

IT'S THE JOURNEY, INC.

FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

with
INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

Board of Directors of It's The Journey, Inc.

We have audited the accompanying financial statements of It's The Journey, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2020 and 2019 and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Correction of Errors

As discussed in Note 9, to the financial statements, the 2019 financial statements have been restated to correct certain misstatements. Our opinion is not modified with respect to these matters.

Smith + Howard

June 28, 2021

IT'S THE JOURNEY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

ASSETS

	<u>2020</u>	AS RESTATED <u>2019</u>
Assets		
Cash and cash equivalents	\$ 963,889	\$ 1,518,032
Restricted cash	20,000	-
Investments	320,911	306,157
Unconditional promises to give, net of discount for present value of \$32,727 and \$34,394, respectively	157,273	190,606
Other assets	<u>6,077</u>	<u>3,702</u>
	<u>\$ 1,468,150</u>	<u>\$ 2,018,497</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accrued expenses	\$ 2,152	\$ 6,544
Grants payable	390,506	914,966
Refundable advances	<u>79,046</u>	<u>59,930</u>
Total Liabilities	<u>471,704</u>	<u>981,440</u>
Net Assets		
Without donor restriction	819,174	753,820
With donor restriction	<u>177,272</u>	<u>283,237</u>
Total Net Assets	<u>996,446</u>	<u>1,037,057</u>
	<u>\$ 1,468,150</u>	<u>\$ 2,018,497</u>

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

IT'S THE JOURNEY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>AS RESTATED</u> <u>2019</u>
Change in Net Assets Without Donor Restriction		
Revenue and other support:		
Contributions		
Participant contributions	\$ 600,567	\$ 960,993
Corporations	105,056	425,410
Other contributions	10,138	73,244
Paycheck Protection Program grant	65,500	-
Promotional products	810	8,661
Gifts-in-kind	-	153,002
	<u>782,071</u>	<u>1,621,310</u>
Registration fees and other	33,011	151,005
Special events, net of direct expenses	21,373	45,533
Investment Income, net	20,169	15,188
Net assets released from restrictions	<u>106,917</u>	<u>68,413</u>
Total Revenue and Other Support Without Donor Restriction	<u>963,541</u>	<u>1,901,449</u>
Expenses		
Program services	716,670	1,689,727
Supporting activities:		
General and administrative	115,004	137,122
Fundraising	<u>66,513</u>	<u>81,459</u>
Total Expenses	<u>898,187</u>	<u>1,908,308</u>
Change In Net Assets Without Donor Restriction	<u>65,354</u>	<u>(6,859)</u>
Change in Net Assets With Donor Restriction		
Contributions restricted for future events	-	91,917
Contributions restricted for endowment fund	952	125,664
Contributions restricted for time	-	65,656
Net assets released from restrictions	<u>(106,917)</u>	<u>(68,413)</u>
Change in Net Assets With Donor Restriction	<u>(105,965)</u>	<u>214,824</u>
Change in Net Assets	(40,611)	207,965
Net Assets, as restated, at Beginning of Year (Note 9)	<u>1,037,057</u>	<u>829,092</u>
Net Assets at End of Year	<u>\$ 996,446</u>	<u>\$ 1,037,057</u>

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

IT'S THE JOURNEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

	Program Services	Supporting Activities		Totals
		General and Administrative	Fundraising	
Salaries	\$ 182,677	\$ 75,951	\$ 33,158	\$ 291,786
Payroll benefits	15,738	4,106	2,965	22,809
Payroll taxes	15,402	4,018	2,902	22,322
Advertising, marketing, and event shirts	7,366	423	677	8,466
Special events	-	-	13,017	13,017
Contract labor	22,553	-	-	22,553
Professional fees	-	16,395	-	16,395
Office expense	11,442	3,265	1,635	16,342
Software and fundraising portal	9,726	-	9,726	19,452
Telephone	4,072	255	764	5,091
Printing, signage and postage	9,940	1,754	-	11,694
Insurance	10,529	2,632	-	13,161
Rent	23,582	4,422	1,474	29,478
Food and beverage	238	13	-	251
Fees for service	30,518	1,606	-	32,124
Supplies	1,477	164	-	1,641
Rental items and security	2,966	-	-	2,966
Grant awards	367,666	-	-	367,666
Travel, mileage and meals	778	-	195	973
	<u>\$ 716,670</u>	<u>\$ 115,004</u>	<u>\$ 66,513</u>	<u>\$ 898,187</u>

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

IT'S THE JOURNEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	Program Services	Supporting Activities		Totals
		General and Administrative	Fundraising	
Salaries	\$ 186,854	\$ 82,382	\$ 31,607	\$ 300,843
Payroll benefits	11,599	3,026	2,185	16,810
Payroll taxes	15,723	4,102	2,962	22,787
Advertising, marketing, and event shirts	103,230	5,933	9,492	118,655
Special events	-	-	11,275	11,275
Contract labor	29,700	-	-	29,700
Professional fees	-	17,410	-	17,410
Office expense	15,646	4,470	2,235	22,351
Software and fundraising portal	16,349	-	16,349	32,698
Telephone	4,740	296	889	5,925
Printing, signage and postage	4,830	852	-	5,682
Insurance	10,670	2,667	-	13,337
Rent	20,598	3,862	1,287	25,747
Hotel cost for 2-day walk	75,527	-	-	75,527
Food and beverage	91,442	4,813	-	96,255
Fees for service	87,098	4,584	-	91,682
Supplies	24,527	2,725	-	27,252
Rental items and security	41,607	-	-	41,607
Grant awards	936,873	-	-	936,873
Travel, mileage and meals	12,714	-	3,178	15,892
	<u>\$ 1,689,727</u>	<u>\$ 137,122</u>	<u>\$ 81,459</u>	<u>\$ 1,908,308</u>

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

IT'S THE JOURNEY, INC.
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>AS RESTATED</u> <u>2019</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (40,611)	\$ 207,965
Adjustments to Reconcile Change in Net Assets to Net Cash Required by Operating Activities:		
Stock contributions	-	(8,258)
Contributions restricted for endowment	-	(125,664)
Amortization of discount on unconditional promises to give	(1,667)	-
Unrealized (gain) loss on investments	(6,716)	851
Change in assets and liabilities:		
Unconditional promises to give	15,000	(64,942)
Accounts receivable	-	2,443
Other assets	(2,375)	5,000
Accounts payable and accrued expenses	(4,392)	(61,755)
Grants payable	(524,460)	(26,399)
Refundable advances	19,116	44
Total adjustments	<u>(505,494)</u>	<u>(278,680)</u>
Net Cash Required by Operating Activities	<u>(546,105)</u>	<u>(70,715)</u>
Cash Flows from Investing Activities:		
Purchases of investments	(8,038)	(6,852)
Sales of investments	-	8,218
Net Cash Provided (Required) by Investing Activities	<u>(8,038)</u>	<u>1,366</u>
Cash Flows from Financing Activities:		
Cash contributions restricted for endowment	20,000	-
Net Cash Provided by Financing Activities	<u>20,000</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents and Restricted Cash	(534,143)	(69,349)
Cash and Cash Equivalents and Restricted Cash at Beginning of Year	<u>1,518,032</u>	<u>1,587,381</u>
Cash and Cash Equivalents and Restricted Cash at End of Year	<u>\$ 983,889</u>	<u>\$ 1,518,032</u>
Reconciliation of Cash and Cash Equivalents and Restricted Cash to Financial Statements:		
Cash and cash equivalents	\$ 963,889	\$ 1,518,032
Restricted cash	20,000	-
	<u>\$ 983,889</u>	<u>\$ 1,518,032</u>

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

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 – DESCRIPTION OF THE BUSINESS

It's The Journey, Inc. (the "Organization"), is a Georgia nonprofit corporation formed in November 2002. The Organization was founded for the purpose of conducting the Atlanta 2-Day Walk for Breast Cancer (the "Walk"), a two-day annual fundraising walk through metropolitan Atlanta, Georgia.

The Organization's mission is to support Georgians by raising money for breast health and breast cancer programs that focus on screening, diagnostics, genetic counseling and testing, support services, and research.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets accounting principles generally accepted in the United States of America ("GAAP").

Use of 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.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Restricted Cash

The Organization received a five-year contribution commitment agreement to establish an endowment, as presented in Note 5, in which \$20,000 was received during 2020, which is included in the cash account at December 31, 2020. In connection with this agreement, the Organization is to investment the endowment funds and therefore, has recorded restricted cash for this amount until the endowment account has been established.

Investments

Investments include certificates of deposits and corporate bonds held at a financial institution and are carried at market value.

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contribution Revenue and Contributions Receivable

Contributions, which include unconditional promises to give, are recognized as revenues in the period the contributions are received and reported at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Fair Values Measured on Recurring Basis

FASB establishes 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 or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs in which little or no market data exists (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, assets or liabilities;

Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Fair value for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Values Measured on Recurring Basis (Continued)

The table below represents fair value measurement hierarchy of the assets at fair value as of December 31:

	<u>2020</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Corporate bonds	\$ 214,809	\$ -	\$ 214,809	\$ -
Certificates of deposit	50,621	50,621	-	-
Cash	55,481	55,481	-	-
	<u>\$ 320,911</u>	<u>\$ 106,102</u>	<u>\$ 214,809</u>	<u>\$ -</u>
	<u>2019</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Corporate bonds	\$ 208,485	\$ -	\$ 208,485	\$ -
Certificates of deposit	90,230	90,230	-	-
Cash	7,442	7,442	-	-
	<u>\$ 306,157</u>	<u>\$ 97,672</u>	<u>\$ 208,485</u>	<u>\$ -</u>

Net Assets

The accompanying financial statements present “net assets”. Net assets, along with revenues, expenses, 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 and reported as follows:

- Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.
- Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity.

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risks and Uncertainties

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, receivables and investments. At times, cash and cash equivalent balances exceed federally insured amounts. The Organization believes it reduces risks associated with balances in excess of federal insured amounts by maintaining its cash with major financial institutions with sound financial standing. Management continually monitors receivable balances and believes that its exposure to credit risk is limited. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying financial statements.

The Organization experienced a disruption of normal operations caused from COVID-19 during 2020 and subsequent to year end. The overall financial impact cannot be determined through the date of this report; however, it is reasonably possible that changes in risks in the near term could occur which could result in a material change to the financial statements.

Refundable Advances

Certain funds received in advance for an upcoming Walk are considered refundable to the donor until the Walk occurs and as such, are reflected as refundable advances liabilities in the accompanying statement of financial position. Upon occurrence of each year's Walk, these amounts are recognized as revenue without restrictions. Refundable advances totaled \$79,046 and \$59,930 at December 31, 2020 and 2019, respectively.

Public Support, Revenue and Expenses

Contributions are recognized when made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to the Organization.

Registration fees are recognized at a point in time in which the Walk is held. Registration fees received prior to the year in which the Walk occurs are reflected as refundable advances.

The Organization reports gifts of property and equipment as without donor restrictions support unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long these assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Paycheck Protection Program Grant

In April 2020, the Organization obtained a Small Business Administration (“SBA”) loan under the Paycheck Protection Program (“PPP”) in the amount of \$65,500. The PPP loan bears interest at 1% and may require repayment under certain circumstances. Under the terms of the Coronavirus Aid, Relief, and Economic Securities Act (the “CARES Act”), the Organization may apply with the lending institution for PPP loan proceeds used within a specified time period to be forgiven, provided the proceeds are used to cover certain payroll and other expenses as outlined in the CARES Act.

As of December 31, 2020, the Organization has utilized all PPP funding on qualifying expenses and accordingly has recorded as a contribution within the statement of activities and changes in net assets for the full amount. The Organization received notification in April 2021 that the PPP loan proceeds were forgiven.

Subsequent to December 31, 2020, the Organization was approved by the SBA for round two of the Paycheck Protection Program in the amount of \$60,788.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Property and equipment are recorded at cost and are depreciated using straight line methods over their estimated useful lives. As of December 31, 2020 and 2019, all property and equipment has been fully depreciated.

Allocation of Functional Expenses

The costs of providing the various programs and other activities are summarized on a functional basis in the accompanying statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include hotel costs for walkers, food and beverage costs, advertising, and rent as well as salaries, benefits, payroll taxes, contract labor, professional fees, office expenses, and other, which are allocated on the basis of estimates of time and effort.

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Materials and Services

The Organization records contributed materials and services at the fair value of the materials and services received. Contributed materials and services include supplies, advertising, professional services, and property and equipment and are recorded at fair value as of the date of the gift. Contributions of services are recognized if the services create or enhance nonfinancial assets or if the services require specialized skills and would typically need to be purchased if not provided by donation. A significant portion of these amounts were medical supplies and services contributed by a healthcare provider, shown as fees for service on the accompanying statement of functional expenses. A significant portion of advertising shown on the accompanying statement of functional expenses was contributed by a media sponsor.

Donated marketable securities acquired as a gift are recorded at their fair market value on the date of receipt. Donated materials and services of \$144,744 were received and recorded during the year ended December 31, 2019. There were no donated materials or services received during the year ended December 31, 2020. Other contributed services have not been reflected in the accompanying financial statements as they do not meet the criteria for recognition in accordance with GAAP. Those services include individuals and companies which volunteered their time to perform a variety of tasks associated with the Walk.

Tax Exempt Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended, and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision or liability for federal and state income taxes has been recorded in the accompanying financial statements.

The Organization annually evaluates all federal and state income tax positions. This process includes an analysis of whether these income tax positions the Organization takes meet the definition of an uncertain tax position under the Income Taxes Topic of the Financial Accounting Standards Codification. In the normal course of business, the Organization is subject to examination by the federal and state taxing authorities. In general, the Organization is no longer subject to tax examinations for tax years ending before December 31, 2017.

**IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued.

NOTE 3 – UNCONDITIONAL PROMISES TO GIVE

Contributions, which include unconditional promises to give, are recognized as revenues in the period the contributions are received and reported at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Unconditional promises to give at December 31 are due as follows:

	<u>2020</u>	AS RESTATED <u>2019</u>
Amounts due in:		
Less than one year	\$ 35,000	\$ 25,000
One to five years	155,000	200,000
Less:		
Present value discount	<u>(32,727)</u>	<u>(34,394)</u>
	<u>\$ 157,273</u>	<u>\$ 190,606</u>

The Organization uses the allowance method to determine the uncollectible unconditional promises to give. At December 31, 2020 and 2019, no allowance for doubtful accounts is deemed necessary.

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 4 – GRANT AWARDS

Grant expenses are recorded when grants are awarded to recipients and grants awarded but unpaid at year end are reported as liabilities. Grants are paid out in two parts in order to ensure the funds are being used properly. If the grantee is not using the first payment of funds properly the Organization can deny payment of the second part of the grant which is written off against grant expense in the year it is denied. During 2020, the Organization awarded \$390,506 as irrevocable grants to be disbursed to recipients in 2020 and 2021 and wrote off the second part of two grant awards from 2019 totaling \$22,840. During 2019, the Organization awarded \$963,299 as irrevocable grants to be disbursed to recipients in 2019 and 2020 and wrote off the second part of four grant awards from 2018 totaling \$26,426.

The following is a reconciliation of grant awards and grant expense during years ended December 31:

	<u>2020</u>	<u>2019</u>
Grants awarded from current year Board commitment	\$ 390,506	\$ 963,299
Grants not awarded from prior year Board commitment	<u>(22,840)</u>	<u>(26,426)</u>
	<u>\$ 367,666</u>	<u>\$ 936,873</u>

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions for the following purposes or periods as of December 31:

	<u>2020</u>	<u>AS RESTATED 2019</u>
Subject to the passage of time:		
Walk contributions for future events	\$ -	\$ 91,917
Contributions	50,656	65,656
Endowments:		
Endowment cash	20,000	-
Endowment pledges	<u>106,616</u>	<u>125,664</u>
Total net assets with donor restrictions	<u>\$ 177,272</u>	<u>\$ 283,237</u>

**IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 6 – NET ASSETS RELEASE FROM DONOR RESTRICTIONS

Net assets released during 2020 and 2019 totaled \$106,917 and \$68,413, respectively, which were time-restricted for the 2020 and 2019 Walks, respectively.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Organization leases certain office space and equipment under non-cancelable operating leases. The following is a schedule of minimum future rental payments on non-cancelable operating leases for years ending December 31:

2021		\$ 30,348
2022		<u>23,436</u>
		<u>\$ 53,784</u>

Rent expense under non-cancelable operating leases was \$29,478 and \$25,747 for 2020 and 2019, respectively.

The Organization entered into two contracts with a hotel for the Walks to be held in September 2021 and September 2022. The contracts contain cancellation clauses whereby the Organization would be liable approximately \$100,000 per contract if the contracts were cancelled before the events.

NOTE 8 – LIQUIDITY AND AVAILABILITY OF RESOURCES

For purposes of analyzing resources available to meet general expenditures, the Organization considers financial assets that will be collected and available for programs that are ongoing to the Organization. Financial assets available within one year are as follows for December 31:

	<u>2020</u>	AS RESTATED <u>2019</u>
Cash and cash equivalents	\$ 963,889	\$ 1,518,032
Investments	320,911	306,157
Unconditional promises to give	<u>15,000</u>	<u>15,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,299,800</u>	<u>\$ 1,839,189</u>

IT'S THE JOURNEY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 8 – LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

The Organization is substantially supported by contributions and program service fees. Because donor restricted net assets are intended to be used within the next year, the Organization includes these funds in liquidity. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 9 – PRIOR PERIOD ADJUSTMENT

During 2020, an accounting matter was identified that led to required corrections of the previously issued financial statements. The line item that was affected by the correction was unconditional promises to give, which had a previously stated balance of zero and a restated balance of \$190,606. The net effect of the correction has increased net assets at December 31, 2019 by \$190,606 and net assets with donor restrictions was previously reported as \$91,917 and increased to \$283,237 as a result of the correction.