



GIVE AN HOUR

Financial Statements

For the Year Ended June 30, 2023

(With Summarized Financial Information for the Year Ended June 30, 2022)



**and
Report Thereon**



GIVE AN HOUR

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Give an Hour

Opinion

We have audited the financial statements of Give an Hour, which comprise the statement of financial position as of June 30, 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of Give an Hour as of June 30, 2023, 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 (GAAS). 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 Give an Hour 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 Give an Hour'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 GAAS 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 GAAS, 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 Give an Hour'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 Give an Hour'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.

Report on Summarized Comparative Information

We have previously audited Give an Hour's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Marcum LLP

Washington, DC
November 9, 2023

GIVE AN HOUR

STATEMENT OF FINANCIAL POSITION

June 30, 2023

(With Summarized Financial Information as of June 30, 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 1,560,525	\$ 1,289,710
Grants and contributions receivable	256,926	283,134
Prepaid expenses	37,540	19,351
Investments	-	17,179
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,854,991</u>	<u>\$ 1,609,374</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 75,575	\$ 24,960
Accrued salaries and vacation	102,835	107,279
Contract liabilities	18,462	-
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>196,872</u>	<u>132,239</u>
Net Assets		
Without donor restrictions	1,324,723	1,136,613
With donor restrictions	333,396	340,522
	<u> </u>	<u> </u>
TOTAL NET ASSETS	<u>1,658,119</u>	<u>1,477,135</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,854,991</u>	<u>\$ 1,609,374</u>

The accompanying notes are an integral part of these financial statements.

GIVE AN HOUR

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

(With Summarized Financial Information for the Year Ended June 30, 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
REVENUE AND SUPPORT				
Donated mental health and other services	\$ 2,119,611	\$ -	\$ 2,119,611	\$ 1,799,322
Grants and contributions:				
Foundations, corporations and individuals	373,314	608,259	981,573	1,038,745
Government grants	944,287	-	944,287	756,980
Contract revenue	179,031	-	179,031	167,373
Investment income (loss), net	10,629	-	10,629	(789)
Net assets released from restrictions:				
Released from purpose restrictions	615,385	(615,385)	-	-
TOTAL REVENUE AND SUPPORT	4,242,257	(7,126)	4,235,131	3,761,631
EXPENSES				
Program Service:				
Mental health services	3,613,763	-	3,613,763	3,478,403
Total Program Service	3,613,763	-	3,613,763	3,478,403
Supporting Services:				
Management and general	277,920	-	277,920	153,381
Fundraising	162,464	-	162,464	103,799
Total Supporting Services	440,384	-	440,384	257,180
TOTAL EXPENSES	4,054,147	-	4,054,147	3,735,583
CHANGE IN NET ASSETS	188,110	(7,126)	180,984	26,048
NET ASSETS, BEGINNING OF YEAR	1,136,613	340,522	1,477,135	1,451,087
NET ASSETS, END OF YEAR	\$ 1,324,723	\$ 333,396	\$ 1,658,119	\$ 1,477,135

The accompanying notes are an integral part of these financial statements.

GIVE AN HOUR

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023

(With Summarized Financial Information for the Year Ended June 30, 2022)

Supporting Services

	Mental Health Service	Management and General	Fundraising	Total Supporting Services	2023 Total	2022 Total
Donated mental health services	\$ 1,607,384	\$ -	\$ -	\$ -	\$ 1,607,384	\$ 1,363,024
Salaries and related expenses	1,194,438	47,963	59,120	107,083	1,301,521	1,315,807
Professional fees	550,209	182,568	24,100	206,668	756,877	773,717
Administrative expenses	85,801	22,071	18,364	40,435	126,236	113,491
Public awareness events	27,206	-	57,000	57,000	84,206	11,889
Travel and meetings	70,310	6,866	3,619	10,485	80,795	24,719
Website maintenance	44,151	3,793	-	3,793	47,944	89,078
Printing, delivery and telecommunications	11,626	14,493	261	14,754	26,380	25,273
Advertising	22,638	166	-	166	22,804	18,585
TOTAL EXPENSES	\$ 3,613,763	\$ 277,920	\$ 162,464	\$ 440,384	\$ 4,054,147	\$ 3,735,583

The accompanying notes are an integral part of these financial statements.

GIVE AN HOUR

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2023

(With Summarized Financial Information for the Year Ended June 30, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 180,984	\$ 26,048
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized and realized (gains) losses on investments	(1,583)	3,135
Changes in assets and liabilities:		
Grants and contributions receivable	26,208	(108,972)
Prepaid expenses	(18,189)	(6,711)
Accounts payable and accrued expenses	50,615	7,563
Accrued salaries and vacation	(4,444)	(3,400)
Contract liabilities	18,462	(78,207)
	<u>252,053</u>	<u>(160,544)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ING ACTIVITIES		
Proceeds from sales of investments	18,762	-
	<u>18,762</u>	<u>-</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	270,815	(160,544)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,289,710</u>	<u>1,450,254</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,560,525</u>	<u>\$ 1,289,710</u>

The accompanying notes are an integral part of these financial statements.

GIVE AN HOUR

NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

1. Organization and Summary of Significant Accounting Policies

Organization

Give an Hour was incorporated on September 26, 2005 under the laws of the state of Maryland. It was formed to develop national networks of volunteers capable of responding to both acute and chronic conditions that arise within society. The current mission is to develop resilient individuals and communities and close the delivery gap in mental health care services. Give an Hour's first target population was the U.S. troops and families who are being affected by the current and past military conflicts. Give an Hour also serves other at-risk populations and groups in need that can benefit from its model of delivering services. As of June 30, 2023, Give an Hour had approximately 4,300 licensed mental health providers and over 1,000 Wellness Ambassadors and trained Peer Supporters offering to donate their time to provide mental health and emotional support to those that have experienced human made traumas including military families and survivors of those affected by rare disease. Give an Hour funds its program and supporting services primarily through foundation, corporate and individual grants and contributions.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (GAAP).

Cash Equivalents

As required under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 230, Statement of Cash Flows, Give an Hour considers highly liquid investments purchased with maturities of three months or less to be cash equivalents.

Grants and Contributions Receivable

Grants and contributions receivable are recorded at their net realizable value discounted to present value. Give an Hour uses the allowance method to record potentially uncollectible accounts receivable. Accounts past due are individually analyzed for collectability. When all collection efforts have been exhausted, the account is written off against an allowance account. All grants and contributions receivable were considered fully collectible by management as of June 30, 2023.

Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability through an orderly transaction between market participants at the measurement date. Purchases and sales are reflected on a trade date basis. Interest, dividends and realized gains or losses are recorded when earned. Changes in the fair value of the portfolio are recorded as unrealized gains or losses. All realized and unrealized gains and losses are included in investment income (loss), net in the accompanying statement of activities.

GIVE AN HOUR

NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurement

In accordance with accounting standards for fair value measurement for those assets and liabilities that are measured at fair value on a recurring basis, Give an Hour has categorized its applicable financial instruments into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that Give an Hour has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Classification of Net Assets

The net assets of Give an Hour are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for support of Give an Hour's operations.
- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of Give an Hour or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. As of June 30, 2023, Give an Hour had no net assets that are required to be maintained in perpetuity.

Revenue Recognition

Unconditional grants and contributions are recognized as revenue when received or promised and are reported as donor restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an

GIVE AN HOUR

NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. Conditional promises to give are not included as support until such time as the barriers to recognition are substantially met.

Give an Hour receives government grants, which are conditional upon certain performance requirements and / or the incurrence of allowable qualifying expenses. Revenue recognized on these grants for which billings have not been presented to the grantor, or cash has not been received from the grantor, is reflected as grants and contributions receivable in the accompanying statement of financial position. Any grants received in advance are recorded as refundable advances and recorded as revenue after the allowable costs are incurred.

Give an Hour has several contracts with other organizations to provide certain services. The revenue for these contracts is recognized as the specific performance obligations are met or over the life of the contract if they have no specific measurable milestones or goals. Any contract fees received in advance of the performance obligation being met are included in contract liabilities in the accompanying statement of financial position.

Donated Services

In-kind contributions are recognized as both revenue and support and expenses in the accompanying statement of activities at the estimated fair value as provided by the donor at the date of donation. In-kind contributions are predominantly donated mental health services and professional services.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited based on personnel time spent on programs.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Grants and Contributions Receivable

Grants and contributions receivable are composed of unconditional promises to give and receivables outstanding from conditional contributions which the barrier to recognition has been fully satisfied. Additionally, no discount was recorded as of June 30, 2023 as all grants and contributions receivable are expected to be received in less than one year.

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NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

2. Grants and Contributions Receivable (continued)

Give an Hour has a conditional contribution totaling \$220,000 as of June 30, 2023. Recognition of revenue is contingent upon Give an Hour achieving certain milestones and deliverables as stipulated by the grant agreement.

3. Net Assets With Donor Restrictions

Give an Hour's net assets with donor restrictions were available for the following programs, time or purposes as of June 30, 2023:

Rare Caregiver	\$ 245,337
Mass Violence	45,930
Military and Veterans	<u>42,129</u>
Total Net Assets With Donor Restrictions	<u>\$ 333,396</u>

4. Donated Services

Give an Hour receives various kinds of in-kind contributions of time and pro bono services from members of the community and volunteers related to program operations. These services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing these skills and would typically need to be purchased if not donated.

During the year ended June 30, 2023, Give an Hour received donated services for mental health counseling, legal consultation, and other consulting services.

	<u>Donated Services</u>
Program services	\$ 1,977,075
Management and general	<u>142,536</u>
Total	<u>\$ 2,119,611</u>

All donated services were utilized by Give an Hour's programs and supporting services. There were no donor-imposed restrictions associated with the donated services. Donated program services are valued using standard hourly rates provided by volunteer mental health professionals. Donated legal services included in management and general are valued at the standard hourly rates charged for those services.

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NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

5. Risks and Contingencies

Concentration of Credit Risk

Financial instruments which potentially subject Give an Hour to a concentration of credit risk consist principally of cash and cash equivalent balances maintained at various creditworthy financial institutions. While the amount at a given bank, at times, exceeds the amount guaranteed by federal agencies and, therefore, bears some risk, Give an Hour has not experienced, nor does it anticipate, any losses on its funds. At June 30, 2023, the amount in excess of the Federal Deposit Insurance Corporation insured limit of \$250,000 per depositor per financial institution was approximately \$60,000.

Concentration of Revenue and Receivable Risk

For the year ended June 30, 2023, Give an Hour recognized revenue of approximately \$1,377,000 from five donors, which represented approximately 65% of Give an Hour's total revenue and support, excluding donated services. Four grantors owed Give an Hour approximately \$231,000, which represented approximately 90% of Give an Hour's total grants and contributions receivable as of June 30, 2023.

6. Liquidity and Availability

Give an Hour regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. Give an Hour's financial assets available within one year of the statement of financial position date for general expenditures at June 30, 2023, were as follows:

Cash and cash equivalents	\$ 1,560,525
Grants and contributions receivable collectible in one year	<u>256,926</u>
Total Financial Assets Available Within One Year	1,817,451
Less:	
Amounts unavailable for general expenditures within one year due to donor's restriction	<u>(333,396)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 1,484,055</u>

Give an Hour has various sources of liquidity at its disposal which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of Give an Hour throughout the year. This is done through monitoring and reviewing Give an Hour's cash flow needs on a monthly basis. As a result, management is aware of the cyclical nature Give an Hour's cash flow related to Give an Hour's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs.

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NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2023

7. Income Taxes

Give an Hour is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. No provision for federal income taxes is required for the year ended June 30, 2023, as Give an Hour had no significant net unrelated business income.

Give an Hour has adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. Give an Hour evaluated its uncertainty in income taxes for the year ended June 30, 2023, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of June 30, 2023, the statute of limitations for certain tax years with the U.S. federal jurisdiction or the various states and local jurisdictions in which Give an Hour files tax returns are open for examination, however, no examinations are currently pending or in progress. It is Give an Hour's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax or interest expense.

8. Prior Year Summarized Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Give an Hour's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

9. Subsequent Events

In preparing these financial statements, Give an Hour has evaluated events and transactions for potential recognition or disclosure through November 9, 2023, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.