

STOP SOLDIER SUICIDE, INC.

FINANCIAL STATEMENTS

for the year ended December 31, 2022

STOP SOLDIER SUICIDE, INC.

INDEX TO FINANCIAL STATEMENTS

	<u>Page(s)</u>
Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 16



Langdon & Company ^{LLP}

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Stop Soldier Suicide, Inc.

Opinion

We have audited the accompanying financial statements of Stop Soldier Suicide, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 Stop Soldier Suicide, Inc. as of December 31, 2022, and the changes in 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Stop Soldier Suicide, Inc. 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.

Change in Accounting Principle

As described in Note 1 to the financial statements, Stop Soldier Suicide, Inc adopted ASU 2016-02, *Leases (Topic 842)* and ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. Our opinion is not modified with respect to these matters.

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 Stop Soldier Suicide, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 Stop Soldier Suicide, Inc.'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 Stop Soldier Suicide, Inc.'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 Stop Soldier Suicide, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 29, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Langston & Company LLP

Garner, North Carolina
June 7, 2023

STOP SOLDIER SUICIDE, INC.

STATEMENT OF FINANCIAL POSITION

as of December 31, 2022
with comparative totals as of December 31, 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Current assets:		
Cash and cash equivalents	\$ 7,898,299	\$ 9,009,507
Grants receivable	39,960	115,000
Promises to give, net	855,573	811,306
Other receivables	3,163,655	5,396
Prepaid expenses	508,217	134,889
Total current assets	<u>12,465,704</u>	<u>10,076,098</u>
Fixed assets:		
Furniture and equipment	12,612	12,612
Telephone system	2,649	2,649
Computer equipment and software	10,971	63,269
Leasehold improvements	11,281	11,281
	<u>37,513</u>	<u>89,811</u>
Less accumulated depreciation	<u>(22,499)</u>	<u>(15,986)</u>
	<u>15,014</u>	<u>73,825</u>
Operating leases right-of-use assets (Note 6)	235,151	-
Other assets, deposit	<u>10,198</u>	<u>6,797</u>
Total assets	<u>\$ 12,726,067</u>	<u>\$ 10,156,720</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 763,661	\$ 614,862
Accrued payroll liabilities	339,890	180,303
Deferred rent	-	5,614
Current portion of operating lease liabilities (Note 6)	133,024	-
Total current liabilities	<u>1,236,575</u>	<u>800,779</u>
Long-term liabilities:		
Deferred rent, net	-	12,888
Operating lease liabilities (Note 6), less current portion	104,282	-
Total long-term liabilities	<u>104,282</u>	<u>12,888</u>
Total liabilities	<u>1,340,857</u>	<u>813,667</u>
Net assets:		
Without donor restrictions:		
Undesignated	3,782,613	1,830,229
Board-designated - operating reserve fund	6,070,000	7,140,385
	<u>9,852,613</u>	<u>8,970,614</u>
With donor restrictions	<u>1,532,597</u>	<u>372,439</u>
Total net assets	<u>11,385,210</u>	<u>9,343,053</u>
Total liabilities and net assets	<u>\$ 12,726,067</u>	<u>\$ 10,156,720</u>

*The accompanying notes are an integral
part of the financial statements.*

STOP SOLDIER SUICIDE, INC.

STATEMENT OF ACTIVITIES

for the year ended December 31, 2022
with comparative totals for 2021

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue:				
Contributions and gifts	\$ 11,849,535	\$ 700,000	\$ 12,549,535	\$ 12,938,111
In-kind contributions	1,078,585	-	1,078,585	206,047
Mission Daybreak Challenge (Note 1)	3,250,000	-	3,250,000	-
Government grants	-	18,806	18,806	-
Private grants	333,000	1,100,000	1,433,000	485,275
Interest income	39,681	-	39,681	12,182
Gain on extinguishment of debt (Paycheck Protection Program)	-	-	-	233,200
Other income	7,655	-	7,655	881
	<u>16,558,456</u>	<u>1,818,806</u>	<u>18,377,262</u>	<u>13,875,696</u>
Net assets released from restrictions	<u>658,648</u>	<u>(658,648)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>17,217,104</u>	<u>1,160,158</u>	<u>18,377,262</u>	<u>13,875,696</u>
Expenses:				
Program services	11,089,758	-	11,089,758	5,480,863
Supporting services:				
Management & general	885,338	-	885,338	535,430
Fundraising	4,360,009	-	4,360,009	2,492,900
Total supporting services	<u>5,245,347</u>	<u>-</u>	<u>5,245,347</u>	<u>3,028,330</u>
Total expenses	<u>16,335,105</u>	<u>-</u>	<u>16,335,105</u>	<u>8,509,193</u>
Change in net assets	881,999	1,160,158	2,042,157	5,366,503
Net assets at beginning of year	<u>8,970,614</u>	<u>372,439</u>	<u>9,343,053</u>	<u>3,976,550</u>
Net assets at end of year	<u>\$ 9,852,613</u>	<u>\$ 1,532,597</u>	<u>\$ 11,385,210</u>	<u>\$ 9,343,053</u>

*The accompanying notes are an integral
part of the financial statements.*

STOP SOLDIER SUICIDE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

**for the year ended December 31, 2022
with comparative totals for December 31, 2021**

	2022						2021	
	Program Services			Supporting Services				
	Wellness Center Operations	Education and Awareness	Total Program Services	Management and General	Fundraising	Total Supporting Services	Grand Total	Grand Total
Salaries, benefits, & taxes	\$ 4,718,577	\$ 211,588	\$ 4,930,165	\$ 381,059	\$ 937,748	\$ 1,318,807	\$ 6,248,972	\$ 3,238,693
Outside consultants	2,178,668	14,925	2,193,593	136,809	393,887	530,696	2,724,289	1,290,407
In-kind outside consultants	-	65,795	65,795	-	20,000	20,000	85,795	21,913
Professional fees	45,533	3,791	49,324	87,712	181	87,893	137,217	103,136
Marketing & promotion	-	-	-	26,118	2,675,814	2,701,932	2,701,932	1,651,565
In-kind Google & Facebook services for client outreach	148,934	676,450	825,384	2,407	165,000	167,407	992,791	184,133
Online community management	754,999	1,633,013	2,388,012	-	-	-	2,388,012	1,547,107
Emergency assistance	4,588	33	4,621	-	-	-	4,621	670
Travel & meetings	54,061	7,396	61,457	47,272	24,101	71,373	132,830	46,302
Building rental & maintenance	65,058	2,744	67,802	16,813	13,268	30,081	97,883	82,943
Telephone & internet	34,912	1,170	36,082	1,702	5,062	6,764	42,846	27,248
Services fees	2,000	-	2,000	26,576	49,716	76,292	78,292	42,385
Insurance	8,694	390	9,084	702	1,728	2,430	11,514	6,405
Office supplies & expense	29,442	2,230	31,672	37,062	9,632	46,694	78,366	38,303
Technology & website	272,451	1,552	274,003	91,196	49,059	140,255	414,258	151,964
Noncapitalizable furniture & computer hardware	102,444	450	102,894	22,064	5,978	28,042	130,936	16,677
Equipment leases	40,347	1,715	42,062	3,165	7,858	11,023	53,085	47,902
Depreciation & amortization	4,918	221	5,139	397	977	1,374	6,513	6,423
Miscellaneous	669	-	669	4,284	-	4,284	4,953	5,017
Total expenses	<u>\$ 8,466,295</u>	<u>\$ 2,623,463</u>	<u>\$ 11,089,758</u>	<u>\$ 885,338</u>	<u>\$ 4,360,009</u>	<u>\$ 5,245,347</u>	<u>\$ 16,335,105</u>	<u>\$ 8,509,193</u>

*The accompanying notes are an integral
part of the financial statements.*

STOP SOLDIER SUICIDE, INC.

STATEMENT OF CASH FLOWS

for the year ended December 31, 2022
with comparative totals for December 31, 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Cash received from contributions, grants, and gifts	\$ 14,123,854	\$ 12,937,219
Cash received from other	7,655	881
Cash paid to employees, contractors and suppliers	(15,334,696)	(7,864,663)
Interest received	39,681	12,182
Net cash (used in) provided by operating activities	<u>(1,163,506)</u>	<u>5,085,619</u>
Cash flows provided by (used in) investing activities, purchase of fixed assets	<u>52,298</u>	<u>(57,512)</u>
Net increase in cash	(1,111,208)	5,028,107
Cash at beginning of year	<u>9,009,507</u>	<u>3,981,400</u>
Cash at end of year	<u>\$ 7,898,299</u>	<u>\$ 9,009,507</u>
Non-cash financing activities, PPP forgiveness	<u>\$ -</u>	<u>\$ 233,200</u>

*The accompanying notes are an integral
part of the financial statements.*

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Stop Soldier Suicide, Inc. (the "Organization"), a not-for-profit organization, was incorporated in New York State on October 19, 2010. The Organization's mission is to reduce the military suicide rate using enhanced data insights, focused client acquisition, and suicide-specific intervention services. The Organization has the appropriate resources available, through in-house clinical care and a network of mental health professionals and partner organizations, to provide service members the proper care and assistance that they need. The Organization's major programs include the following:

Wellness Center Operations – The Wellness Center forms the core of our programming. The Wellness Center provides immediate connection to veterans and service members in all 50 states and Washington, D.C., through a 24/7 call center, intakes with clinically trained Wellness Coordinators, and connection to our team of Resource, Referral and Benefits Coordinators. In states with a licensed Stop Soldier Suicide clinician on staff, we provide suicide-specific clinical care, delivered via telehealth. In 2022, we delivered more than 17,500 hours of care to over 1,400 clients, 97 percent of whom achieve reduced or stable suicide risk. Last year we invested \$1.8 million into our burgeoning Suicide Intelligence initiatives, notably our award-winning Black Box Project, which forensically analyzes suicide decedents' digital devices to uncover novel insights into the final moments of life.

Education and Awareness – Through a strategic approach to education and thought leadership, we shine a spotlight on the complexity and severity of the military suicide problem by educating key partners, potential clients, military families and allies, and the U.S. public at large. Through various initiatives, we seek to educate those constituents on a wide range of topics, including key facts about military suicide, drivers or root causes of suicide, safe suicide prevention strategies, and more. In 2022, as part of an education-specific partnership with Meta, our educational content reached 48 million people, more than 22 percent of the U.S. adult population.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash accounts with financial institutions which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

Fixed Assets

Fixed assets are recorded at cost if purchased or at estimated fair value at the date of the gift, if donated, less accumulated depreciation. Maintenance and repairs are expensed as incurred. Gains or losses on dispositions are included in the statement of activities. Fixed assets are capitalized and depreciated if the life is expected to be greater than one year and if the cost exceeds \$5,000. Assets are depreciated using a straight-line method over the estimated useful lives, which is 5 years.

Included in computer equipment & software on the accompanying statement of financial position is approximately \$57,697 of assets purchased not yet placed in service for the year ended December 31, 2021.

Paycheck Protection Program (“PPP”)

Funds were received pursuant to PPP under Division A, Title I of the CARES Act, enacted March 27, 2020. Under the terms of the PPP, the Organization initially recognized the funds as debt. The loan was forgiven, and the Organization was legally released in April 2021. The Organization recognized a gain on extinguishment of debt in the amount of \$233,200 in the accompanying statement of activities for the year ended December 31, 2021.

Advertising

Advertising costs, which consist primarily of digital ads on various social media platforms, are expensed as incurred. Advertising costs amounted to \$5,089,944 and \$3,198,672 for the years ended December 31, 2022 and 2021, respectively.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets 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. As discussed in Note 8, the governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

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 resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Estimates

The presentation 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, the 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 estimates.

Revenue Recognition

Contributions, gifts, and private grants received are recorded as revenue with donor restrictions or revenue without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give – that is, those with a measurable performance or other barrier and right of return - are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give due in subsequent years are recorded at the present value of their net realizable value using a risk adjusted discount rate.

The Organization received funding through a grantor for the year ended December 31, 2022, which was conditioned upon the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract and grant provisions. As of December 31, 2022 and 2021, the Organization's grant commitments that are conditioned upon incurring allowable expenditures in the agreement are approximately \$106,193 and \$0, respectively.

The Organization received Phase 1 and Phase 2 prizes totaling \$3,250,000 and included on the Statement of Activities, through participation in the Mission Daybreak Challenge, a prize competition sponsored by the U.S Department of Veterans Affairs under the authority of the America COMPETES Act. Included in other receivables as of December 31, 2022 is \$3,000,000 for the Organization's Phase 2 portion of this prize.

Grants receivable and promises to give consist of unconditional promises to give and are stated at unpaid balances, less an allowance for doubtful accounts. All are expected to be collected; thus, no allowance for doubtful accounts is necessary. Approximately 55% and 65% of grants receivable as of December 31, 2022 and 2021, respectively, was from one grantor. Approximately 85% and 51% of promises to give as of December 31, 2022 and 2021, respectively, was due from one contributor.

When a restriction expires, such as 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 statements of activities as net assets released from restrictions.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

During 2022, the Organization adopted Accounting Standards Update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The adoption of this standard related to the Organization's in-kind contributions in the accompanying statement of activities. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization presents contributed nonfinancial assets on the statement of activities. The contributed nonfinancial asset disclosures have been enhanced in accordance with this standard.

The Organization received the following in-kind contributions for the year ended December 31:

	2022	2021
Donated Services	\$ 85,794	\$ 21,913
Donated Advertising	992,791	184,134
	<u>\$ 1,078,585</u>	<u>\$ 206,047</u>

All contributed nonfinancial assets are utilized by the Organization. There are no restrictions for contributed nonfinancial assets.

Certain individuals volunteer their time and perform a variety of tasks that assist the Organization with its programs, campaign solicitations, and various other assignments. These services are significant and form an integral part of the efforts of the Organization. The Organization does not control the activities of the volunteers as it would paid employees and there is no clearly measurable basis for an amount of contributed services to be recorded. Therefore, the Organization does not record the amount of volunteer services rendered as contributions and a corresponding amount as expense.

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with the guidance under the lease standard in effect during that period.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

For transition, the Organization has elected to adopt the package of practical expedients, which includes not to reassess: 1) whether any expired or existing contracts are or contain leases available in the year of adoption, 2) the lease classification for any expired or existing leases 3) initial direct costs on any existing leases, as well as the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

The Organization determines if an arrangement is a lease at inception. Operating leases are included in Operating right-of-use asset and Operating lease liability in the statement of financial position.

Right-of-use asset represents the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities. In addition, the Organization has elected not to separate non-lease components from lease components and instead accounts for each separate lease component and the non-lease component as a single lease component.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The Organization directly codes certain expenses that are identifiable with a specific function. Other expenses are allocated to functions on the basis of estimates of time and effort and include the following: salaries, benefits, and taxes, building rental and maintenance, telephone and internet, depreciation and amortization, insurance, and equipment lease.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

1. **OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation.

The Organization evaluates any uncertain tax positions. Accordingly, the Organization's policy is to record a liability for any tax positions taken that is beneficial to the Organization, including any related interest and penalties, when it is more likely than not the position of management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Management does not believe any significant income tax uncertainties exist as of December 31, 2022 and 2021.

Comparative Totals

The 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Reclassifications

Certain items included in the 2021 financial statements have been reclassified to conform to the 2022 presentation. Change in net assets of the Organization previously reported for 2021 was not affected by these reclassifications.

2. **LIQUIDITY AND AVAILABILITY**

The Organization primarily receives contributions, grants, and gifts without donor restrictions. 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. The Organization invests cash in excess of daily requirements into a money market account. In accordance with the Organization's policies, the board has also designated \$6,070,000 and \$7,140,385 to an operating reserve fund in 2022 and 2021, respectively. This fund may be drawn upon in the event of an immediate liquidity need if the governing board approves this action.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

2. LIQUIDITY AND AVAILABILITY (Continued)

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions or board-designations, within one year of the statement of financial position date.

Financial assets at year-end:	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 7,898,299	\$9,009,507
Other receivables	3,163,655	5,396
Grants receivable	39,960	115,000
Promises to give, net	855,573	811,306
	<u>11,957,487</u>	<u>9,941,209</u>
Less amounts not available to be used within one year, due to:		
Donor-restricted for purpose	1,532,597	372,439
Board-designated - operating reserve fund	6,070,000	7,140,385
	<u>7,602,597</u>	<u>7,512,824</u>
Financial assets available to meet general expenditures within one year	<u>\$ 4,354,890</u>	<u>\$2,428,385</u>

3. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2022 and 2021, net assets with donor restrictions were available for the following purposes:

	<u>2022</u>	<u>2021</u>
Restricted for purpose:		
Black Box project	\$ 225,000	\$ 100,000
Suicide prevention among Colorado Springs veterans	30,000	35,000
Suicide prevention among South Carolina veterans	104,167	58,333
Suicide prevention among Delaware veterans	62,500	125,000
Suicide prevention among New York City veterans	60,930	54,106
Roger Project	550,000	-
Hire a new Wellness Center team (manager and 5 wellness coordinators)	500,000	-
	<u>\$ 1,532,597</u>	<u>\$ 372,439</u>

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

3. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets were released from donor restriction by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specific purpose:		
Suicide prevention among Colorado Springs veterans	45,000	15,000
Suicide prevention among South Carolina veterans	79,167	41,667
Suicide prevention among Delaware veterans	62,500	25,000
Suicide prevention among New York City veterans	103,175	119,729
Implementation of Veteran Firearm Safety Team and related trainings in specific North Carolina counties	18,806	-
Facebook Challenges	250,000	
Black Box project	100,000	-
	<u>\$ 658,648</u>	<u>\$ 201,396</u>

4. CONCENTRATIONS

One of the Organization's primary sources of funding is through Facebook fundraisers (approximately 51% and 77% of total public support and revenue for the years ended December 31, 2022 and 2021, respectively). In addition to internal resources, the Organization invests significant resources with outside consultants (approximately \$2,675,814 and \$1,624,101 for the years ended December 31, 2022 and 2021, respectively) to accelerate and advance the capabilities of the internal team. This includes advertising strategy, advertising placement, analytics and insights, creative services, marketing content creation and placement, and online community management across digital channels.

5. RETIREMENT PLAN

In 2020, the Organization introduced a Simple IRA plan for employees. Eligible employees may elect to defer a percentage of their gross salary to the plan with the Organization matching dollar-for-dollar up to 3% of each employee's compensation. Total employer contributions for the years ended December 31, 2022 and 2021 were \$28,150 and \$26,149, respectively.

6. OPERATING LEASES

The Organization leases office space under an operating lease with escalating rent clauses with a term ending in May 2024, with an extension option of one additional period of five years. As the renewal of the lease is not reasonably certain, the renewal options were not used in the determination of the ROU assets or operating lease liabilities. In September 2022, the Organization began leasing another smaller space at the same location with escalating rent clauses and a term ending in August 2025. The Organization began subleasing the larger space in December 2022 at a rate of \$7,521/month with escalating rent annually and a term expiring in June 2024. Rent expense charged to operations in connection with the existing lease agreements amounted to \$86,538 and \$82,943 for the years ended December 31, 2022 and 2021, respectively.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

6. OPERATING LEASES (Continued)

The Organization also leases certain office equipment with lease terms expiring in 2023. Total lease expense paid for these leases totaled \$53,085 and \$47,902 for the years ended December 31, 2022 and 2021, respectively.

Additional information about the Organization's leases is as follows:

<u>Lease Cost</u>	<u>2022</u>
Operating lease cost, included in building rental & maintenance on the statement of functional expenses	\$94,688

Other Information

Cash paid for amounts included in measuring operating lease liabilities:	
Operating cash flows from operating leases	92,533
Right-of-use assets obtained in exchange for new operating lease liabilities	327,186
Weighted average remaining lease term	1.9 years
Weighted average discount rate	2.44%

Future minimum lease payments are as follows:

<u>Year ending December 31,</u>	
2023	\$ 133,024
2024	81,855
2025	28,864
Total lease payments	243,743
Less interest	6,437
Present value of lease liabilities	<u>\$ 237,306</u>

7. RELATED PARTY TRANSACTIONS

The Organization has a contract for marketing/promotion services with a company owned by one board member. Amounts paid during the years ended December 31, 2022 and 2021 were \$729,338 and \$351,512, respectively. Amounts due to this company as of December 31, 2022 and 2021 were \$68,424 and \$56,670, respectively.

STOP SOLDIER SUICIDE, INC.

NOTES TO FINANCIAL STATEMENTS

8. GOVERNING BOARD DESIGNATIONS

In September 2020, the Board of Directors voted to approve a financial goal of maintaining a reserve fund equal to eight months of the prior year's baseline and essential expenses. At December 31, 2022 and 2021, the reserve funds amounted to \$6,070,000 and \$7,140,385, respectively.

9. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events June 7, 2023, the date which the financial statements were available for issue.