total Program Services	Management and General	Fund-Raising	Total Supporting Services	Total Expenses
Staff salaries and support									
Direct support staff salaries	$ 80,053	$ 61,560	$ 92,439	$ 69,028	$ 303,080	$ -	$ -	$ -	$ 303,080
Direct support payroll taxes and fringe benefits	12,650	10,764	15,869	11,754	51,037	-	-	-	51,037
Administrative staff salaries	9,200	3,450	6,440	-	19,090	53,475	71,571	125,046	144,136
Administrative payroll taxes and fringe benefits	1,900	712	1,330	-	3,942	13,126	13,510	26,636	30,578
Total staff salaries and support	103,803	76,486	116,078	80,782	377,149	66,601	85,081	151,682	528,831
Operating expenses									
Program supplies	9,307	14,588	11,426	9,275	44,596	6,812	620	7,432	52,028
Equipment maintenance and repair	-	-	-	12,155	12,155	-	-	-	12,155
Service agreements	3,602	2,464	8,246	2,749	17,061	948	948	1,896	18,957
Communications	1,633	1,117	3,819	1,246	7,815	660	450	1,110	8,925
Professional fees	5,294	3,622	12,121	4,040	25,077	1,603	1,393	2,996	28,073
Staff travel	172	80	159	23	434	3	412	415	849
Continuing education	396	302	987	276	1,961	120	103	223	2,184
Other	275	215	620	1,032	2,142	1,258	63	1,321	3,463
Total operating expenses	20,679	22,388	37,378	30,796	111,241	11,404	3,989	15,393	126,634
Facility expenses									
Utilities, rent and maintenance	20,497	14,024	46,927	15,642	97,090	5,394	5,394	10,788	107,878
Insurance - other	3,619	3,156	8,248	3,378	18,401	4,865	953	5,818	24,219
Insurance - vehicles	-	-	-	15,081	15,081	-	-	-	15,081
Total facility expenses	24,116	17,180	55,175	34,101	130,572	10,259	6,347	16,606	147,178
Transportation expenses	37,403	53,228	69,212	(159,843)	-	-	-	-	-
Depreciation	1,528	1,045	3,498	14,164	20,235	685	402	1,087	21,322
Total expenses per the statement of activities	187,529	170,327	281,341	-	639,197	88,949	95,819	184,768	823,965
Direct cost of special events	-	-	-	-	-	-	27,904	27,904	27,904
Total expenses	$ 187,529	$ 170,327	$ 281,341	$ -	$ 639,197	$ 88,949	$ 123,723	$ 212,672	$ 851,869

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

	Program Services					Supporting Services			
	LifeBridge Camps	After School Services	Out & About	Transportation	Total Program Services	Management and General	Fund-Raising	Total Supporting Services	Total Expenses
Staff salaries and support									
Direct support staff salaries	$ 72,415	$ 57,151	$ 143,153	$ 32,627	$ 305,346	$ -	$ -	$ -	$ 305,346
Direct support payroll taxes and fringe benefits	15,386	12,516	29,880	7,581	65,363	-	-	-	65,363
Administrative staff salaries	11,137	4,444	21,150	-	36,731	52,987	82,694	135,681	172,412
Administrative payroll taxes and fringe benefits	2,300	918	4,367	-	7,585	14,493	19,909	34,402	41,987
Total staff salaries and support	101,238	75,029	198,550	40,208	415,025	67,480	102,603	170,083	585,108
Operating expenses									
Program supplies	4,893	6,876	9,472	5,041	26,282	9,669	2,479	12,148	38,430
Equipment maintenance and repair	-	-	-	12,713	12,713	-	-	-	12,713
Service agreements	4,186	4,353	11,990	4,079	24,608	1,367	1,367	2,734	27,342
Communications	1,851	1,752	5,010	1,616	10,229	541	1,568	2,109	12,338
Professional fees	4,427	4,603	12,678	4,314	26,022	1,446	3,874	5,320	31,342
Staff travel	116	126	238	61	541	422	344	766	1,307
Continuing education	80	101	256	24	461	100	1,000	1,100	1,561
Other	118	123	796	2,147	3,184	837	539	1,376	4,560
Total operating expenses	15,671	17,934	40,440	29,995	104,040	14,382	11,171	25,553	129,593
Facility expenses									
Utilities, rent and maintenance	15,228	15,834	43,614	14,840	89,516	4,973	4,973	9,946	99,462
Insurance - other	5,457	3,358	6,529	3,148	18,492	4,119	1,049	5,168	23,660
Insurance - vehicles	-	-	-	15,426	15,426	-	-	-	15,426
Total facility expenses	20,685	19,192	50,143	33,414	123,434	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	12,930	666	667	1,333	14,263
Total expenses per the statement of activities	159,816	140,893	354,720	-	655,429	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	$ -	$ 655,429	$ 91,620	$ 148,311	$ 239,931	$ 895,360

LIFEBRIDGE PARTNERSHIP

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 564,076	$ 316,668
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	21,322	14,263
Net unrealized (gain) loss on investments	(157,647)	(120,722)
Net realized (gain) loss on investments	(76,947)	(13,727)
(Gain) loss on sale of property and equipment	1,344	-
Debt forgiveness - Paycheck Protection Program	(254,530)	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	19,874	1,484
(Increase) decrease in pledges receivable	(2,835)	(769)
(Increase) decrease in prepaid expenses	(1,581)	10,306
(Increase) decrease in other assets	1,929	(4,478)
Increase (decrease) in accounts payable	(4,622)	(1,340)
Increase (decrease) in accrued vacation	1,115	307
Increase (decrease) in deferred revenue	10,440	(11,699)
Increase (decrease) in interest payable	(848)	848
Net cash provided by operating activities	121,090	191,141
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(136,117)	(1,574)
Proceeds from sale of property and equipment	4,400	-
Purchases of securities	-	(300,000)
Reinvestment of interest and dividends	(21,715)	(16,310)
Net cash (used in)/provided by investing activities	(153,432)	(317,884)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	127,265	127,265
Net cash (used in)/provided by financing activities	127,265	127,265
Net increase (decrease) in cash and cash equivalents	94,923	522
Cash and cash equivalents - beginning of year	53,090	52,568
Cash and cash equivalents - end of year	$ 148,013	53,090

See accompanying notes and independent auditors' report

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

LifeBridge Partnership (the "Organization") is a Missouri nonprofit 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 offers day camp opportunities during the summer and during other school breaks or holidays.

- **After School Services** are enrichment programs offered through LifeBridge Leaders Club for students enrolled at St. Louis Public Schools' Nottingham CAJT campus and Promise Christian Academy. The primary goals of LifeBridge Leaders Club are to promote the development of soft skills for employment and for students 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 local venues 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 LifeBridge 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.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with generally accepted accounting principles (U.S. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 that are 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.

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.

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. Depreciation expense for the years ended December 31, 2021 and 2020 were $21,322 and $14,263 respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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 2018 and prior are closed.

New Accounting Pronouncement

As of January 1, 2021, the Organization adopted Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), that replaces previously existing revenue recognition guidance. The new standard requires companies to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, Topic 606 requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Adoption of ASU 2014-09 will have no impact on the previously reported financial statements.

Revenue Sources

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Account receivables 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, 2021 and 2020.

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, 2021 and 2020, no allowances have 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.

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.

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.

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 - CONCENTRATION OF CREDIT RISK

The Organization maintained various deposit accounts at Commercial Bank and Carrollton Bank. Each depositor is entitled to up to $250,000 of insurance coverage by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2021 and 2020, the carrying balance of deposits totaled $148,013 and $53,090, respectively. Of the bank balances, there were no unsecured deposits as of December 31, 2021 and 2020.

NOTE 4 - PLEDGES RECEIVABLE

Pledges receivable for the years ended December 31, 2021 and 2020 consist of pledges related to the Organization's United Way allocation in the amounts of $112,604 and $109,769, respectively, all of which management has determined to be collectible within one year.

NOTE 5 - PROPERTY AND EQUIPMENT

A summary of property and equipment as of December 31, 2021 and 2020 follows:

	2021	2020
Transportation equipment	$ 282,988	$ 234,974
Software and computer equipment	32,782	61,364
Office furniture and equipment	5,536	15,956
Total depreciable property	321,306	312,294
Accumulated depreciation	(187,458)	(287,497)
Property and equipment, net	$ 133,848	$ 24,797

NOTE 6 - 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:

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 the 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 2021.

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, 2021:

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 1,633,758	$ -	$ -	$ 1,633,758
Total	$ 1,633,758	$ -	$ -	$ 1,633,758

NOTE 6 - INVESTMENTS (Continued)

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

NOTE 7 - NOTES 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 (1%) are forgivable after eight to twenty-four weeks as long as the Organization used the loan proceeds for eligible purposes, such as payroll, benefits, rent, and utilities. On February 22, 2021, the entire loan was forgiven and $127,265 was recorded as debt forgiveness on the statement of activities. As of December 31, 2021 and 2020, the balance was $0 and $127,265, respectively.

In January 2021, 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 (1%) are forgivable after eight to twenty-four weeks as long as the Organization used the loan proceeds for eligible purposes, such as payroll, benefits, rent, and utilities. On June 21, 2021, the entire loan was forgiven and $127,265 was recorded as debt forgiveness on the statement of activities. As of December 31, 2021, the balance was $0.

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, 2021 and 2020:

	2021	2020
Productive Living Board (PLB)	$ 209,034	$ 304,908
St. Louis Office of Developmental Disability Resources (DDR)	191,647	148,194
City of St. Louis	81,119	-
Developmental Disabilities Resource Board of St. Charles (DDRB)	27,113	16,324
Missouri Department of Transportation	665	3,980
Total	$ 509,578	$ 473,406

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, 2021 and 2020:

	2021	2020
Special event ticket sales	$ 37,557	$ 43,714
Special event contributions	54,234	43,152
Special event expenses	(27,904)	(27,848)
Special event revenue, net as Presented on the statement of activities	$ 63,887	$ 59,018

NOTE 10 - REVENUE RECOGNITION UNDER ASU 2014-09

Contracts with Customers

For the years ending December 31, 2021 and 2020, the Organization recognized revenue of $509,578 and $473,406, respectively from support services and $11,324 and $7,339, respectively from providing other types of programs during 2021. Additionally, the Organization recognized fees held for special events (net of direct expenses) of $63,887 and $59,018, respectively. No impairment losses were recognized on receivables during 2021 and 2020.

Disaggregated Revenue

Revenues from *support services* are recognized when services are provided. Revenues from *special events and other types of programs* are recognized at a point in time after the special event or program is completed. Revenues from support services and other types of programs are earned from assisting individuals with building and maintaining skills for supporting an independent lifestyle. Special events are held to provide funding for the Organization's different types of programs such as LifeBridge Camps, after school enrichment services, and the Out & About program. Economic factors do materially affect the nature, timing, and uncertainty of revenues or cash flows from special events.

Contract Balances

The beginning and ending contract-type balances as of December 31, 2021 and 2020 were as follows:

	2021	2020	2019
Accounts receivable	$ 58,670	$ 78,544	$ 80,028
Deferred revenue	11,050	610	12,139

NOTE 10 - REVENUE RECOGNITION UNDER ASU 2014-09 (Continued)

Performance Obligations
Contract performance for support services and other program obligations are satisfied when services are provided. Contract performance for special events is satisfied after a given event ends. The Organization does not offer early payment discounts, charge interest on accounts receivable, or have any formal obligation to its customers for refunds.

Significant Judgments
Since support services and other programs are charged at fixed rates, management does not utilize judgment in the recognition of membership dues or activity fees. During 2021 there were no changes in recognition methodology. Also, during 2021 there were no changes in the judgments utilized for determining the timing of the satisfaction of performance obligations or transaction prices allocated to performance obligations.

The output method is used to recognize revenue for performance obligations satisfied over time, and that method was not applicable over the course of the year for support service revenues, other program fees, and special events.

Adjusting consideration for the effects of the time value of money is not necessary for the Organization's receivables. Further, the financial statements include no estimates of variable consideration or noncash consideration.

There have been no allocations of transaction prices, including estimates of standalone selling prices of goods or services promised, or allocation of discounts and variable consideration to a particular part of a contract.

Practical Expedients Used for Financing Components
There is no financing component to the Organization's recognition of revenue.

Transition Disclosures
The Organization adopted ASC 606 on January 1, 2021, and it was applied retrospectively using the *Modified Retrospective Method.* The difference between contract-type revenue using prior revenue recognition methods and revenue using new guidance is $0. The practical expedient used to analyze the effect of the adoption of ASC 606 was the *Right to Invoice* expedient. There was no difference in methods used for recognition of contract revenue with members versus contracts with non-members.

NOTE 11 - CONCENTRATION RISK OF REVENUE

The Organization received 36% and 47.5% of its revenue from three funding sources during 2021 and 2020, respectively. While these funding sources annually consider continuation of funding, management believes support from these funding sources will remain consistent.

NOTE 12 - 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.

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 the 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.

The change in endowment net assets as of December 31, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - beginning balance	$ 908,876	$ 468,573	$ 1,377,449
Interest and dividends, net of investment expenses	21,281	434	21,715
Net unrealized gain/(loss) on investment	154,494	3,153	157,647
Net realized gain/(loss) on investment	75,408	1,539	76,947
Gifts and expenditures	-	-	-
Satisfaction of donor restrictions	1,237	(1,237)	-
Endowment net assets - ending balance	$ 1,161,296	$ 472,462	$ 1,633,758

NOTE 12 - ENDOWMENT FUNDS (Continued)

Endowment net asset composition as of December 31, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	$ 21,281	$ 434	$ 21,715
Unrealized gains	154,494	3,153	157,647
Realized gains	75,408	1,539	76,947
Perpetual in nature	-	467,336	467,336
Unrestricted operating reserves	910,113	-	910,113
Total endowment funds	$ 1,161,296	$ 472,462	$ 1,633,758

The 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	$ 908,876	$ 468,573	$ 1,377,449

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

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividend	$ 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	$ 908,876	$ 468,573	$ 1,377,449

NOTE 13 - OPERATING LEASES

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 from 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.

NOTE 13 - OPERATING LEASES (Continued)

Future minimum lease payments are as follows:

For the year ending December 31,	Organization's Obligation	Total Lease Obligation
2022	$ 54,624	$ 99,316
2023	55,509	100,926
2024	57,133	103,879
2025	58,764	106,843
2026	60,394	109,807
2027-2030	252,553	459,187
Total	$ 538,977	$ 979,958

Lease expenditures for the years ended December 31, 2021 and 2020 were $107,878 and $99,462, respectively.

NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2021 and 2020 are available for the following purposes or periods:

	2021		2020	
	Purpose	Period	Purpose	Period
United Way	$ -	$ 112,604	$ -	$ 109,769
Mrs. Katherine B. Humphrey fund	-	458,273	-	458,273
Dr. George Bernard Key fund	-	9,063	-	9,063
Direct benefit of children	5,126	-	1,237	-
Total	$ 5,126	$ 579,940	$ 1,237	$ 577,105

Donor restricted net assets that were released from donor restrictions during the years ended December 31, 2021 and 2020 are as follows:

	2021	2020
Endowment earnings	$ 1,237	$ 89,475
United Way	109,769	110,493
	$ 111,006	$ 199,968

NOTE 15 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2021 and 2020:

Financial assets at year-end:	2021	2020
Cash and cash equivalents	$ 148,013	$ 53,090
Accounts receivable	58,670	78,544
Pledges receivable	112,604	109,769
Investments, at fair market value	1,633,758	1,377,449
Total financial assets at year-end	1,953,045	1,618,852
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	5,126	1,237
Net assets with timing restrictions	112,604	109,769
Total amounts not available to meet general expenditures	585,066	578,342
Financial assets available to meet general expenditures	$ 1,367,979	$ 1,040,510

Pledges receivable are subject to time restrictions but will be collected before year-end December 31, 2022.

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 2021 levels.

The Board of Directors has designated endowment assets that are not perpetual in nature for operating reserves. As of December 31, 2021 and 2020, endowment assets designated for operating reserves are $1,161,297 and $908,876, respectively. Additionally, management estimates that realized investment income of $45,000 may be utilized during 2022. Through the annual budget process, the Board has approved an income appropriation representing this estimated investment income.

NOTE 16 - 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 $9,382 and $8,188 for the years ended December 31, 2021 and 2020, respectively.

NOTE 17 - RELATED PARTIES AND SUBSIDIARY ORGANIZATION

An employee of the Organization is related to a vendor. This vendor was paid $5,323 and $13,414 for services rendered for the years ended December 31, 2021 and 2020, 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.

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

NOTE 18 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 25, 2022, the date which the financial statements were available for issue, and noted the following events.