

**PLANNED PARENTHOOD
OF METROPOLITAN WASHINGTON, D.C., INC.**

*COMBINED FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS*

SEPTEMBER 30, 2021

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

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INDEPENDENT AUDITORS' REPORT

Board of Directors

Planned Parenthood of Metropolitan Washington, D.C., Inc. and Affiliate Washington, D.C.

We have audited the accompanying combined financial statements of Planned Parenthood of Metropolitan Washington, D.C., Inc. and affiliate ("PPMW"), which comprise the combined statement of financial position as of September 30, 2021, and the related combined statements of activities and change in net assets, 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 PPMW as of September 30, 2021, and the change 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.

**Board of Directors
Planned Parenthood of Metropolitan Washington, D.C., Inc. and Affiliate
Washington, D.C.**

Report On Summarized Comparative Information

We have previously audited PPMW's 2020 consolidated financial statements, and our report dated June 10, 2021, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Tait, Weller & Baker LLP

**Philadelphia, Pennsylvania
June 29, 2022**

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINED STATEMENTS OF FINANCIAL POSITION

September 30, 2021 and 2020

ASSETS	2021	2020
Cash and cash equivalents	\$ 3,465,167	\$ 1,852,315
Contributions receivable, net	481,158	707,391
Grants receivable	107,500	244,383
Patient receivables, net	283,610	220,463
Other receivables	162,542	2,268,692
Prepaid expenses and other current assets	216,088	234,110
Investments	4,824,944	4,105,487
Inventory	190,920	206,626
Property and equipment, net of accumulated depreciation	20,662,629	21,343,841
Total assets	\$ 30,394,558	\$ 31,183,308
LIABILITIES AND NET ASSETS		
LIABILITIES		
Lines of credit	\$ 50,000	\$ 1,861,771
Accounts payable and accruals	1,489,855	1,180,293
Note payable	-	88,547
Refundable advance	1,308,335	1,328,800
Total liabilities	2,848,190	4,459,411
COMMITMENTS		
NET ASSETS		
Without donor restrictions	26,234,155	25,325,953
With donor restrictions	1,312,213	1,397,944
Total net assets	27,546,368	26,723,897
Total liabilities and net assets	\$ 30,394,558	\$ 31,183,308

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended September 30, 2021 With Summarized Financial Information for 2020

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020
REVENUES, GAINS AND OTHER SUPPORT				
Contributions	\$ 6,572,998	\$ 10,000	\$ 6,582,998	\$ 6,331,263
Grants and contracts revenue	1,173,274	270,160	1,443,434	1,571,025
Government assistance	1,328,800	-	1,328,800	-
Interest and dividend income	60,389	7,259	67,648	45,727
Contributed services	125,296	-	125,296	378,205
Patient service fees, net of charge adjustments	6,057,020	-	6,057,020	5,626,702
Other revenue	49,551	-	49,551	56,743
	<u>15,367,328</u>	<u>287,419</u>	<u>15,654,747</u>	<u>14,009,665</u>
Net assets released from restrictions	514,387	(514,387)	-	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	<u>15,881,715</u>	<u>(226,968)</u>	<u>15,654,747</u>	<u>14,009,665</u>
EXPENSES				
Program Services				
Patient Services	10,748,214	-	10,748,214	10,487,589
External Affairs	542,614	-	542,614	869,924
Community Education	730,074	-	730,074	719,448
PPADMV	306,165	-	306,165	332,001
Total Program Services	<u>12,327,067</u>	<u>-</u>	<u>12,327,067</u>	<u>12,408,962</u>
Supporting Services				
Management and General	1,332,429	-	1,332,429	1,294,670
Fundraising	1,769,459	-	1,769,459	1,721,152
Total Supporting Services	<u>3,101,888</u>	<u>-</u>	<u>3,101,888</u>	<u>3,015,822</u>
TOTAL EXPENSES	<u>15,428,955</u>	<u>-</u>	<u>15,428,955</u>	<u>15,424,784</u>
CHANGE IN NET ASSETS FROM OPERATIONS	452,760	(226,968)	225,792	(1,415,119)
OTHER CHANGES				
Net appreciation on investments	562,047	141,237	703,284	113,342
Loss on contributions receivable	(100,000)	-	(100,000)	(102,652)
Loss on disposal of property and equipment	(6,605)	-	(6,605)	-
Real estate tax refund	-	-	-	246,091
CHANGE IN NET ASSETS	<u>908,202</u>	<u>(85,731)</u>	<u>822,471</u>	<u>(1,158,338)</u>
NET ASSETS AT BEGINNING OF YEAR	<u>25,325,953</u>	<u>1,397,944</u>	<u>26,723,897</u>	<u>27,883,235</u>
NET ASSETS AT END OF YEAR	<u>\$ 26,234,155</u>	<u>\$ 1,312,213</u>	<u>\$ 27,546,368</u>	<u>\$ 26,724,897</u>

See notes to financial statements.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2021 With Summarized Financial Information for 2020

	Program Services				Supporting Services		2021 Total	2020
	Patient Services	External Affairs	Community Education	PPADMV	Management General	Fundraising		
Salaries & Fringe Benefits	5,222,293	335,424	375,073	255,955	2,332,910	819,015	9,340,670	9,128,163
Medical and Direct Program Supplies	1,239,842	-	14,513	-	7,155	-	1,261,510	1,182,279
Contract Physicians	216,875	-	-	-	-	-	216,875	233,120
Professional Fees	945,971	31,022	34,302	45,400	340,130	590,285	1,987,110	2,160,928
Occupancy	307,777	9,750	23,832	745	67,577	15,174	424,855	410,542
Interest Expense	-	-	-	-	12,336	-	12,336	16,189
Supplies	91,531	1,679	11,034	-	66,503	6,294	177,041	259,681
Telephone	228,900	6,865	10,743	-	47,586	12,683	306,777	304,512
Postage & Shipping	4,382	548	5,738	-	6,340	1,263	18,271	23,526
Maintenance & Repairs	94,331	4,133	10,528	-	28,477	6,704	144,173	130,048
Equipment Rental	18,104	4,394	10,833	-	26,614	6,936	66,881	60,862
Conferences, Conventions & Meetings	23,836	614	1,985	2,670	55,772	32,060	116,937	203,674
Advertising and Publications	143,239	576	462	996	10,384	13,998	169,655	173,005
Insurance & Dues	242,837	4,633	11,325	399	66,154	46,523	371,871	369,110
Depreciation	451,405	21,375	53,673	-	193,699	36,952	757,104	767,645
Miscellaneous	-	-	-	-	56,889	-	56,889	1,500
Total expenses before allocations	9,231,323	421,013	564,041	306,165	3,318,526	1,587,887	15,428,955	15,424,784
Allocation of management and general	1,516,891	121,601	166,033	-	(1,986,097)	181,572	-	-
Total expenses	\$ 10,748,214	\$ 542,614	\$ 730,074	\$ 306,165	\$ 1,332,429	\$ 1,769,459	\$ 15,428,955	\$ 15,424,784

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINED STATEMENTS OF CASH FLOWS

Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	822,471	\$ (1,159,338)
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>		
Depreciation	757,104	767,645
Loss on disposal of property and equipment	6,605	-
Net appreciation on investments	(703,284)	(112,342)
Change in reserve in contributions	(23,023)	(10,922)
Change in reserve in patient receivables	13,074	-
(Increase) decrease in:		
Contributions receivable	249,256	232,266
Grants receivable	136,883	(170,794)
Patient Receivables	(76,221)	65,750
Other receivables	2,106,150	(2,092,169)
Prepaid expenses and other current assets	18,022	(93,423)
Inventory	15,706	(26,811)
Increase (decrease) in:		
Accounts payable and accruals	309,562	(161,972)
Refundable advance	(20,465)	1,328,800
Deferred revenue	-	(1,200)
Net cash provided by (used in) operating activities	<u>3,611,840</u>	<u>(1,434,510)</u>
Cash flows from investing activities		
(Increase) decrease in money market funds	880,905	(1,011,545)
Purchase of property and equipment	(82,497)	(198,412)
Net proceeds (purchases) of investments	<u>(897,078)</u>	<u>1,555,417</u>
Net cash provided by (used in) investing activities	<u>(98,670)</u>	<u>345,460</u>
Cash flows from financing activities		
Net change in line of credit	(1,811,771)	1,861,771
Repayment of loan payable	<u>(88,547)</u>	<u>(212,500)</u>
Net cash provided by (used in) financing activities	<u>(1,900,318)</u>	<u>1,649,271</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,612,852	560,221
Cash and cash equivalents, beginning of the year	<u>1,852,315</u>	<u>1,292,094</u>
Cash and cash equivalents, end of the year	<u>\$ 3,465,167</u>	<u>\$ 1,852,315</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid during the year	<u>\$ 12,336</u>	<u>\$ 17,380</u>

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS

September 30, 2021 And 2020

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

ORGANIZATION

Planned Parenthood of Metropolitan Washington, D.C., Inc. (“PPMW”) is a non-profit organization committed to providing high-quality, affordable reproductive health care; promoting educational programs that empower all individuals to make informed and responsible reproductive choices. PPMW establishes, maintains, and operates health centers within the Washington, D.C. metropolitan area which provide and furnish reproductive health care and education.

Planned Parenthood Advocates for DC, Maryland and NoVa (“PPADMV”) is a separate, 501(c)(4) corporation. Four of the board members are now appointed by PPMW and three are appointed by Planned Parenthood of Maryland, Inc. (“PPM”). The purpose of PPADMV is to protect and expand access to reproductive health care and build local power to influence and promote accountability among state and local policy makers.

BASIS OF PRESENTATION

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) ASC 958, *Not-for-Profit Entities*.

The combined financial statements include the accounts of PPMW and its affiliate, PPADMV. All significant intercompany balances and transactions have been eliminated.

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 of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

PPMW considers all cash, money market funds and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a limit of \$250,000. At times during the year, PPMW maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

INVESTMENTS

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in net appreciation (depreciation) on investments in the Statement of Activities and Change in Net Assets. Donated securities are recorded at their fair value on the donation date. Gain or loss on securities sales is computed using the first-in, first-out (FIFO) method, or where possible, the specific identification method.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

ACCOUNTS, GRANTS AND PLEDGES RECEIVABLE

Accounts, grants and pledges receivable approximate fair value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the customer.

Accounts receivable are recorded at their net realizable value, which approximates fair value. Grants and pledges receivable that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contribution revenue.

THIRD-PARTY PATIENT RECEIVABLES

Third-party patient receivables are related to billed patient services fees. Patient services fees receivable are reported at the estimated net realizable value from patients and third-party payers for services rendered. An allowance for doubtful accounts (a percentage of the receivables balance) is determined based on past collection experience.

Revenue under third-party payer agreements is subject to audit and retroactive adjustments. Revenues for estimated third-party payer settlements are recorded in the period in which the related services are rendered.

Differences between the estimated amounts accrued and the interim and final settlements are reported in revenues in the year of settlement. Due to the variability in the timing of settlement of these receivables, PPMW does not have a formal policy for considering the receivables past due.

INVENTORY

Inventory consists of medical supplies, contraceptives, and medications held for sale at each of PPMW's clinics. Inventory is recorded at cost using the first-in, first-out (FIFO) method.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost or estimated fair value at the time of donation. Acquisitions of property and equipment in excess of \$1,000 are capitalized. The cost of maintenance and repairs is recorded as expenses are incurred.

Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets. The classes of assets and their estimated useful lives are as follows:

Building and Improvements	10-40 Years
Furniture and Equipment	3-10 Years
Leasehold Improvements	Original Lease Term

During 2013, PPMW began a capital campaign for the purchase of the new building. PPMW moved into the building in 2017. The building and building costs are recorded at cost and are depreciated over the estimated useful lives on individual additions. All unspent portions from the capital campaign are included in net assets with donor restrictions at fiscal year end.

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Statement of Activities and Change in Net Assets, to its current fair value.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

NET ASSETS

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. All contributions are considered available for unrestricted use, unless specifically restricted by the donor. Accordingly, net assets of PPMW and changes therein are classified and reported as follows:

Net assets without donor restrictions – include the revenues and expenses associated with the principal mission of PPMW and are segregated as follows:

Undesignated: These may be used by management for any purpose without restriction.

Board Designated: This is a reserve created by the board consisting of bequests that were received without donor restrictions. Revenues and expenses associated with any related transactions are considered undesignated.

Net assets with donor restrictions – include gifts for which restrictions have not been met. Net assets with donor restrictions are limited by donors for a specific purpose or specified period. Also includes gifts and contributions which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

REVENUE RECOGNITION

Clinic fees and sales revenue are based on the premise that PPMW has a performance obligation to provide family planning services to the organization's patients. As compensation for these services, PPMW is entitled to a service fee based on the level of service provided. The patient's copays for the services are generally collected at the point of service and the remaining charges are billed to the patient's commercial insurance or Medicaid. For self-pay patients, fees are collected at the point of service. PPMW generally satisfies the performance obligations on the date the service was rendered.

Patient fees, which consist primarily of fees for family planning services and the sale of contraceptives, are recorded when earned net of any discounts and contractual adjustments. Contractual adjustments represent the difference between the gross fees charged and the net fees received from third-party payors.

Medical and educational services include revenue earned for services provided to patients who may not qualify for services under the Federal and state fee-for-service programs. These services are paid for directly by the patient on a fee sliding scale when appropriate, or by their private health insurance plan. Similar to the government fee-for-service revenue, private health insurance plans generally reimburse at rates other than the PPMW's usual and customary billing rates. Private health insurance revenues are recorded at estimated expected receipt values at the time the services are provided.

PPMW recognizes contributions when cash, securities or other assets; an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and right of return – are not recognized until the condition on which they depend have been met. Unconditional contributions are classified as without donor restrictions unless there are donor stipulations that limit the use of the donated assets. Contributions received are recorded as with or without donor restrictions support, depending on the existence and nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

Revenue for the CAPS Justice Fund is distributed by Planned Parenthood Federation of America (PPFA). The funding is to provide abortion services for lower income women and is recognized on a monthly basis based on services performed.

CONTRIBUTED SERVICES

Contributed services consist of pro-bono legal services. Contributed services are recorded at their fair value as of the date of the gift.

INCOME TAXES

PPMW is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. PPMW is not a private foundation.

For the year ended September 30, 2021, PPMW has documented its consideration of FASB ASC 740-10, Income Taxes, which provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements. PPMW's federal information returns are generally subject to examination by the Internal Revenue Service for three years, including the fiscal years ended September 30, 2018, 2019 and 2020, as well as the return to be filed for the fiscal year ended September 30, 2021.

FUNCTIONAL ALLOCATION OF EXPENSES

Expenses, not specifically identified by type, are allocated between program, management and general and fundraising expenses using the following methods. Expenses associated with facilities, including occupancy, are allocated based upon the square footage used by the program, management, and administrative personnel. Human resource and information technology related expenses are allocated to departments based on departmental headcount. All other expenses are allocated based upon estimates made by PPMW's management. Functional expenses fluctuate annually based on the priorities of PPMW.

RISKS AND UNCERTAINTIES

PPMW invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

FAIR VALUE MEASUREMENT

PPMW adopted the provisions of FASB ASC 820, Fair Value Measurement. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. PPMW accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

PRIOR YEAR INFORMATION

The financial statements include certain prior year summarized comparative information, in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements of PPMW, as of, and for the year ended, September 30, 2021, from which the summarized information was derived.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

NEW ACCOUNTING PRONOUNCEMENT NOT YET ADOPTED

In 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the statement of financial position and disclosing key information about leasing arrangements. The ASU is effective for private entities for fiscal years beginning after December 15, 2021. Early adoption is permitted. The ASU should be applied at the beginning of the earliest period presented using a modified retrospective approach. PPMW plans to adopt the new ASU at the required implementation date.

RECLASSIFICATIONS

Certain reclassifications were made to the 2020 financial statements to conform to the 2021 presentation.

(2) INVESTMENTS

Investments at fair value consisted of the following at September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash and money market funds	\$ 170,959	\$ 1,051,864
Common stock	-	20,162
Exchange traded funds	4,277,250	3,032,942
Equity mutual funds	76,568	-
U.S. Treasury bills and notes	299,803	-
Mortgage pools	<u>364</u>	<u>519</u>
TOTAL INVESTMENTS	<u>\$ 4,824,944</u>	<u>\$ 4,105,487</u>

Included in investment income for the years ended September 30, 2021 and 2020 are the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 67,648	\$ 45,727
Net appreciation on investments	<u>703,284</u>	<u>112,342</u>
TOTAL INVESTMENT INCOME	<u>\$ 770,932</u>	<u>\$ 158,069</u>

Investment income is net of \$31,283 and \$27,379 of investment management fees for the years ended September 30, 2021 and 2020, respectively.

(3) FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, Fair Value Measurement, PPMW has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market PPMW has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at September 30, 2021 and 2020.

- Exchange traded funds - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- Fixed income bond funds - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- Mortgage pools - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

The table below summarizes, by level within the fair value hierarchy, PPMW's investments as of September 30, 2021 and 2020:

	<u>2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Asset Class:				
Cash and money market funds	\$ 170,959	\$ -	\$ -	\$ 170,959
Exchange traded funds	4,277,250	-	-	4,277,250
Equity mutual funds	76,568	-	-	76,568
U.S. Treasury bills and notes	299,803	-	-	299,803
Mortgage pools	-	364	-	364
TOTAL INVESTMENTS	<u>\$4,824,580</u>	<u>\$ 364</u>	<u>\$ -</u>	<u>\$4,824,944</u>

	<u>2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Asset Class:				
Cash and money market funds	\$1,051,864	\$ -	\$ -	\$1,051,864
Common stock	20,162	-	-	20,162
Exchange traded funds	3,032,942	-	-	3,032,942
Mortgage pools	-	519	-	519
TOTAL INVESTMENTS	<u>\$4,104,968</u>	<u>\$ 519</u>	<u>\$ -</u>	<u>\$4,105,487</u>

There were no transfers between Levels 1 and 2 during the year ended September 30, 2021 and 2020.

**PLANNED PARENTHOOD
OF METROPOLITAN WASHINGTON, D.C., INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

(4) PLEDGES RECEIVABLE

The proceeds of all pledges collected by PPMW for the capital campaign shall either be used to prepay its note payable (Note 8) or shall be deposited in a cash collateral account with the bank to be used to pay remaining project costs. The balance of the pledges for the capital campaign was \$8,000 and \$14,900 as of September 30, 2021 and 2020, respectively. Pledges due in more than one year have been recorded at the net present value of the estimated cash flows, using a discount rate of .86% and .35% as of September 30, 2021 and 2020, respectively.

Pledges received but not collected as of September 30, 2021 and 2020 are due as follows:

	<u>2021</u>	<u>2020</u>
Less than one year	\$ 450,111	\$ 683,411
One to five years	<u>31,387</u>	<u>47,351</u>
Total	481,498	730,762
Less: Allowance to discount balance to present value	(340)	(348)
Less: Allowance for doubtful accounts	<u>-</u>	<u>(23,023)</u>
NET PLEDGES RECEIVABLE	<u>\$ 481,158</u>	<u>\$ 707,391</u>

(5) PROPERTY AND EQUIPMENT

Property and equipment as of September 30, 2021 and 2020 are comprised of the following:

	<u>2021</u>	<u>2020</u>
Land	\$ 5,510,226	\$ 5,510,226
Building and improvements	15,795,958	15,795,958
Furniture and equipment	875,034	1,097,702
Computer equipment	596,832	993,929
Leasehold improvements	1,121,761	1,213,068
Construction in progress	<u>-</u>	<u>697</u>
	23,899,811	24,611,580
Less: Accumulated depreciation	<u>(3,237,182)</u>	<u>(3,267,739)</u>
	<u>\$ 20,662,629</u>	<u>\$ 21,343,841</u>

(6) REFUNDABLE ADVANCE

On April 10, 2020, PPMW received a loan in the amount of \$1,328,800 under the Small Business Administration's (SBA) Paycheck Protection Program ("**PPP**"). PPMW considered this loan to be a conditional contribution as it expected to meet the criteria for loan forgiveness upon incurring eligible expenditures and when its application was accepted by the SBA. PPMW considered the incurrence of eligible expenses and the acceptance of its application for forgiveness to be barriers in the PPP loan agreement, and as such, would recognize contribution income when these conditions were substantially met. PPMW received notification from the SBA that this PPP loan was forgiven July 1, 2021. If conditions had not been met, PPMW would have been required to repay the PPP loan in two years from the date of the agreement at a 1% annual interest rate.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

On July 1, 2021, PPMW received a second loan in the amount of \$1,308,335 under PPP. Like the first PPP loan, this loan was considered a conditional contribution with revenue recognition subject to the incurrence of eligible expenses and acceptance of the loan forgiveness of application by the SBA. If such conditions are not met, PPMW will be required to repay this PPP loan in five years at a 1% interest rate. Subsequent to year-end, on March 16, 2022, PPMW received notification from the SBA that this PPP loan was forgiven.

(7) LINES OF CREDIT

In August 2020, PPMW established a line of credit for \$4,500,000 with Atlantic Union Bank. Interest accrues at the London Interbank Offered Rate plus 3% with a floor of 3.25% (3.25% at September 30, 2021). The outstanding balance on the line of credit at September 30, 2021 and 2020 was \$50,000 and \$1,861,771, respectively. The line matures May 31, 2023. Interest expense on this line of credit was \$8,796 and \$3,299 for the years ended September 30, 2021 and 2020, respectively. The line of credit is secured by unrestricted pledges, grants and gifts. In addition, the line is also secured by a lien on PPMW's mortgaged property under the Deed of Trust. The loan agreements also place restrictions on PPMW's ability to incur additional indebtedness.

PPMW had a promissory note for a revolving \$500,000 loan with Capital Bank N.A. The loan had a variable interest rate with a current index rate of 5%. The loan matured April 14, 2021. There was no outstanding balance on the line at September 30, 2020. No interest was incurred on the line of credit for 2021 and 2020.

(8) NOTE PAYABLE

In August 2013, PPMW entered into an \$8,000,000 Deed of Trust note payable to a financial institution with a construction loan rider in order to purchase and renovate property for its new administrative headquarters. The note is collateralized by the land, improvements and other real and personal property owned by PPMW. The loan has been amended over the years for interest rate, term and payment requirements.

In July 2018, when the principal balance was \$849,250, the loan was amended. The interest rate became fixed at 4.75%, and the maturity date was extended to June 30, 2022. Principal payments of no less than \$212,500 are required to be made by the end of each year ended June 30 through the maturity date. The outstanding principal of the note payable was \$88,547 as of September 30, 2020. The loan was fully repaid during the year ended September 30, 2021.

For the year ended September 30, 2021 and 2020, the note accrued interest of \$3,540 and \$12,890, respectively.

The loan agreement contained various covenants, which among other things, placed restrictions on PPMW's ability to incur additional indebtedness and require PPMW to maintain certain financial ratios.

**PLANNED PARENTHOOD
OF METROPOLITAN WASHINGTON, D.C., INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

(9) NET ASSETS

NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions are as follows as of June 30:

	<u>2021</u>	<u>2020</u>
Undesignated	\$23,103,313	\$22,786,043
Board designated	<u>3,130,842</u>	<u>2,539,910</u>
	<u>\$26,234,155</u>	<u>\$25,325,953</u>

NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Time and purpose restricted:		
4th Street Campaign	\$ 8,000	\$ 14,900
Expansion	-	59,652
Education programs	-	2,910
PrEP	17,500	35,000
COVID-19	-	26,895
Sexually transmitted infections	40,000	58,000
Telemedicine	-	102,370
Accumulated unrealized gains on endowments	<u>372,281</u>	<u>223,785</u>
	437,781	523,512
Perpetual in nature:		
Endowments	<u>874,432</u>	<u>874,432</u>
Total net assets with donor restrictions	<u>\$1,312,213</u>	<u>\$1,397,944</u>

For the year ended September 30, 2021, net assets were released from donor restrictions by incurring expenses, or through the passage of time, which satisfied the restricted purposes specified by the donors, as follows:

4th Street Campaign	\$ 6,900
Expansion	59,652
Education programs	60,910
PrEP	52,500
Telemedicine	127,370
Long-acting reversible contraceptives	50,000
Primary care	20,000
COVID-19	81,055
Sexually transmitted infections	21,000
Period Poverty	25,000
Other	<u>10,000</u>
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>\$ 514,387</u>

**PLANNED PARENTHOOD
OF METROPOLITAN WASHINGTON, D.C., INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

(10) ENDOWMENT

PPMW's endowment consists of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, PPMW classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the organization.

Endowment net asset composition by type of fund as of September 30, 2021 and 2020:

	<u>2021</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-Restricted Endowment Funds	\$ <u>-</u>	\$ <u>1,246,713</u>	\$ <u>1,246,713</u>
	<u>2020</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-Restricted Endowment Funds	\$ <u>-</u>	\$ <u>1,098,217</u>	\$ <u>1,098,217</u>

Permanently restricted net assets are restricted endowments in which the principal is invested in-perpetuity and the income is expendable to support general operations.

**PLANNED PARENTHOOD
OF METROPOLITAN WASHINGTON, D.C., INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

Changes in endowment net assets for the year ended September 30, 2021 and 2020 are as follows:

	<u>2021</u>		<u>Total</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	
Endowment net assets, beginning of year	\$ -	\$ 1,098,217	\$ 1,098,217
Investment return:			
Investment income	-	7,259	7,259
Net appreciation (realized and unrealized)	-	141,237	141,237
Total investment return	-	148,496	148,496
ENDOWMENT NET ASSETS, END OF YEAR	\$ -	\$ 1,246,713	\$ 1,246,713
	<u>2020</u>		<u>Total</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	
Endowment net assets, beginning of year	\$ -	\$ 1,057,232	\$ 1,057,232
Investment return:			
Investment income	-	13,097	13,097
Net appreciation (realized and unrealized)	-	27,888	27,888
Total investment return	-	40,985	40,985
ENDOWMENT NET ASSETS, END OF YEAR	\$ -	\$ 1,098,217	\$ 1,098,217

FUNDS WITH DEFICIENCIES

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature as of September 30, 2021 and 2020.

RETURN OBJECTIVES AND RISK PARAMETERS

PPMW has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in-perpetuity.

Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to protect the principal identified to meet short-term cash flow needs; to protect the purchasing power of capital identified to meet intermediate-term needs; to achieve appreciation in the value of investments with long-term time horizon that is sufficient to offset cumulative impact of inflation on purchasing power over time; to avoid investments and strategies that would compromise PPMW's tax exempt status; and to avoid material investments that are inconsistent with PPMW's mission.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

PPMW'S investment strategy is to emphasize net total return; that is, the aggregate return from capital appreciation (both realized and unrealized), dividends, and interest, after investment expenses. PPMW is prepared to accept the risk of short-term volatility in exchange for an increased likelihood of earning a net total return over a 10-year time horizon that fulfills the primary goals for the invested assets, i.e., a net total return of more than 4.5% after inflation and investment expenses.

Consistent with PPMW's perspective, objectives, and time horizon, publicly traded equities, including common stocks, mutual funds, and exchange traded funds investing primarily in common stocks traded on United States exchanges or NASDAQ, should represent 60 to 70% of the portfolio absent a specific vote by the Finance Committee.

Fixed income holdings, bank deposits insured by the FDIC, money market funds, and investment grade publicly traded bonds and preferred stocks (including mutual funds and exchange traded funds investing primarily in investment grade fixed income assets), should represent 30% of the portfolio absent a specific vote by the Finance Committee. Cash, bank deposits that can be accessed without penalty, and money market funds should comprise at least 5% of the portfolio absent a specific vote by the Finance Committee.

SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO SPENDING POLICY

PPMW has adopted a "total return" approach to the definition of investment income. PPMW's primary goals relating to the invested assets are for the assets to provide at least 3.5% of the average invested assets (calculated based on quarterly invested assets for the prior 3 years) to PPMW's operating budget. In establishing this policy, PPMW considered the long-term expected return on its endowment. Accordingly, PPMW is prepared to accept the risk of short-term volatility in exchange for an increased likelihood of earning a net total return over a 10-year time horizon that fulfills the primary goals for the Invested Assets, i.e., a total return of more than 4.5% after inflation and investment expenses. This is consistent with PPMW's objective to maintain the purchasing power of the endowment assets held in-perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

(11) LEASE COMMITMENT

PPMW leases certain building spaces for clinical services in the Washington, D.C. metropolitan area, which expire at various times through March 2026. In addition, PPMW leases various office equipment under leases which expire through November 2025.

Minimum future rental commitments for these leases as of September 30, 2021 and 2020 are as follows:

<u>Year Ending September 30,</u>	
2022	\$ 144,000
2023	128,500
2024	131,400
2025	131,500
2026	52,400
Thereafter	<u>4,900</u>
	<u>\$ 592,700</u>

Rent expense, which is included in occupancy and related expenses in the Statement of Functional Expenses, was approximately \$193,300 and \$184,700 for the years ended September 30, 2021 and 2020, respectively.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

(12) CONTRIBUTED SERVICES

PPMW received contributions of legal services which are recorded as support (revenue) and expense. The expense was charged to the programs and activities to which the services relate based on the fair value of those services. During the years ended September 30, 2021 and 2020, total donated services were \$125,300 and \$378,205, respectively.

(13) PENSION PLAN

PPMW participates in a defined contribution plan sponsored by Planned Parenthood Federation of America, Inc. Employees become eligible to participate on the first of the month, coincident with or following the date on which the employee attains age 19 and completes one year of service with PPMW. PPMW matches 50% of the employee's contribution up to 6% of the employee's salary. Total employer contributions to the plan totaled approximately \$139,700 and \$211,600 for the years ended September 30, 2021 and 2020, respectively.

(14) AFFILIATED ORGANIZATIONS

Annually, PPMW receives from PPFA a percentage of donations made to the Federation from individuals residing in regions serviced by the organization. For the years ended September 30, 2021 and 2020, the organization received contributions of \$2,099,285 and \$2,138,807, respectively. In addition, PPMW received \$101,000 and \$254,000 for the years ending September 30, 2021 and 2020, respectively, for the Consortium of Abortion Providers (CAPS) funding which is administered by PPFA. PPMW also received \$1,010,027 and \$954,209 in various grants from PPFA during the years ended September 30, 2021 and 2020, respectively.

Dues paid to PPFA were \$34,385 for the year ended September 30, 2020. No dues were paid in 2021. PPOL dues were \$36,000 and \$18,000 for the years ended September 2021 and 2020, respectively.

PPMW is reimbursed by PPM for services performed and certain costs incurred on their behalf. At September 30, 2021 and 2020, \$152,228 and \$146,646, respectively, was due from PPM. PPM was reimbursed for costs incurred on behalf of PPMW for services they provided to PPADMV. PPADMV owed \$5,554 and \$11,059 to PPM at September 30, 2021 and 2020, respectively.

PPMW paid to Planned Parenthood Advocates of Virginia were \$20,000 for the years ended September 30, 2020. No dues were paid in 2021.

PPMW is a member of BetterHealth. A Planned Parenthood Partnership ("**BetterHealth**"), a Pennsylvania nonprofit corporation. BetterHealth is a service organization whose mission is to leverage purchase power for Planned Parenthood affiliate members for strategic business initiatives. The President/CEO of PPMW is a director of BetterHealth. In addition, PPMW uses the services of BetterHealth's information technology consulting group. The total amount paid to BetterHealth was \$335,298 and \$361,829 in 2021 and 2020, respectively.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

NOTES TO COMBINED FINANCIAL STATEMENTS – (Continued)

September 30, 2021 And 2020

(15) FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The following table reflects PPMW's financial assets as of September 30, 2021 and 2020, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual and/or donor restrictions.

Financial Assets	2021	2020
Cash and cash equivalents	\$ 3,465,167	\$ 1,852,315
Contributions receivable, current portion	450,111	683,411
Grants receivable	107,500	244,383
Accounts receivable, net	283,610	220,463
Other receivables	162,542	2,268,594
Investments	<u>4,824,944</u>	<u>4,105,487</u>
Total financial assets	9,293,874	9,374,653
Donor-restricted endowment funds	(1,246,713)	(1,098,217)
Board designated reserves	<u>(3,130,842)</u>	<u>(2,539,910)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 4,916,319</u>	<u>\$ 5,736,526</u>

PPMW strives to maintain liquid financial assets to be available as its general expenditures, liabilities and other obligations become due. PPMW has \$3,130,842 and \$2,539,910 of board designated funds as of September 30, 2021 and 2020, respectively, which could be made available, if necessary, with Board approval. In addition, PPMW maintains a line of credit for \$4,500,000 which can be drawn upon if needed.

(16) CONTINGENCIES

In early 2020, an outbreak of novel strain of coronavirus (COVID-19) emerged globally. As a result, there have been mandates from federal, state, and local authorities resulting in an overall decline in economic activity. The current operating environment is changing rapidly. The extent of the impact that the COVID-19 that the COVID-19 pandemic will have on the financial performance of PPMW's investments and operations is not reasonably estimable at this time. Management will continue to monitor the effects of the COVID-19 pandemic and will adjust operations as necessary.

(17) SUBSEQUENT EVENTS

Subsequent events after the combined statement of financial position date through the date the financial statements were available for issuance, June 29, 2022, have been evaluated in the preparation of the financial statements.

SUPPLEMENTAL INFORMATION

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON SUPPLEMENTAL INFORMATION**

**Board of Directors
Planned Parenthood of Metropolitan Washington, D.C., Inc. and Affiliate
Washington, D.C.**

We have audited the combined financial statements of Planned Parenthood of Metropolitan Washington, D.C., Inc, and affiliate as of and for the year ended September 30, 2021 and have issued our report thereon dated June 29, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the 2021 combined financial statements as a whole. The combining statements of financial position and combining statements of activities and changes in net assets is presented for the purpose of additional analysis and is not a required part of the 2021 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2021 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Tait, Weller & Baker LLP

**Philadelphia, Pennsylvania
June 29, 2022**

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINING STATEMENT OF FINANCIAL POSITION

September 30, 2021

ASSETS	Planned Parenthood	PPADMV	Elimination	Total
Cash and cash equivalents	\$ 2,813,188	651,979	\$ -	\$ 3,465,167
Contributions receivable, net	436,824	44,334	-	481,158
Grants receivable	107,500			107,500
Patient receivables, net	283,610	-	-	283,610
Other receivables	314,039	-	(151,497)	162,542
Prepaid expenses and other current assets	216,088	-	-	216,088
Investments	4,824,944	-	-	4,824,944
Inventory	190,920	-	-	190,920
Property and equipment, net of accumulated depreciation	20,662,629	-	-	20,662,629
Total assets	\$ 29,849,742	\$ 696,313	\$ (151,497)	\$ 30,394,558
LIABILITIES AND NET ASSETS				
LIABILITIES				
Lines of credit	\$ 50,000	\$ -	\$ -	\$ 50,000
Accounts payable and accruals	1,470,738	\$ 170,614	\$ (151,497)	\$ 1,489,855
Refundable advance	1,308,335			1,308,335
Total liabilities	2,829,073	170,614	(151,497)	2,848,190
COMMITMENTS				
NET ASSETS				
Without donor restrictions	25,708,456	525,699	-	26,234,155
With donor restrictions	1,312,213	-	-	1,312,213
Total net assets	27,020,669	525,699	-	27,546,368
Total liabilities and net assets	\$ 29,849,742	\$ 696,313	\$ (151,497)	\$ 30,394,558

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended September 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Planned Parenthood Total	PPADMV	Eliminating Entries	Total
REVENUES, GAINS AND OTHER SUPPORT						
Contributions	\$ 6,351,655	\$ 10,000	\$ 6,361,655	\$ 221,343	\$ -	\$ 6,582,998
Grants and contracts revenue	1,107,654	270,160	1,377,814	65,620	-	1,443,434
Government assistance	1,328,800	-	1,328,800	-	-	1,328,800
Interest and dividend income	60,389	7,259	67,648	-	-	67,648
Contributed services	125,296	-	125,296	-	-	125,296
Patient service fees, net of charge adjustments	6,057,020	-	6,057,020	-	-	6,057,020
Other revenue	287,844	-	287,844	-	(238,293)	49,551
	15,318,658	287,419	15,606,077	286,963	(238,293)	15,654,747
Net assets released from restrictions	514,387	(514,387)	-	-	-	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	15,833,045	(226,968)	15,606,077	286,963	(238,293)	15,654,747
EXPENSES						
Program Services						
Patient Services	10,748,214	-	10,748,214	-	-	10,748,214
External Affairs	542,614	-	542,614	-	-	542,614
Community Education	730,074	-	730,074	-	-	730,074
PPADMV	238,293	-	238,293	306,165	(238,293)	306,165
Total Program Services	12,259,195	-	12,259,195	306,165	(238,293)	12,327,067
Supporting Services						
Management and General	1,332,429	-	1,332,429	-	-	1,332,429
Fundraising	1,769,459	-	1,769,459	-	-	1,769,459
Total Supporting Services	3,101,888	-	3,101,888	-	-	3,101,888
TOTAL EXPENSES	15,361,083	-	15,361,083	306,165	(238,293)	15,428,955
CHANGE IN NET ASSETS FROM OPERATIONS	471,962	(226,968)	244,994	(19,202)	-	225,792
OTHER CHANGES						
Net appreciation on investments	562,047	141,237	703,284	-	-	703,284
Loss on contributions receivable	(100,000)	-	(100,000)	-	-	(100,000)
Loss on disposal of property and equipment	(6,605)	-	(6,605)	-	-	(6,605)
CHANGE IN NET ASSETS	927,404	(85,731)	841,673	(19,202)	-	822,471
NET ASSETS AT BEGINNING OF YEAR	24,781,052	1,397,944	26,178,996	544,901	-	26,723,897
NET ASSETS AT END OF YEAR	\$ 25,708,456	\$ 1,312,213	\$ 27,020,669	\$ 525,699	\$ -	\$ 27,546,368