

**A Better Balance  
(a Not - for - Profit Corporation)  
Financial Statements  
June 30, 2019**

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Financial Statements**  
**June 30, 2019**

Index

<b>Independent Auditor's Report</b>	1
<b>Financial Statements</b>	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
<b>Notes to Financial Statements</b>	6 - 12

## Independent Auditor's Report

To the Board of Directors of  
A Better Balance (a Not - for - Profit Corporation)

I have audited the accompanying financial statements of A Better Balance (a Not - for - Profit Corporation), which comprise the Statement of Financial Position as of June 30, 2019, and the related Statements of Activities, Functional Expenses and Cash Flows for the year 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.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 entity'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 entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of A Better Balance (a Not - for - Profit Corporation) as of June 30, 2019, 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.

### **Report on Summarized Comparative Information**

I have previously audited the A Better Balance (a Not - for - Profit Corporation) 2018 financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated November 9, 2018. In my opinion, the summarized comparative information presented herein, as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

November 4, 2019

 CPA PLLC

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Statement of Financial Position**  
**June 30, 2019**  
**(With Summarized Financial Information for 2018)**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Current Assets		
Cash	\$ 1,049,410	\$ 1,274,511
Investments	250,187	-
Prepaid expenses	25,851	42,277
Grants and contributions receivable - current portion	648,334	90,000
Total Current Assets	<u>1,973,782</u>	<u>1,406,788</u>
Other Assets		
Security deposit	26,400	26,400
Grants and contributions receivable	795,000	135,000
Total Other Assets	<u>821,400</u>	<u>161,400</u>
Total Assets	<u>\$ 2,795,182</u>	<u>\$ 1,568,188</u>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable	\$ 11,688	\$ 10,322
Accrued expenses	94,352	80,709
Total Current Liabilities	<u>106,040</u>	<u>91,031</u>
Net Assets		
Without Donor Restrictions	420,496	511,750
With Donor Restrictions	2,268,646	965,407
Total Net Assets	<u>2,689,142</u>	<u>1,477,157</u>
Total Liabilities and Net Assets	<u>\$ 2,795,182</u>	<u>\$ 1,568,188</u>

See independent auditor's report and accompanying notes to the financial statements.

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Statement of Activities**  
**For the Year Ended June 30, 2019**  
**(With Summarized Financial Information for 2018)**

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2019</u>	<u>2018</u>
<b>Support and Revenue</b>				
Foundation grants	\$ -	\$ 2,937,500	\$ 2,937,500	\$ 1,540,500
Fellowship	-	85,000	85,000	108,813
Contributions - individual, board and corporation	92,161	-	92,161	191,851
Contributed services - advertising	-	-	-	52,494
Special events income	197,381	-	197,381	5,280
Program service income	43,576	-	43,576	60,290
Less: Direct costs of special events	(37,808)	-	(37,808)	(11,598)
	<u>295,310</u>	<u>3,022,500</u>	<u>3,317,810</u>	<u>1,947,630</u>
Net assets released from restrictions:				
Satisfaction of program and time restrictions	1,719,261	(1,719,261)	-	-
Total Support and Revenue	<u>2,014,571</u>	<u>1,303,239</u>	<u>3,317,810</u>	<u>1,947,630</u>
<b>Expenses</b>				
Program services	<u>1,799,210</u>	<u>-</u>	<u>1,799,210</u>	<u>1,336,179</u>
Supporting services:				
General and administrative	92,560	-	92,560	80,988
Fund-raising	214,055	-	214,055	114,268
Total Supporting services	<u>306,615</u>	<u>-</u>	<u>306,615</u>	<u>195,256</u>
Total Expenses	<u>2,105,825</u>	<u>-</u>	<u>2,105,825</u>	<u>1,531,435</u>
Change in Net Assets	(91,254)	1,303,239	1,211,985	416,195
Beginning Net Assets	511,750	965,407	1,477,157	1,060,962
Ending Net Assets	<u>\$ 420,496</u>	<u>\$ 2,268,646</u>	<u>\$ 2,689,142</u>	<u>\$ 1,477,157</u>

See independent auditor's report and accompanying notes to the financial statements.

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2019**  
**(With Summarized Financial Information for 2018)**

	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 1,211,985	\$ 416,195
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Grants and contributions receivable	(1,218,334)	193,894
Prepaid expenses	16,426	(25,007)
Security Deposit	-	(9,420)
Increase in operating liabilities:		
Accounts payable and accrued expenses	15,009	28,731
Net cash provided by operating activities	<u>25,086</u>	<u>604,393</u>
<b>Cash Flows from Investing Activities</b>		
Sales of marketable securities, net		-
Purchases of marketable securities, net	(250,187)	-
Net cash used in investing activities	<u>(250,187)</u>	<u>-</u>
Increase(Decrease) in Cash	(225,101)	604,393
Beginning Cash	1,274,511	670,118
Ending Cash	<u>\$ 1,049,410</u>	<u>\$ 1,274,511</u>

See independent auditor's report and accompanying notes to the financial statements.



A Better Balance  
(a Not - for - Profit Corporation)  
Statement of Functional Expenses  
Year Ended June 30, 2019  
(With Summarized Financial Information for 2018)

	Program Services	Supporting Services			Total	2018
		General and Administrative	Fund-Raising	Direct Costs of Special Events	2019	
Salaries and wages	\$ 1,120,073	\$ 36,437	\$ 108,680	\$ -	\$ 1,265,190	\$ 902,561
Payroll taxes and employee benefits	180,770	5,881	17,540	-	204,191	133,668
Rent	153,560	19,687	23,625	-	196,872	143,929
Outside contract services	80,009	-	20,002	-	100,011	59,285
Professional fees	78,235	9,779	9,779	-	97,794	57,400
Publicity and public relations	40,860	5,108	5,108	-	51,075	86,890
Travel and meals	36,754	4,594	4,594	-	45,942	27,587
Venue and catering	-	-	-	37,808	37,808	11,598
Office and other expenses	28,172	3,522	3,522	-	35,215	27,107
Telephone	20,591	2,575	2,574	-	25,739	17,507
Printing	20,289	2,536	2,536	-	25,361	21,708
Meetings	20,372	-	-	-	20,372	27,597
Website	13,636	1,705	1,705	-	17,045	11,287
Grantwriting services	-	-	8,364	-	8,364	7,500
Fundraising expenses	-	-	5,291	-	5,291	2,567
Insurance	3,442	430	430	-	4,302	3,844
Postage and delivery	2,448	306	306	-	3,060	998
	1,799,210	92,560	214,055	37,808	2,143,632	1,543,033
Less: Direct cost of special events deducted from income on Statement of Activities	-	-	-	(37,808)	(37,808)	(11,598)
Total Expenses	\$ 1,799,210	\$ 92,560	\$ 214,055	\$ -	\$ 2,105,825	\$ 1,531,435

Less: Direct cost of special events deducted from income on Statement of Activities

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 1 - Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities

A Better Balance (a Not - for - Profit Corporation) (the Organization), is a 501(c)(3) Not - for - Profit organization that promotes equality and expands choice for men and women at all income levels so they may care for their families without sacrificing their economic security. The Organization employs a range of legal strategies to promote flexible workplace policies, end discrimination against caregivers and value the work of caring for families.

A Better Balance (a Not - for - Profit Corporation) was incorporated in the State of New York in 2005.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Financial Statement Presentation

Design Trust reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and donor restricted net assets.

Net assets without donor restrictions represent revenues and expenses related to the operations and management of the Organization's primary programs and supporting services. If funds are raised and set aside by the Board for future use, these are considered without donor restrictions. Donor restricted contributions that are expended for their restricted purpose in the same reporting period as received may be recorded as without donor restrictions.

Net assets with donor restrictions represent resources available for use, but expendable only for the time and/or purpose specifically stated by the donor. June 30, 2019, there was \$2,268,646 of net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various program and other activities have been summarized on a functional basis in the statement of activities. Certain expenses have been allocated based on estimates made by management such as time spent, quantities of items consumed, and the proportion of physical space used.

Cash

Cash consists of demand deposit accounts held at major financial institutions and may at times exceed the insurable amount. Management believes it mitigates its risk by investing in a major financial institution and in funds that are currently U.S. federal government insured. Recoverability of investments is dependent upon the performance of the issuer.



**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 1 - (Continued)**

Investments

Investments are recorded at fair value. Investments, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in the Organization's financial statements.

Revenue Recognition

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and / or nature of any restrictions the donor has placed on the contributions.

Income is recognized on an accrual basis when earned.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the same reporting period in which the contributions are recognized. All other donor restricted contributions are reported as increases in donor restricted net assets. When a restriction expires donor restricted net assets are reclassified to net assets without donor restrictions.

Grants and Contributions Receivable

Unconditional promises to give are recognized in the period received both as revenues or gains and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants and contributions receivable are stated at the amount management expects to collect. Management provides for probable uncollectible amounts through adjustments to valuation allowances based on its assessment of the current status of individual receivables. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. For the year ended June 30, 2019, the allowance for doubtful accounts was \$0.

Contributions receivable are expected to be collected as follows:

Less than one year	\$ 648,334
One to five years	795,000
More than five years	-
Total	<u>\$ 1,443,334</u>
 Total	 \$ 1,443,334
Less: non – current portion	<u>795,000</u>
Current portion of pledges and grants receivable	<u>\$ 648,334</u>

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 1 - (Continued)**

Income Taxes

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been provided for the accompanying financial statement.

Concentrations

Approximately 63% of contributions were provided by two organizations during year ended June 30, 2019.

Approximately 78% of pledges and grants receivable were due from two organizations on June 30, 2019.

Donated Services

Donated services are recognized as contributions if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provide various services that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 4, 2019, the date the financial statements were available to be issued.

**Note 2- Employee benefits**

Effective October 2010, the Board of Directors of the Organization adopted a 403(b) retirement plan. In accordance with the plan, employees can defer a percentage of their income. Matches of eligible contributions are made at the discretion of the Organization. The Organization has elected not to make any matching contributions to the plan for the year ended June 30, 2019.

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 3 – Commitments**

License

The Organization licenses its premises on a yearly basis. On June 1, 2019, the Organization entered into one year license agreement.

Future minimum license agreement payments under the agreement are as follows:

Year ending June 30, 2020	<u>\$ 169,103</u>
---------------------------	-------------------

Lease

The Organization entered into a lease agreement for a term that commenced on June 1, 2018 and expires on August 31, 2020.

Future minimum lease payments under the lease are as follows:

Year ending June 30, 2020	\$ 13,598
June 30, 2021	<u>2,277</u>
	<u>\$ 15,875</u>

Total rent expense under these two arrangements was \$196,872 for the year ended June 30, 2019.

**Note 4 - Investments**

The Organization's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by accounting principles generally accepted in the United States of America.

**Level 1** assets have observable market prices.

**Level 2** assets do not have observable prices, but have inputs that are based on observable prices.

**Level 3** assets have inputs that do not have observable prices.

Investments consist of the following at market value as of December 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short Term US Government Fund	\$199,755	\$ -	\$ -	\$199,755
Short Term Strategic Income Fund	50,432	-	-	50,432
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$250,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$250,187</u>

**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 4 – Net Assets with Donor Restrictions**

Net assets with donor restrictions by revenue source and changes therein for the year ended June 30, 2019 were as follows:

	Balance June 30, 2018	Additions	Releases from Restrictions	Balance June 30, 2019
<b><u>Restricted as to purpose:</u></b>				
Work with the Local Solutions Support Center	\$ -	\$ 172,500	\$ 93,438	\$ 79,062
Fellowship	-	45,000	37,500	7,500
Staff Salaries	270,000	-	90,000	180,000
Fellowship / Stipend	7,500	-	7,500	-
Fellowship / staff salary	11,470	-	11,470	-
Paid family leave	-	90,000	67,500	22,500
Paid sick time, paid family leave, and other family - friendly efforts	17,500	-	17,500	-
Preemption work with local solutions support center	82,500	-	82,500	-
Fellowship	-	40,000	32,500	7,500
Legal support for paid sick days and paid family and medical leave	-	50,000	50,000	-
<b><u>Restricted as to time:</u></b>				
March 1, 2019 to March 1, 2024	-	1,000,000	66,667	933,333
January 1, 2018 to December 31, 2019	50,000	-	50,000	-
January 1, 2019 to December 31, 2019	62,500	-	62,500	-
January 1, 2016 to January 1, 2019	50,000	-	50,000	-

See independent auditor's report.



**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 4 - (Continued)**

June 8, 2019 to May 1, 2020	166,667	200,000	200,000	166,667
April 1, 2019 to January 1, 2020	-	775,000	322,916	452,084
January 1, 2019 to December 31, 2020	-	300,000	75,000	225,000
September 1, 2018 to January 1, 2019	75,000	-	75,000	-

**Restricted as to purpose  
and time:**

Collaboration with OUR Walmart January 1, 2019 to December 31, 2019	150,000	-	150,000	-
Institutional Capacity Building April 1, 2019 to January 1, 2020	-	300,000	125,000	175,000
Communications Strengthening September 17, 2018 to December 1, 2019	-	50,000	30,000	20,000
LGBTQ / Work - Family Project0 May 2, 2016 to May 1, 2019	22,270	-	22,270	-
	<u>\$965,407</u>	<u>\$ 3,022,500</u>	<u>\$ 1,719,261</u>	<u>\$ 2,268,646</u>

**Note 5 – Liquidity and Availability of Financial Assets**

The Organization's working capital and cash flows have seasonal variations during the year attributable to the timing of program and fundraising activities. Monthly cash outflows vary each year based on the specific requirements of the program activities. To manage liquidity the Organization budgets cash flow and conducts fundraising and program activities that are timed according to expected requirements.



**A Better Balance**  
**(a Not - for - Profit Corporation)**  
**Notes to Financial Statements**  
**June 30, 2019**

**Note 5 – Liquidity and Availability of Financial Assets (continued)**

The following reflects the Organization's financial assets as of the balance sheet date:

Cash	\$ 1,049,410
Investments	250,187
Prepaid expenses	25,851
Grants and contributions receivable	<u>1,443,334</u>
Total Financial assets	2,768,782
 Receivables scheduled to be collected in more than one year	 <u>(795,000)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u><u>\$ 1,973,782</u></u>