

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Financial Statements
and Independent Auditor's Report**

December 31, 2018 and 2017

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

Index

	<u>Page</u>
Independent Auditor's Report	2
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

Independent Auditor's Report

To the Board of Directors
Christopher Coffland Memorial Fund, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the Christopher Coffland Memorial Fund, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2018, 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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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, 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 Christopher Coffland Memorial Fund, Inc. as of December 31, 2018, 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.

Prior Period Financial Statements

The financial statements of Christopher Coffland Memorial Fund, Inc. as of December 31, 2017, were audited by other auditors whose report dated November 7, 2018, expressed an unmodified opinion on those statements.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Organization adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended December 31, 2018. The requirements of the ASU have been applied retrospectively to all periods presented except the disclosure of liquidity and availability of resources as permitted by the standard.

CohnReznick LLP

Baltimore, Maryland
December 18, 2019

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Statements of Financial Position
December 31, 2018 and 2017**

<u>Assets</u>		
	2018	2017
Current assets		
Cash	\$ 228,384	247,854
Unconditional promises to give	5,000	5,000
Prepaid expenses	5,857	11,802
Total current assets	239,241	264,656
Property and equipment		
Furniture, fixtures and equipment	9,602	9,187
Website	6,507	6,507
Software	21,619	21,619
Less: accumulated depreciation	(16,346)	(8,131)
	21,382	29,182
Total assets	\$ 260,623	\$ 293,838
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 38,091	\$ 7,363
Credit cards payable	88,181	95,061
Grants payable (Note 3)	4,635	59,323
Total liabilities	130,907	161,747
Net assets		
Without donor restrictions	129,716	127,091
With donor restrictions	-	5,000
Total net assets	129,716	132,091
Total liabilities and net assets	\$ 260,623	\$ 293,838

See Notes to Financial Statements.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Statements of Activities
Years Ended December 31, 2018 and 2017**

	2018			2017		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and revenue						
Grants and donations	\$ 300,039	\$ -	\$ 300,039	\$ 289,053	\$ -	\$ 289,053
Grants and donations generated at special events	761,482	-	761,482	678,850	-	678,850
Gross revenue from special events (excluding related donations)	170,356	-	170,356	162,096	-	162,096
Less: direct expenses for special events	(228,041)	-	(228,041)	(184,125)	-	(184,125)
In-kind contributions (Note 1)	42,333	-	42,333	43,253	-	43,253
Merchandise sales	4,956	-	4,956	6,256	-	6,256
Miscellaneous income	1,976	-	1,976	-	-	-
Interest income	50	-	50	93	-	93
Net assets released from restrictions:						
Satisfaction of time restrictions	5,000	(5,000)	-	60,291	(60,291)	-
Total support and revenue	1,058,151	(5,000)	1,053,151	1,055,767	(60,291)	995,476
Expenses						
Program services	903,823	-	903,823	887,489	-	887,489
Management and general	62,957	-	62,957	62,204	-	62,204
Fundraising	88,746	-	88,746	86,269	-	86,269
Total expenses	1,055,526	-	1,055,526	1,035,962	-	1,035,962
Change in net assets	2,625	(5,000)	(2,375)	19,805	(60,291)	(40,486)
Net assets, beginning of year	127,091	5,000	132,091	107,286	65,291	172,577
Net assets, end of year	\$ 129,716	\$ -	\$ 129,716	\$ 127,091	\$ 5,000	\$ 132,091

See Notes to Financial Statements.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Statement of Functional Expenses
Year Ended December 31, 2018**

	Program services	Management and general	Fundraising	Total
Bank and credit card fees	\$ -	\$ 15,100	\$ -	\$ 15,100
Depreciation	6,622	438	1,155	8,215
Dues and subscriptions	-	1,206	-	1,206
Gifts	17,476	-	-	17,476
Grants - gym memberships and equipment	360,175	-	-	360,175
Grants - other program expenses	141,013	-	-	141,013
Information technology	4,503	298	785	5,586
Insurance	-	8,509	-	8,509
Interest	-	2,345	-	2,345
Marketing	-	-	(1,487)	(1,487)
Miscellaneous	1,369	90	239	1,698
Office	8,591	569	1,498	10,658
Professional services	-	13,000	5,750	18,750
Promotional materials	-	-	26,735	26,735
Rent expense	7,182	475	1,253	8,910
Salaries - officer	60,554	8,074	12,110	80,738
Salaries - other	196,303	8,923	32,717	237,943
Shipping	1,411	2,336	-	3,747
Taxes - payroll	20,404	1,348	3,561	25,313
Telephone and web hosting	3,723	246	650	4,619
Travel and meetings	22,385	-	3,780	26,165
Veteran stipends	24,864	-	-	24,864
Welcome kits	27,248	-	-	27,248
	<u>\$ 903,823</u>	<u>\$ 62,957</u>	<u>\$ 88,746</u>	<u>\$ 1,055,526</u>
Total expenses	<u>\$ 903,823</u>	<u>\$ 62,957</u>	<u>\$ 88,746</u>	<u>\$ 1,055,526</u>

See Notes to Financial Statements.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Statement of Functional Expenses
Year Ended December 31, 2017**

	Program services	Management and general	Fundraising	Total
Bank and credit card fees	\$ -	\$ 11,713	\$ -	\$ 11,713
Depreciation	6,283	122	142	6,547
Dues and subscriptions	-	1,196	-	1,196
Gifts	5,937	1,303	-	7,240
Grants - gym memberships and equipment	394,089	-	-	394,089
Grants - other program expenses	86,999	-	-	86,999
Information technology	7,243	718	837	8,798
Insurance	-	2,448	-	2,448
Interest	-	1,492	-	1,492
Marketing	-	-	12,294	12,294
Miscellaneous	4,382	434	506	5,322
Office	7,042	698	813	8,553
Professional services	-	14,033	3,338	17,371
Promotional materials	11,618	3,375	21,021	36,014
Rent expense	6,076	602	702	7,380
Rent and utilities - contributed	7,739	767	894	9,400
Salaries - officer	56,250	7,500	11,250	75,000
Salaries - other	133,479	11,295	10,668	155,442
Shipping	990	-	1,238	2,228
Taxes - payroll	14,677	1,455	1,695	17,827
Telephone and web hosting	7,195	713	831	8,739
Travel and meetings	60,262	2,340	20,040	82,642
Veteran stipends	52,000	-	-	52,000
Welcome kits	25,228	-	-	25,228
Total expenses	\$ 887,489	\$ 62,204	\$ 86,269	\$ 1,035,962

See Notes to Financial Statements.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Statements of Cash Flows
Year Ended December 31, 2018 and 2017**

	2018	2017
Cash flows from operating activities		
Change in net assets	\$ (2,375)	\$ (40,486)
Adjustments to reconcile change in net assets to cash (used in) provided by operating activities		
Depreciation	8,215	6,547
Change in:		
Unconditional promises to give	-	60,291
Prepaid expenses	5,945	1,053
Accounts payable and accrued expenses	30,728	137
Credit cards payable	(6,880)	14,347
Grants payable	(54,688)	26,340
	(19,055)	68,229
Net cash (used in) provided by operating activities		
Cash flows from investing activities		
Purchases of property and equipment	(415)	(9,733)
	(415)	(9,733)
Net cash used in investing activities		
Cash flows from financing activities		
Payments on loan payable	-	(1,380)
	-	(1,380)
Net cash used in financing activities		
Net (decrease) increase in cash	(19,470)	57,116
Cash, beginning of the year	247,854	190,738
Cash, end of the year	\$ 228,384	\$ 247,854

See Notes to Financial Statements.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Notes to Financial Statements
December 31, 2018**

Note 1 - Organization and summary of significant accounting policies

Organization and nature of activities

Christopher Coffland Memorial Fund, Inc. d/b/a Catch A Lift Fund (the "Organization") was incorporated as a nonprofit organization in the State of Maryland on October 27, 2010. The Organization was formed as a memorial to Cpl. Christopher Coffland, an Army Intelligence Specialist who volunteered for service after 9/11 and was killed by a roadside bomb in Afghanistan in November 2009. The Organization's mission is to help combat wounded veterans regain their mental and physical health through gym memberships, in home gym equipment, personalized fitness and nutrition programs, and a peer support network.

Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting. Consequently, revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Revenue recognition

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

The Organization records contributions as revenue when they are unconditionally pledged by the donor or when received in cash if not pledged. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Net assets with donor restrictions are contributions with donor-imposed time and/or program-specific restrictions. These restrictions require that resources be used for specific purposes and/or in a certain period. Net assets with donor restrictions become net assets without donor restrictions when the time restrictions expire or the funds are used for the restricted purposes and are reported in the statement of activities and change in net assets as net assets released from restrictions. The Organization's policy is to report all donor-restricted contributions as net assets with donor restrictions even if those restrictions are met in the same reporting period the contributions and grants are received.

Promises to give

Promises to give represent unconditional promises from donors to contribute monies to the Organization. Unconditional promises to give are recorded when the promise is made. The need for an allowance is determined based on a review of the estimated collectability of the specific accounts. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determined a promise to give, or a portion thereof, to be uncollectible. Management has deemed all receivables to be collectible at December 31, 2018 and 2017.

Property and equipment

It is the Organization's policy to capitalize property and equipment over \$500. Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. The Organization provides for depreciation on property and equipment using the straight-line method over the useful lives of the assets, ranging from five to seven years. Costs incurred for software and

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Notes to Financial Statements
December 31, 2018**

to establish and design the current website were capitalized and are being depreciated on the straight-line basis, ranging from three to five years.

Donated services, goods, and facilities

The contribution of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Organization receives a significant amount of donated services from unpaid volunteers who assist in fundraising and management. No amounts have been recognized in the statements of activities because the criteria for recognition under generally accepted accounting principles have not been satisfied.

The Organization receives in-kind donations of various items that are auctioned off at fundraising events that it hosts at a local restaurant. Additionally, the use of facilities and food services provided at the events are donated, as well. These in-kind donations are included with contributions in the accompanying financial statements, recorded at their fair value at the date of receipt, and adjusted for the ultimate amount received by the auction bidders and attendees for those items.

The Organization sub-leases storage space under a month-to-month agreement with Electronic Billing & Customer Support ("EBCS"). No rent or utilities are paid by the Organization for this space. The landlord has estimated the approximate fair value of the annual rental and utilities to be \$0 and \$9,400 for the years ending December 31, 2018 and 2017, respectively, and is included in contributions and expenses in the statements of activities.

Income taxes

The Organization is exempt from federal tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying financial statements do not include a provision for federal and state income taxes. The Organization did not have any unrelated business income for the years ended December 31, 2018 and 2017. The Organization recognizes interest expense and penalties on income taxes related to uncertain tax positions in general and administration expenses on the statements of activities and change in net assets and accounts payable and accrued expenses on the statements of financial position. There is no provision in these financial statements for penalties and interest on income taxes related to uncertain tax positions for the years ended December 31, 2018 and 2017. Tax years prior to 2015 are no longer subject to examination by the IRS or the tax jurisdiction of Maryland.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Functional allocation of expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Costs that can be identified with a particular program or support functional are charged directly to that program or function. Salaries and related costs have been allocated among the programs and supporting services based upon management's best estimates of the proportion of these costs applicable to each program. Other allocable costs have been allocated to program services and to management and general and fundraising based upon management's best estimates.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Notes to Financial Statements
December 31, 2018**

Change in accounting principle

For the year ended December 31, 2018, the Organization adopted FASB ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). Accordingly, the beginning balances of the net assets previously classified as unrestricted have been retrospectively adjusted as without donor restrictions. Additionally, donor restricted net assets categories (temporarily and permanently restricted) have been retrospectively adjusted to consolidate all donor restricted net assets into one classification, with donor restrictions. ASU 2016-14 requires additional disclosures in the areas of liquidity and availability of financial resources. ASU 2016-14 has been applied retrospectively to all periods presented, with the exception of the disclosure relating to the liquidity and availability of resources, as permitted by the standard.

Reclassifications

Certain reclassifications have been made to the 2017 amounts to conform to the 2018 presentation.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through December 18, 2019, the date the financial statements were available to be issued.

Note 2 - Liquidity and availability of resources

The Organization has \$233,384 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash and cash equivalents of \$228,384 and unconditional promises to give of \$5,000. The Organization does not have any financial assets that are not available for general expenditures due to contractual obligations or board designations.

Note 3 - Grants payable

As part of its mission, the Organization offers grants to disabled veterans throughout the United States that pay for their gym memberships. These grants are either paid in lump sums or in monthly installments per the gym membership contract. The Organization records the full amount of the grant as an expense at the time of the grant approval. As of December 31, 2018 and 2017, there was a balance of grants payable totaling \$4,635 and \$59,323, respectively.

Note 4 - Net assets with donor restrictions

At December 31, 2017, there was a total of \$5,000 classified as with donor restrictions due to promises to give that were temporarily unavailable for use due to time restrictions until they become due subsequent to year-end. The \$5,000 was released to net assets without donor restrictions during 2018.

Note 5 - Commitments

During 2016, the Organization entered into a lease of office facilities under an operating lease. This lease requires monthly payments of \$630. The term of the lease may be extended for additional three terms of 12 months by giving written notice to the lessor on or prior to ninety days before the expiration of the initial lease term. During 2018, the Organization entered into a new lease of office facilities under a new operating lease. This lease requires monthly payments of \$900 plus utilities and was to expire in July 2019. The term of the lease may be extended for additional two terms of 12 months. The lease was renewed in 2019.

**Christopher Coffland Memorial Fund, Inc.
d/b/a Catch A Lift Fund**

**Notes to Financial Statements
December 31, 2018**

Rental expense under the leases totaled \$8,910 and \$7,380 for the years ended December 31, 2018 and 2017, respectively.

At December 31, 2018, minimum future rentals under the above lease are as follows:

<u>Year ended December 31,</u>	
2019	\$ 10,800
2020	<u>6,300</u>
	<u>\$ 17,100</u>



Independent Member of Nexia International

cohnreznick.com