

**OUTMemphis**  
**AUDITED FINANCIAL STATEMENTS**  
**December 31, 2019**

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*December 31, 2019*

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
OUTMemphis  
Memphis, Tennessee

We have audited the accompanying financial statements of OUTMemphis (OM), a nonprofit corporation, which comprise the statements of financial position as of December 31, 2019, and the related statements of activities, cash flows, and functional expenses 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 OM as of December 31, 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.

October 15, 2020

A handwritten signature in black ink that reads "Fleet Firm".

## STATEMENTS OF FINANCIAL POSITION

*OUTMemphis*  
*December 31, 2019*

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### ASSETS

|                                    |                          |
|------------------------------------|--------------------------|
| Current assets                     |                          |
| Cash - unrestricted                | \$ 102,825               |
| Cash - restricted                  | 216,503                  |
| Prepaid deposit                    | 3,216                    |
| Accounts receivable - net          | <u>16,532</u>            |
| Total current assets               | <u>339,076</u>           |
| <br>Property and equipment         |                          |
| Land                               | 40,975                   |
| Building and improvements          | 351,000                  |
| Furniture, equipment, and vehicles | 22,603                   |
| Construction in progress           | <u>274,902</u>           |
| Total property and equipment       | 689,480                  |
| Less accumulated depreciation      | <u>(43,850)</u>          |
| Property and equipment - net       | <u>645,630</u>           |
| <br>Total assets                   | <u><u>\$ 984,706</u></u> |

### LIABILITIES AND NET ASSETS

|                                      |               |
|--------------------------------------|---------------|
| Current liabilities                  |               |
| Current maturities of long term debt | \$ 48,745     |
| Accounts payable                     | 9,985         |
| Accrued salaries and wages           | <u>14,028</u> |
| Total current liabilities            | <u>72,758</u> |

### NET ASSETS

|                                      |                          |
|--------------------------------------|--------------------------|
| Without donor restrictions           | 695,445                  |
| With donor restrictions              | <u>216,503</u>           |
| Total net assets                     | <u>911,948</u>           |
| <br>Total liabilities and net assets | <u><u>\$ 984,706</u></u> |

## STATEMENTS OF ACTIVITIES

*OUTMemphis*

*Year Ended December 31, 2019*

|  | Without Donor     | With Donor        | Total             |
|--|-------------------|-------------------|-------------------|
|  | Restrictions      | Restrictions      |                   |
| <b>REVENUE AND SUPPORT</b>               |                   |                   |                   |
| Revenue                                  |                   |                   |                   |
| Outflux admissions                       | \$ 3,356          | \$ -              | \$ 3,356          |
| Grant income - trusts and foundations    | 56,307            | 237,500           | 293,807           |
| Grant income - federal                   | 193,731           | -                 | 193,731           |
| Investment income                        | 3,172             | -                 | 3,172             |
| Other revenue                            | 37,005            | -                 | 37,005            |
| Total revenue                            | <u>293,571</u>    | <u>237,500</u>    | <u>531,071</u>    |
| Support                                  |                   |                   |                   |
| Contributions                            | 156,401           | 32,570            | 188,971           |
| In kind contributions                    | 313,531           | -                 | 313,531           |
| Total contributions                      | <u>469,932</u>    | <u>32,570</u>     | <u>502,502</u>    |
| Fundraising                              |                   |                   |                   |
| Special events revenue                   | 33,355            | -                 | 33,355            |
| Less: costs of direct benefits to donors | (32,813)          | -                 | (32,813)          |
| Net special events revenue               | <u>542</u>        | <u>-</u>          | <u>542</u>        |
| Total support                            | <u>470,474</u>    | <u>32,570</u>     | <u>503,044</u>    |
| Net assets released from restriction     | <u>528,740</u>    | <u>(528,740)</u>  | <u>-</u>          |
| Total revenue and support                | <u>1,292,785</u>  | <u>(258,670)</u>  | <u>1,034,115</u>  |
| <b>EXPENSES AND LOSSES</b>               |                   |                   |                   |
| Program services                         |                   |                   |                   |
| Youth services                           | 98,591            | -                 | 98,591            |
| Metamorphosis Youth Services             | 131,675           | -                 | 131,675           |
| Outflux                                  | 17,649            | -                 | 17,649            |
| HIV                                      | 136,222           | -                 | 136,222           |
| Other                                    | 180,038           | -                 | 180,038           |
| Total program expenses                   | <u>564,175</u>    | <u>-</u>          | <u>564,175</u>    |
| Supporting services                      |                   |                   |                   |
| Management                               | 106,345           | -                 | 106,345           |
| Fundraising                              | 68,529            | -                 | 68,529            |
| Total supporting services                | <u>174,874</u>    | <u>-</u>          | <u>174,874</u>    |
| Total expenses                           | <u>739,049</u>    | <u>-</u>          | <u>739,049</u>    |
| Change in net assets - operations        | 553,736           | (258,670)         | 295,066           |
| Net assets at beginning of year          | <u>141,709</u>    | <u>475,173</u>    | <u>616,882</u>    |
| Net assets at end of year                | <u>\$ 695,445</u> | <u>\$ 216,503</u> | <u>\$ 911,948</u> |

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

## STATEMENTS OF CASH FLOWS

*OUTMemphis*

*Year Ended December 31, 2019*

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|  |                   |
|--|-------------------|
| Cash flows from operating activities   |                   |
| Change in net assets   | \$ 295,066        |
| Adjustments to reconcile change in net assets to net cash from operating activities: |                   |
| Depreciation   | 5,241             |
| In kind contributions  | (300,000)         |
| Change in operating assets and liabilities   |                   |
| Prepaid deposits   | (2,838)           |
| Accounts receivable  | 49,047            |
| Accounts payable   | (411)             |
| Payroll taxes payable  | (8,105)           |
| Accrued salaries and wages   | 14,028            |
| Net cash provided by operating activities  | <u>52,028</u>     |
| Cash flows from investing activities   |                   |
| Property and equipment purchases   | (6,300)           |
| Construction in progress additions   | <u>(274,902)</u>  |
| Net cash used by investing activities  | <u>(281,202)</u>  |
| Cash flows from financing activities   |                   |
| Repayment of long-term debt  | <u>(3,257)</u>    |
| Net cash used by financing activities  | <u>(3,257)</u>    |
| Net decrease in cash and cash equivalents  | (232,431)         |
| Cash, cash equivalents, and restricted cash at beginning of year                     | <u>551,759</u>    |
| Cash, cash equivalents, and restricted cash at end of year                           | <u>\$ 319,328</u> |
| Supplemental cash flow information:  |                   |
| Interest paid  | <u>\$ 2,848</u>   |
| Assets acquired through donations  | <u>\$ 300,000</u> |

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

## STATEMENT OF FUNCTIONAL EXPENSES

*OUTMemphis*

*Year Ended December 31, 2019*

|  | Metamorphosis     |                   |                  |                   |                   | Subtotal          | Management        | Fundraising      | Total             |
|--|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
|  | Youth<br>Services | Youth<br>Services | Outflux          | HIV<br>Services   | Other             |                   |                   |                  |                   |
| Salaries - staff                           | \$ 52,731         | \$ 42,058         | \$ -             | \$ 96,716         | \$ 110,130        | \$ 301,635        | \$ 53,770         | \$ 43,286        | \$ 398,691        |
| Employee benefits and taxes                | 7,918             | 7,146             | -                | 17,845            | 22,613            | 55,522            | 6,648             | 4,321            | 66,491            |
| Total compensation and benefits            | 60,649            | 49,204            | -                | 114,561           | 132,743           | 357,157           | 60,418            | 47,607           | 465,182           |
| Supplies                                   | 14,808            | 719               | 285              | 11,286            | 5,311             | 32,409            | 8,520             | 7,699            | 48,628            |
| Food expense                               | 8,654             | 297               | 313              | 6,777             | 334               | 16,375            | 1,476             | 665              | 18,516            |
| Office expense                             | 777               | 584               | 3,020            | 1,415             | 7,509             | 13,305            | 1,911             | 3,035            | 18,251            |
| Rent, parking, and other occupancy expense | 2,060             | -                 | -                | -                 | 674               | 2,734             | 1                 | -                | 2,735             |
| Utilities                                  | -                 | 237               | -                | -                 | 4,580             | 4,817             | 387               | -                | 5,204             |
| Interest expense                           | -                 | -                 | -                | -                 | 2,848             | 2,848             | -                 | -                | 2,848             |
| Repairs and maintenance                    | 100               | -                 | -                | -                 | 7,619             | 7,719             | 4,285             | -                | 12,004            |
| Travel, training, and meetings             | 5,780             | 5,559             | -                | 1,869             | 1,683             | 14,891            | 1,833             | 3,605            | 20,329            |
| Insurance expense                          | -                 | -                 | -                | -                 | -                 | -                 | 1,524             | -                | 1,524             |
| Dues and subscriptions                     | -                 | 10                | -                | -                 | 75                | 85                | 1,052             | -                | 1,137             |
| Computer expenses                          | -                 | -                 | 40               | -                 | 1,846             | 1,886             | 1,931             | 539              | 4,356             |
| Advertising                                | -                 | 125               | 4,435            | 134               | 7,475             | 12,169            | 4,200             | -                | 16,369            |
| Venue rental                               | 1,350             | -                 | 3,000            | -                 | -                 | 4,350             | -                 | -                | 4,350             |
| Taxes and licenses                         | -                 | 96                | -                | 180               | -                 | 276               | 130               | -                | 406               |
| Bank and credit card fees                  | -                 | -                 | 93               | -                 | -                 | 93                | -                 | 5,154            | 5,247             |
| Screening fees                             | -                 | -                 | 6,463            | -                 | -                 | 6,463             | -                 | -                | 6,463             |
| Grant and contract expense                 | -                 | 526               | -                | -                 | 2,000             | 2,526             | -                 | -                | 2,526             |
| Professional fees                          | 4,413             | 200               | -                | -                 | 100               | 4,713             | 18,677            | 225              | 23,615            |
| Leasing assistance                         | -                 | 58,176            | -                | -                 | -                 | 58,176            | -                 | -                | 58,176            |
| Emergency housing                          | -                 | 4,206             | -                | -                 | -                 | 4,206             | -                 | -                | 4,206             |
| Utility assistance                         | -                 | 4,112             | -                | -                 | -                 | 4,112             | -                 | -                | 4,112             |
| Transportation assistance                  | -                 | 4,452             | -                | -                 | -                 | 4,452             | -                 | -                | 4,452             |
| Supportive services                        | -                 | 3,172             | -                | -                 | -                 | 3,172             | -                 | -                | 3,172             |
| Depreciation expense                       | -                 | -                 | -                | -                 | 5,241             | 5,241             | -                 | -                | 5,241             |
| <b>Total expenses</b>                      | <b>\$ 98,591</b>  | <b>\$ 131,675</b> | <b>\$ 17,649</b> | <b>\$ 136,222</b> | <b>\$ 180,038</b> | <b>\$ 564,175</b> | <b>\$ 106,345</b> | <b>\$ 68,529</b> | <b>\$ 739,049</b> |

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

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Business and Other Matters*

OUTMemphis (OM), a Tennessee not for profit organization, is a community-based service provider in West Tennessee. Principal programs provided include:

Youth Services – Includes social/support groups for 13-17 year olds (Prysm) and 18-25 year olds (GenQ); advocacy training; LifeHacks education and career assistance workshops; outreach and support to assist schools in making safer spaces for their students.

Metamorphosis Youth Services – The Metamorphosis Project is the culmination of all emergency youth services for LGBTQ+ young adults aged 18-24, including housing. The project includes supportive services and case management, a HUD funded rapid rehousing program and a planned Youth Emergency center (YEC). The YEC building will house the food pantry, and clothes closet, as well as provide space for all support services. In addition, the building will have emergency bedrooms for LGBTQ+ 18-24 year olds who are experiencing homelessness. The bedrooms will serve as a secure space for residents to sleep for up to 30 days, while staff work to find permanent housing through the Rapid Rehousing component.

OUTFlix – OUTFlix provides the only avenue for LGBTQ+ people in the Mid-South to see themselves on the big screen. We believe it's important to show films that illustrate the variety and depth of experiences that LGBTQ+ people face. The festival shows feature films, documentaries, and short films from around the world.

Sexual Health Services – Providing in person and at home HIV testing and counselling services to the Mid-South. This includes after-hours and on-demand testing; off-site testing and education services at a range of locations; condom distribution and education to sex workers.

Other Services – OM provides a safe space for a variety of peer-led social/support groups including some of the only transgender support groups in the region; a women's book club; a group for gay and bi men of color; a group for LGBTQ+ families with kids under 12; an LGBTQ AI-Anon group; and others. We also provide education and outreach to a wide variety of organizations including churches, schools, law enforcement facilities, and others. OM is the go-to agency for media responses at the local, state and national level on LGBTQ+ issues.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### *Basis of Accounting*

OM uses the accrual basis of accounting that follows the reporting practices as set forth by the accounting principles generally accepted in the United States of America.

#### *Financial Statement Presentation*

The financial statements of OM have been prepared on the accrual basis of accounting and are presented in accordance with the FASB Accounting Standards Codification (ASC) 958, 'Not-for-profit Entities', and the provisions of Accounting Standards Update 2016-14 Not-For-Profit Entities (Topic 958): Presentation of Financial Statement of Not-For-Profit Entities. ASU 2016-14 requires OM to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Assets accumulated and resources received and expended by OM are either without donor restrictions or restricted by the donor for a specific stipulation. 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 (or certain grantor) restrictions. The governing board can designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

**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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

#### *Cash and Cash Equivalents*

For purposes of the statements of cash flows, OM considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. There are no cash equivalents in the current year.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### *Accounts Receivable*

Accounts receivable are stated at face value minus any allowance for doubtful accounts. OM provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. OM's estimate is based on historical collection experience and a review of the current status of accounts receivable. It is reasonably possible that the estimate of the allowance for doubtful accounts will change.

#### *Property and Equipment*

OM capitalizes property and equipment over \$2,500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, OM reports expirations of donor restrictions when the donated or acquired assets are placed in service. OM reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from seven to forty years.

Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in the statement of activities.

Long-lived assets, including property and equipment having a definite life, are currently reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount should be addressed pursuant to accounting principles generally accepted in the United States of America. According to these principles, impairment is determined by comparing the carrying value of these long-lived assets to management's best estimate of the weighted average future undiscounted cash flows expected to result from the use of the assets and their eventual disposition. In the event an impairment exists, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the asset. No impairment has been recognized in the accompanying financial statements.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### *Revenue Recognition*

Contributions, including unconditional promises to give (pledges) are recognized in the period received. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. When a restriction by the donor expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The Organization records contributions with donor restrictions for which the restriction is met in the same reporting period as contributions without donor restrictions.

#### *Donated Materials and Services*

Donated materials are reflected as contributions in the financial statements at their estimated value at the date of receipt. Volunteers periodically provide uncompensated non-specialized services such as administrative and operational assistance. The value of these services is immaterial in relation to the financial statements taken as a whole and is not recorded.

#### *Advertising*

OM charges all advertising expenditures to expense as incurred. Advertising costs incurred for the year ended December 31, 2019, were \$16,369.

#### *Income Taxes*

OM is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and has been determined to be an organization, which is not a private foundation. Donations to the Agency are deductible by the donor as charitable contributions for federal income tax purposes. Management is not aware of any actions or events that have occurred that might adversely affect the Agency's tax-exempt status.

OM's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively. There are no interest and penalties related to income tax assessments in the current year. Fiscal years ending on or after December 31, 2015, remain subject to examination by federal authorities.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### *Use of Estimates*

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

#### *Liquidity*

Assets are presented in the accompanying financial statement of position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

#### *Functional Expenses*

Expenses are charged to each program based on direct expenditures incurred. Certain categories of expenses are attributable to both program services and supporting activities. Therefore, the expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are salaries and benefits, which are allocated based on estimates of time and effort.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### *New Accounting Standards*

Effective January 1, 2019, OM elected to implement the provisions of Accounting Standards Update (ASU) 2016-18, Statement of Cash Flows (Topic 230) – Restricted Cash. This update requires that the statement of cash flows explain the change during the period in total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Entities are also required to reconcile such total to amounts on the balance sheet and disclose the nature of the restrictions. The presentation in these financial statements has been adjusted accordingly.

### 2. LIQUIDITY AND AVAILABILITY

As of December 31, 2019, OM's liquidity resources and financial assets available within one year for general expenditure, such as operating expenses, were as follows:

|  |                   |
|--|-------------------|
| Cash - unrestricted  | \$ 102,825        |
| Cash - restricted  | 216,503           |
| Metamorphosis Project cash included<br>in restricted cash                  | (133,673)         |
| Accounts receivable - net  | <u>16,532</u>     |
| Financial assets available to meet<br>general expenditures within one year | <u>\$ 202,187</u> |

OM has certain assets with donor restrictions limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the quantitative information above for financial assets to meet general expenditures within one year.

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 3. CASH - RESTRICTED

Cash - Restricted consists of the following deposit amounts restricted by donors and is generally not available for operating purposes except as indicated in footnote 2:

|                                 |                   |
|---------------------------------|-------------------|
| The Kresge Foundation           | \$ 35,000         |
| Metamorphosis Project           | 133,673           |
| Building                        | 2,466             |
| HIV Services                    | 363               |
| Youth Services                  | 19,504            |
| Transgender Services            | 1,561             |
| Future salaries and advertising | <u>23,936</u>     |
|                                 | <u>\$ 216,503</u> |

### 4. LONG TERM DEBT

Long term debt consists of the following:

Mortgage payable to Metropolitan Bank, due in 55 monthly installments of \$506 including interest at 5.50% plus a final balloon payment due August 5, 2020, secured by a deed of trust on certain property.

\$ 48,745

Less: current portion

48,745

\$ -

The following schedule outlines principal amounts due on the mortgage:

|            |                  |
|------------|------------------|
| 12/31/2019 | <u>\$ 48,745</u> |
|------------|------------------|

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
December 31, 2019

### 5. GRANT INCOME – FEDERAL

OM has entered into an arrangement with Shelby County to provide services for the Ryan White program provided by the United States Department of Health and Human Services through February 28, 2020. The amount presented as the budget amount includes a remaining budget through February 28, 2019 of \$5,587 and the budget through February 28, 2021 is \$40,486.

OM has entered into an arrangement with Shelby County to provide services for the PrEP Services for HIV Prevention program through September 30, 2019. The amount presented as the budget amount includes a remaining budget through September 30, 2019 of \$42,318. This grant was not renewed in its present form. The Tennessee Department of Health replaced this grant in March 2020.

OM has entered into an arrangement with Shelby County to provide services for the Ryan White I Know program provided by the United States Department of Health and Human Services through December 31, 2019. The budget amount for 2018 is \$22,012. This grant was not renewed in its present form. The Tennessee Department of Health replaced this grant in March 2020.

OM has entered into an arrangement with the United States Department of Housing and Urban Development through June 30, 2020, to provide services under the Continuum of Care grant. The amount presented as the budget amount includes a remaining budget through June 30, 2019 of \$51,449 and the budget through June 30, 2020 is \$92,280.

The details of these grant activities are as follows:

|                         | <u>Ryan White<br/>Outreach</u> | <u>PrEP</u> | <u>Ryan White<br/>I Know</u> | <u>Continuum<br/>of Care</u> |
|-------------------------|--------------------------------|-------------|------------------------------|------------------------------|
| Budget amount           | \$ 46,073                      | \$ 42,318   | \$ 22,012                    | \$ 143,729                   |
| Grant receipts          | 35,142                         | 42,318      | 22,000                       | 94,271                       |
| Grant expenditures      | 35,142                         | 42,318      | 22,000                       | 94,271                       |
| Budget amount - expired | 116                            | -           | 12                           | 6,924                        |
| Remaining budget amount | 10,815                         | -           | -                            | 42,534                       |

*Continued*

## NOTES TO FINANCIAL STATEMENTS

*OUTMemphis*  
*December 31, 2019*

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### 6. STATEMENT OF CASH FLOWS

The following schedule reconciles the balance sheet line items to the amount represented on the Statement of Cash Flows as cash, cash equivalents, and restricted cash at the end of the period as follows:

|   |                   |
|---|-------------------|
| Cash - unrestricted                         | \$ 102,825        |
| Cash - restricted                           | <u>216,503</u>    |
| Cash, cash equivalents, and restricted cash | <u>\$ 319,328</u> |

### 7. CAPITAL CAMPAIGN

OM has an ongoing capital campaign for building of the Metamorphosis Center. At December 31, 2019, there is \$133,673 in the fund.

### 8. SUBSEQUENT EVENTS

OM has evaluated events and transactions that occurred between December 31, 2018 and October 15, 2020, which is the date the financials were available to be issued, for possible recognition or disclosure in the financial statements. The following items require disclosure as follows:

On September 28, 2020, OM renewed their existing mortgage for a period of five years at a rate of 4.90%. The payments begin October 25, 2020 in the amount of \$494 and run for 59 consecutive months. On September 25, 2025 the remaining balance of \$26,680 is due and payable.