

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

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

December 31, 2020 and 2019

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

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Independent Auditor's Report

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

We have audited the accompanying financial statements of the Christopher Coffland Memorial Fund, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and change 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.

Auditor's 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 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, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Baltimore, Maryland
August 15, 2022

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

**Statements of Financial Position
December 31, 2020 and 2019**

	<u>Assets</u>	
	2020	2019
Current assets		
Cash	\$ 336,226	\$ 153,731
Prepaid expenses, current	-	5,087
	336,226	158,818
Prepaid expenses, net of current portion	12,321	1,500
Property and equipment		
Furniture, fixtures and equipment	13,734	12,890
Website	6,507	6,507
Software	21,619	21,619
Less accumulated depreciation	(30,287)	(23,942)
	11,573	17,074
Total assets	\$ 360,120	\$ 177,392
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued expenses	\$ 3,947	\$ 4,609
Credit cards payable	1,516	83,753
Grants payable (Note 3)	11,962	8,482
Total current liabilities	17,425	96,844
Paycheck Protection Program loan payable (Note 4)	75,300	-
Total liabilities	92,725	96,844
Net assets without donor restrictions	267,395	80,548
Total liabilities and net assets	\$ 360,120	\$ 177,392

See Notes to Financial Statements.

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

**Statements of Activities and Change in Net Assets
Years Ended December 31, 2020 and 2019**

	2020			2019		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and revenue						
Grants and donations	\$ 399,259	\$ -	\$ 399,259	\$ 388,133	\$ -	\$ 388,133
Grants and donations generated at special events	434,166	-	434,166	741,061	-	741,061
Gross revenue from special events (excluding related donations)	56,388	-	56,388	249,898	-	249,898
Less direct expenses for special events	(49,599)	-	(49,599)	(203,205)	-	(203,205)
Merchandise sales	5,239	-	5,239	5,394	-	5,394
Miscellaneous income	2,703	-	2,703	-	-	-
Interest income	91	-	91	72	-	72
Net assets released from restrictions						
Satisfaction of time restrictions	-	-	-	-	-	-
Total support and revenue	848,247	-	848,247	1,181,353	-	1,181,353
Expenses						
Program services	516,094	-	516,094	1,041,454	-	1,041,454
Management and general	59,794	-	59,794	105,470	-	105,470
Fundraising	85,512	-	85,512	83,597	-	83,597
Total expenses	661,400	-	661,400	1,230,521	-	1,230,521
Change in net assets	186,847	-	186,847	(49,168)	-	(49,168)
Net assets, beginning of year	80,548	-	80,548	129,716	-	129,716
Net assets, end of year	\$ 267,395	\$ -	\$ 267,395	\$ 80,548	\$ -	\$ 80,548

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, 2020**

	Program services	Management and general	Fundraising	Cost of goods sold	Total
Bad debt expense	\$ -	\$ 3,000	\$ -	\$ -	\$ 3,000
Bank and credit card fees	1,213	12,001	310	-	13,524
Depreciation	4,762	367	1,216	-	6,345
Dues and subscriptions	2,743	109	17,107	-	19,959
Gifts	2,694	-	-	-	2,694
Grants - gym memberships and equipment	129,597	-	-	-	129,597
Grants - other program expenses	59,197	-	-	-	59,197
Insurance	8,006	5,210	1,001	-	14,217
Interest	-	2,319	-	-	2,319
Marketing	-	-	1,453	-	1,453
Miscellaneous	56	4	14	-	74
Office	1,590	123	406	-	2,119
Professional services	15,267	15,527	1,002	-	31,796
Promotional materials	-	-	4,989	-	4,989
Rent expense	6,399	493	1,635	-	8,527
Salaries - officer	41,197	5,149	5,150	-	51,496
Salaries - other	178,403	13,745	45,575	-	237,723
Shipping	2,919	78	256	-	3,253
Taxes - payroll	16,284	1,255	4,160	-	21,699
Telephone and web hosting	4,848	374	1,238	-	6,460
Travel and meetings	22,929	40	-	-	22,969
Welcome kits	17,990	-	-	-	17,990
Cost of goods sold for special events	-	-	-	49,599	49,599
Total expenses by function	516,094	59,794	85,512	49,599	710,999
Less expense included in total special events	-	-	-	(49,599)	(49,599)
	\$ 516,094	\$ 59,794	\$ 85,512	\$ -	\$ 661,400

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, 2019**

	Program services	Management and general	Fundraising	Cost of goods sold	Total
Bank and credit card fees	\$ -	\$ 16,905	\$ -	\$ -	\$ 16,905
Depreciation	6,075	991	530	-	7,596
Dues and subscriptions	-	51	-	-	51
Gifts	4,920	-	-	-	4,920
Grants - gym memberships and equipment	404,574	-	-	-	404,574
Grants - other program expenses	206,119	-	-	-	206,119
Information technology	1,143	186	100	-	1,429
Insurance	-	14,717	-	-	14,717
Interest	-	1,707	-	-	1,707
Marketing	2,500	232	9,353	-	12,085
Miscellaneous	(582)	(95)	(51)	-	(728)
Office	8,272	1,349	722	-	10,343
Professional services	-	15,500	-	-	15,500
Promotional materials	-	-	38,876	-	38,876
Rent expense	8,638	1,409	753	-	10,800
Salaries - officer	59,354	7,915	11,871	-	79,140
Salaries - other	221,598	37,904	12,635	-	272,137
Shipping	1,436	2,959	-	-	4,395
Taxes - payroll	18,058	2,945	1,575	-	22,578
Telephone and web hosting	4,874	795	425	-	6,094
Travel and meetings	36,417	-	6,808	-	43,225
Veteran stipends	24,100	-	-	-	24,100
Welcome kits	33,958	-	-	-	33,958
Cost of goods sold for special events	-	-	-	203,205	203,205
Total expenses by function	1,041,454	105,470	83,597	203,205	1,433,726
Less expense included in total special events	-	-	-	(203,205)	(203,205)
	<u>\$ 1,041,454</u>	<u>\$ 105,470</u>	<u>\$ 83,597</u>	<u>\$ -</u>	<u>\$ 1,230,521</u>

See Notes to Financial Statements.

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

**Statements of Cash Flows
Years Ended December 31, 2020 and 2019**

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 186,847	\$ (49,168)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Depreciation	6,345	7,596
Donated investments	10,405	-
Proceeds from sales of donated investments	(10,405)	-
Change in		
Unconditional promises to give	-	5,000
Prepaid expenses	(5,734)	(730)
Accounts payable and accrued expenses	(662)	(33,482)
Credit cards payable	(82,237)	(4,428)
Grants payable	3,480	3,847
	<u>108,039</u>	<u>(71,365)</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Purchases of property and equipment	(844)	(3,288)
	<u>(844)</u>	<u>(3,288)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from loan payable	75,300	-
	<u>75,300</u>	<u>-</u>
Net cash provided by financing activities		
Net increase (decrease) in cash	182,495	(74,653)
Cash, beginning of the year	153,731	228,384
Cash, end of the year	<u>\$ 336,226</u>	<u>\$ 153,731</u>

See Notes to Financial Statements.

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

**Notes to Financial Statements
December 31, 2020 and 2019**

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 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.

Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where the Organization must overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Organization fails to overcome the barrier. Any funding received prior to overcoming the barrier is recognized as a refundable advance. At December 31, 2020 and 2019, the Organization had no refundable advances related to contributions.

Sponsorship income received is recorded as grants and donations generated at special events for the portion of the payment that represents the fair value of the benefits provided with the sponsorship payment. Payments received in advance are recorded as deferred revenue and recognized as income when earned. Conditional sponsorship income, that is, income with a measurable performance or other barrier, and a right of return, is not recognized as revenue until the conditions on which they depend have been substantially met. At December 31, 2020 and 2019, the Organization had no refundable advances related to conditional sponsorships.

Other amounts received for special events besides contributions and sponsorships are recognized in the period earned. Amounts received in advance are included in deferred revenue.

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.

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

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**Notes to Financial Statements
December 31, 2020 and 2019**

restrictions even if those restrictions are met in the same reporting period the contributions and grants are received.

Cash and cash equivalents

For financial statement purposes, the Organization considers cash in the bank and amounts held in money market accounts to be cash equivalents. The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

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. Bad debt expense was \$3,000 and \$0 at December 31, 2020 and 2019, respectively.

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

Investments

Donated investments are reflected as donations at their fair values at date of receipt. It is reasonably possible that changes in interest rates and market risk in the near term could result in a change in fair value of investment balances, which could be material. The Organization received donated investments with a fair value of \$10,405 and \$0 for the years ended December 31, 2020 and 2019, respectively, which were converted to cash nearly immediately. Donated securities converted to cash nearly immediately are reflected in the statements of cash flows as cash flows from operating activities. Any gain or loss from sale of donated investments are recognized as investment income in the statements of activities and change in net assets.

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 and change in net assets 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.

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**Notes to Financial Statements
December 31, 2020 and 2019**

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, 2020 and 2019. 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, 2020 and 2019. Tax years prior to 2017 are no longer subject to examination by the Internal Revenue Service 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 function 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 on the percentage of time spent by each person on each service.

Adoption of new accounting standard

During the year ended December 31, 2020, the Organization adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09 provides new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers which reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services. The new standard did not have a material effect on the timing of the Organization's revenue recognition for the year ended December 31, 2020.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through August 15, 2022, the date the financial statements were available to be issued. See Note 7 for the subsequent events disclosure.

**Christopher Coffland Memorial Fund, Inc.
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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 2 - Liquidity and availability of resources

As of December 31, 2020 and 2019, the Organization has \$336,226 and \$153,731, respectively, of financial assets available within one year of the statements of financial position date to meet cash needs for general expenditures consisting of cash and cash equivalents. 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. A conditional promise to give, which depends on the occurrence of a specified future and uncertain event, is not recognized until the condition has been substantially met. As of December 31, 2020 and 2019, there was a balance of grants payable totaling \$11,962 and \$8,482, respectively.

Note 4 - Loan payable

On April 20, 2020, the Organization obtained a loan of \$75,300 from a bank under the Small Business Administration's ("SBA") Paycheck Protection Program that is part of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). Under the CARES Act, Paycheck Protection Program loan recipients meeting certain criteria set by the SBA are eligible for full or partial forgiveness of such loans.

Note 5 - Commitments

During 2018, the Organization entered into a lease of office facilities under an operating lease. This lease requires monthly payments of \$900 plus utilities and was to expire in July 2019. The lease was renewed in 2019, and the lease ended on July 31, 2020.

During 2020, the Organization entered into a lease of storage space under an operating lease. The lease requires monthly payments of \$300 and is set to expire in August 2022.

Rental expense under the leases totaled \$8,527 and \$10,800 for the years ended December 31, 2020 and 2019, respectively, and is presented as rent expense on the accompanying statements of functional expenses.

At December 31, 2020, minimum future rentals under the above leases are as follows:

<u>Year ended December 31,</u>	
2021	\$ 3,600
2022	<u>2,100</u>
	<u>\$ 5,700</u>

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**Notes to Financial Statements
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Note 6 - Risks and uncertainties

The spread of a novel strain of coronavirus ("COVID-19") has caused significant business disruptions in the United States beginning in the first quarter of 2020. The economic impact of the business disruptions caused by COVID-19 is uncertain. The extent of any effects these disruptions may have on the operations and financial position of the Organization will depend on future developments, which cannot be determined at this time.

Note 7 - Subsequent events

The Organization submitted its application for the forgiveness of the Paycheck Protection Program loan of \$75,300 and received notice from its lender on March 9, 2021 that the SBA approved forgiveness of the loan in its entirety. There is a six-year period during which the SBA can review the Organization's forgiveness calculation.

On February 25, 2021, the Organization obtained a loan of \$62,578 from a bank under the second round of the SBA's Paycheck Protection Program. The Organization submitted its application for loan forgiveness and received notice from its lender on November 16, 2021 that the SBA approved forgiveness of \$62,578 of the loan.

On July 21, 2022, the Organization entered into a lease of office facilities under an operating lease. This lease requires monthly payments of \$1,350 plus utilities and will expire in August 2023. The lease includes an option for two renewals of one year each.



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