CHILD ADVOCATES OF CONNECTICUT, INC.

FINANCIAL STATEMENTS

Years ended June 30, 2020 and 2019
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Independent Accountant’s Review Report

To the Board of Directors of
Child Advocates of Connecticut, Inc.
Westport, Connecticut

Report on the Financial Statements
We have reviewed the accompanying financial statements of Child Advocates of Connecticut, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management’s financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management’s Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant’s Responsibility
Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant’s Conclusion
Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Capossela, Cohen, LLC

Southport, CT
October 22, 2020
CHILD ADVOCATES OF CONNECTICUT, INC.  
STATEMENTS OF FINANCIAL POSITION  
June 30, 2020 and 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$648,838</td>
<td>$702,467</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>10,382</td>
<td>-</td>
</tr>
<tr>
<td>Deposits</td>
<td>511</td>
<td>511</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$659,731</strong></td>
<td><strong>$702,978</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan payable</td>
<td>$57,624</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>602,107</td>
<td>702,978</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$659,731</strong></td>
<td><strong>$702,978</strong></td>
</tr>
</tbody>
</table>

See accompanying notes and independent accountant’s review report
CHILD ADVOCATES OF CONNECTICUT, INC.
STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$ 89,745</td>
<td>-</td>
<td>$ 89,745</td>
</tr>
<tr>
<td>Program services</td>
<td>41,528</td>
<td>-</td>
<td>41,528</td>
</tr>
<tr>
<td>Special events (integral and ongoing)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>16,800</td>
<td>-</td>
<td>16,800</td>
</tr>
<tr>
<td>Event sales</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: direct cost of benefit</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net special events</td>
<td>16,800</td>
<td>-</td>
<td>16,800</td>
</tr>
<tr>
<td>Grants</td>
<td>125,101</td>
<td>-</td>
<td>125,101</td>
</tr>
<tr>
<td><strong>Total revenue and support</strong></td>
<td>273,174</td>
<td>-</td>
<td>273,174</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>283,907</td>
<td>-</td>
<td>283,907</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>47,346</td>
<td>-</td>
<td>47,346</td>
</tr>
<tr>
<td>Fundraising</td>
<td>42,885</td>
<td>-</td>
<td>42,885</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>374,138</td>
<td>-</td>
<td>374,138</td>
</tr>
<tr>
<td><strong>Change in net assets from operating activities</strong></td>
<td>(100,964)</td>
<td>-</td>
<td>(100,964)</td>
</tr>
<tr>
<td><strong>Non-operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>93</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>(100,871)</td>
<td>-</td>
<td>(100,871)</td>
</tr>
<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>702,978</td>
<td>-</td>
<td>702,978</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$ 602,107</td>
<td>-</td>
<td>$ 602,107</td>
</tr>
</tbody>
</table>

See accompanying notes and independent accountant’s review report
### Operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$47,029</td>
<td>-</td>
<td>$47,029</td>
</tr>
<tr>
<td>Program services</td>
<td>41,528</td>
<td></td>
<td>41,528</td>
</tr>
<tr>
<td>Special events (integral and ongoing)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>142,230</td>
<td></td>
<td>142,230</td>
</tr>
<tr>
<td>Event sales</td>
<td>122,600</td>
<td></td>
<td>122,600</td>
</tr>
<tr>
<td>Less: direct cost of benefit</td>
<td>(15,241)</td>
<td></td>
<td>(15,241)</td>
</tr>
<tr>
<td>Net special events (integral and ongoing)</td>
<td>249,589</td>
<td></td>
<td>249,589</td>
</tr>
<tr>
<td>Grants</td>
<td>107,000</td>
<td></td>
<td>107,000</td>
</tr>
<tr>
<td><strong>Total revenue and support before releases</strong></td>
<td>445,146</td>
<td>-</td>
<td>445,146</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>50,000</td>
<td>(50,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue and support</strong></td>
<td>495,146</td>
<td>(50,000)</td>
<td>445,146</td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>299,494</td>
<td></td>
<td>299,494</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>52,124</td>
<td></td>
<td>52,124</td>
</tr>
<tr>
<td>Fundraising</td>
<td>40,699</td>
<td></td>
<td>40,699</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>392,317</td>
<td></td>
<td>392,317</td>
</tr>
</tbody>
</table>

### Change in net assets from operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>102,829</td>
<td>(50,000)</td>
<td></td>
<td>52,829</td>
</tr>
</tbody>
</table>

### Non-operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment income</td>
<td>118</td>
<td>-</td>
<td>118</td>
</tr>
</tbody>
</table>

### Change in net assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>102,947</td>
<td>(50,000)</td>
<td></td>
<td>52,947</td>
</tr>
</tbody>
</table>

### Net assets at beginning of year

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>600,031</td>
<td></td>
<td>50,000</td>
<td>650,031</td>
</tr>
</tbody>
</table>

### Net assets at end of year

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$702,978</td>
<td>$-</td>
<td></td>
<td>$702,978</td>
</tr>
</tbody>
</table>

See accompanying notes and independent accountant’s review report
CHILD ADVOCATES OF CONNECTICUT, INC.
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2020 and 2019

Indirect Method

Increases (decreases) in cash

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ (100,871)</td>
<td>$ 52,947</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net changes in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants receivable</td>
<td>(10,382)</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>(111,253)</td>
<td>52,947</td>
</tr>
</tbody>
</table>

Cash flows from financing activities:

| Proceeds received from loan | 57,624 | - |
| Net change in cash          | (53,629) | 52,947 |

Cash and cash equivalents, beginning of year

| 702,467 | 649,520 |
| 648,838 | 702,467 |

See accompanying notes and independent accountant’s review report

-5-
<table>
<thead>
<tr>
<th>Category</th>
<th>Program</th>
<th>Management &amp; General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and related taxes</td>
<td>$263,204</td>
<td>$35,835</td>
<td>$35,835</td>
<td>$334,874</td>
</tr>
<tr>
<td>Insurance</td>
<td>3,956</td>
<td>791</td>
<td>527</td>
<td>5,274</td>
</tr>
<tr>
<td>Occupancy</td>
<td>6,034</td>
<td>1,207</td>
<td>805</td>
<td>8,046</td>
</tr>
<tr>
<td>Professional fees</td>
<td>-</td>
<td>4,050</td>
<td>-</td>
<td>4,050</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>1,238</td>
<td>248</td>
<td>165</td>
<td>1,651</td>
</tr>
<tr>
<td>Printing and publications</td>
<td>193</td>
<td>39</td>
<td>25</td>
<td>257</td>
</tr>
<tr>
<td>Computer software expenses</td>
<td>495</td>
<td>99</td>
<td>66</td>
<td>660</td>
</tr>
<tr>
<td>Merchant services fees</td>
<td>-</td>
<td>1,682</td>
<td>-</td>
<td>1,682</td>
</tr>
<tr>
<td>Graphic design</td>
<td>2,186</td>
<td>437</td>
<td>292</td>
<td>2,915</td>
</tr>
<tr>
<td>Office and computer equipment</td>
<td>389</td>
<td>78</td>
<td>51</td>
<td>518</td>
</tr>
<tr>
<td>Website design and maintenance</td>
<td>2,371</td>
<td>474</td>
<td>316</td>
<td>3,161</td>
</tr>
<tr>
<td>Payroll processing fees</td>
<td>-</td>
<td>1,637</td>
<td>-</td>
<td>1,637</td>
</tr>
<tr>
<td>Worker's compensation insurance</td>
<td>548</td>
<td>110</td>
<td>72</td>
<td>730</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,389</td>
<td>278</td>
<td>185</td>
<td>1,852</td>
</tr>
<tr>
<td>Other expenses</td>
<td>1,904</td>
<td>381</td>
<td>4,546</td>
<td>6,831</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$283,907</td>
<td>$47,346</td>
<td>$42,885</td>
<td>$374,138</td>
</tr>
</tbody>
</table>

% of Total Expenses  
- Program: 76%  
- Management & General: 13%  
- Fundraising: 11%
### CHILD ADVOCATES OF CONNECTICUT, INC.
#### STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Program</th>
<th>Management &amp; General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and related taxes</td>
<td>$270,332</td>
<td>$29,671</td>
<td>$29,671</td>
<td>$329,674</td>
</tr>
<tr>
<td>Insurance</td>
<td>4,007</td>
<td>546</td>
<td>546</td>
<td>5,099</td>
</tr>
<tr>
<td>Occupancy</td>
<td>5,982</td>
<td>816</td>
<td>816</td>
<td>7,614</td>
</tr>
<tr>
<td>Professional fees</td>
<td>-</td>
<td>4,350</td>
<td>-</td>
<td>4,350</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>1,354</td>
<td>208</td>
<td>1,674</td>
<td>3,236</td>
</tr>
<tr>
<td>Printing and publications</td>
<td>4,147</td>
<td>546</td>
<td>736</td>
<td>5,429</td>
</tr>
<tr>
<td>Computer software expenses</td>
<td>3,354</td>
<td>516</td>
<td>430</td>
<td>4,300</td>
</tr>
<tr>
<td>Merchant services fees</td>
<td>-</td>
<td>5,504</td>
<td>-</td>
<td>5,504</td>
</tr>
<tr>
<td>Graphic design</td>
<td>3,325</td>
<td>411</td>
<td>1,203</td>
<td>4,939</td>
</tr>
<tr>
<td>Office and computer equipment</td>
<td>1,661</td>
<td>255</td>
<td>213</td>
<td>2,129</td>
</tr>
<tr>
<td>Website design and maintenance</td>
<td>2,716</td>
<td>418</td>
<td>348</td>
<td>3,482</td>
</tr>
<tr>
<td>Payroll processing fees</td>
<td>-</td>
<td>1,540</td>
<td>-</td>
<td>1,540</td>
</tr>
<tr>
<td>Worker's compensation insurance</td>
<td>1,228</td>
<td>168</td>
<td>168</td>
<td>1,564</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,388</td>
<td>213</td>
<td>178</td>
<td>1,779</td>
</tr>
<tr>
<td>Other expenses</td>
<td>-</td>
<td>6,962</td>
<td>4,716</td>
<td>11,678</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$299,494</strong></td>
<td><strong>$52,124</strong></td>
<td><strong>$40,699</strong></td>
<td><strong>$392,317</strong></td>
</tr>
</tbody>
</table>

% of Total Expenses
- Program: 76%
- Management & General: 13%
- Fundraising: 11%
- Total: 100%

See accompanying notes and independent accountant’s review report
Note A - Nature of Activities and Summary of Significant Accounting Policies

Nature of activities
Child Advocates of Connecticut, Inc. (the “Organization”) recruits, trains and supervises court appointed volunteers who work to ensure that each abused or neglected child has a safe, loving and permanent home. The Organization is also doing business as Child Advocates of SW Connecticut.

Basis of presentation
The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the “Guide”). ASC 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions
Unconditional contributions are recognized when pledged and 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. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.
Note A - Nature of Activities and Summary of Significant Accounting Policies (continued)

Measure of operations
The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to Child Advocates of Connecticut, Inc.’s ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

New accounting pronouncement
Effective January 1, 2019, the Organization adopted Accounting Standard Codification (ASC) Topic 606, “Revenue from Contracts with Customers” (Topic 606). The new standard provides for a comprehensive five-step model for recognizing revenue. The core principle of Topic 606 is that revenue shall be recognized when goods and services promised under a contract are transferred to the customer, as contemplated under the contract and for which the Organization is reasonably entitled to compensation. There was no effect on the 2020 and 2019 financial statements as a result of the adoption of this accounting standard.

Cash equivalents
The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentration of credit risk
The Organization maintains cash balances in several financial institutions located in Connecticut. The balances may from time to time exceed the amount insured by the Federal Deposit Insurance Corporation.

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

Contributed services
A portion of the Organization’s functions and activities related to fundraising events are conducted by unpaid volunteers and officers of the Organization. The value of these services is not recorded in the statement of activities because they do not meet the criteria for recognition. Also, the Organization recruits, trains and supervises court appointed volunteers. There were 65 and 69 court appointed volunteers during the years ended June 30, 2020 and 2019, respectively.

Prior year reclassifications
Certain amounts in the prior year have been reclassified for comparative presentation purposes.
Note A - Nature of Activities and Summary of Significant Accounting Policies (continued)

**Functional expenses**
Costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<table>
<thead>
<tr>
<th>Expense</th>
<th>Method of Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and related taxes</td>
<td>Time and effort</td>
</tr>
<tr>
<td>Insurance</td>
<td>Time and effort</td>
</tr>
<tr>
<td>Occupancy</td>
<td>Time and effort</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Printing and publications</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Computer software expenses</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Graphic design</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Office and computer equipment</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Website design and maintenance</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Telephone</td>
<td>Specific allocation</td>
</tr>
<tr>
<td>Other expenses</td>
<td>Specific allocation</td>
</tr>
</tbody>
</table>

**Income taxes**
The Organization is a Connecticut non-stock corporation that is exempt from taxes under Section 501 (a) of the Internal Revenue Code as an organization described under Section 501(c) (3) of the code. A ruling from the Internal Revenue Service has determined that the Organization will be treated as a publicly supported organization, and not a private foundation. This qualifies the Organization for the 60% charitable contribution deduction for individual donors. Consequently, the accompanying financial statements do not include any provision for income taxes.

The Organization recognizes the effect of tax positions only when they are more likely than not of being sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition. Tax years dating back to 2016 are open for audit by federal and state authorities.

**Note B - Loan payable**
On May 5, 2020, the Organization was granted a loan (the “Loan”) from Wells Fargo Bank in the aggregate amount of $57,624, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan, which was in the form of a Note dated May 3, 2020 issued by the Organization, matures on May 3, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 1, 2020. The Note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, rent and utilities. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Organization intends to use the entire Loan amount for qualifying expenses and expects the full amount of the Loan to be forgiven.
Note C - Contracts with Customers

Nature of goods and services
The Organization has two revenue streams that are accounted for as exchange transactions: service income from the State of CT and special event income.

Service Income from the State of CT
The Organization receives an annual grant from the State of CT and is required to perform services related to its mission using these funds. The Organization recognizes the revenue as the services are performed, which are typically started and completed within the fiscal year. All payments are received in advance.

Special Events
Special events income results from the Organization’s efforts to produce an annual fundraiser. The revenue is recognized in the period that event is held, and is presented net of related expenses.

Note D - Board Designated Net Assets

Board designated net assets are comprised of the following:

<table>
<thead>
<tr>
<th>Without donor restrictions:</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated by the Board for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>$ 80,000</td>
<td>$ 80,000</td>
</tr>
<tr>
<td>Undesignated</td>
<td>522,107</td>
<td>622,978</td>
</tr>
<tr>
<td></td>
<td><strong>$ 602,107</strong></td>
<td><strong>$ 702,978</strong></td>
</tr>
</tbody>
</table>

Note E - Liquidity

The Organization’s financial assets available within one year of the statement of financial position date for general expenditure are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 648,838</td>
<td>$ 702,467</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>10,382</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>$ 659,220</strong></td>
<td><strong>$ 702,467</strong></td>
</tr>
</tbody>
</table>
Note F - Special Event

The Organization’s annual special event generates revenue and raises awareness about its mission. Revenue and expenses from the Organization’s annual event are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$16,800</td>
<td>$142,230</td>
</tr>
<tr>
<td>Special event revenue</td>
<td>-</td>
<td>122,600</td>
</tr>
<tr>
<td>Less: costs of direct benefits to donors</td>
<td>-</td>
<td>(15,241)</td>
</tr>
<tr>
<td>Net revenues from special events</td>
<td>16,800</td>
<td>249,589</td>
</tr>
</tbody>
</table>

| **Expenses:**                |        |        |
| Program services             | -      | 1,245  |
| Fundraising                  | 4,292  | 7,356  |
| **Total expenses**           | 4,292  | 8,601  |

**Increase in net assets without donor restrictions**  
$12,508  $240,988

On March 11, 2020 the World Health Organization officially declared COVID-19, the disease caused by the novel coronavirus, a pandemic. Due to the risk of spread of COVID-19, the 2020 annual event was cancelled.

Note G - Operating Leases

The Organization leases its facility on a month-to-month basis. Rent expense for the years ended June 30, 2020 and 2019 totaled $8,046 and $7,614, respectively.

Note H - Subsequent Events

**Date of management evaluation**

Management has evaluated subsequent events through October 22, 2020 the date on which the financial statements were available to be issued.