

**STOP SOLDIER SUICIDE, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

**STOP SOLDIER SUICIDE, INC.**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Stop Soldier Suicide, Inc.

We have audited the accompanying financial statements of Stop Soldier Suicide, Inc. (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities 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 Stop Soldier Suicide, Inc. as of December 31, 2018 and 2017, 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.



CERTIFIED PUBLIC ACCOUNTANTS

New York, New York  
May 28, 2019

**STOP SOLDIER SUICIDE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b><u>ASSETS</u></b>		
Cash	\$ 2,526,231	\$ 367,912
Prepaid expenses	9,155	-
Security deposits	<u>9,917</u>	<u>3,120</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,545,303</u></b>	<b><u>\$ 371,032</u></b>

<b><u>LIABILITIES AND NET ASSETS</u></b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 67,007	\$ 8,671
Commitments and contingencies (Note 5)		
Net assets without donor restrictions	<u>2,478,296</u>	<u>362,361</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,545,303</u></b>	<b><u>\$ 371,032</u></b>

See accompanying notes to financial statements.

**STOP SOLDIER SUICIDE, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenue:		
Contributions	\$ <u>3,446,477</u>	\$ <u>703,554</u>
Expenses:		
Program services	<u>917,248</u>	<u>346,624</u>
Supporting services:		
General and administrative	293,800	78,494
Fundraising	<u>119,494</u>	<u>29,338</u>
Total supporting services	<u>413,294</u>	<u>107,832</u>
Total expenses	<u>1,330,542</u>	<u>454,456</u>
Change in net assets	2,115,935	249,098
Net assets without donor restrictions - beginning	<u>362,361</u>	<u>113,263</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS - ENDING</b>	<u>\$ 2,478,296</u>	<u>\$ 362,361</u>

See accompanying notes to financial statements.

**STOP SOLDIER SUICIDE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ 2,115,935	\$ 249,098
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Prepaid expenses	(9,155)	-
Security deposits	(6,797)	-
Accounts payable and accrued expenses	<u>58,336</u>	<u>2,047</u>
Net cash provided by operating activities	<u>2,158,319</u>	<u>251,145</u>
Net increase in cash	2,158,319	251,145
Cash - beginning	<u>367,912</u>	<u>116,767</u>
<b>CASH - ENDING</b>	<b><u>\$ 2,526,231</u></b>	<b><u>\$ 367,912</u></b>

See accompanying notes to financial statements.

**STOP SOLDIER SUICIDE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES**

Stop Soldier Suicide, Inc. (the "Organization"), a not-for-profit organization, was incorporated in New York State on October 19, 2010. The Organization promotes awareness for active and veteran service members who are considering suicide and provides an opportunity for them to openly and, without shame, ask for and receive help and support. The Organization has the appropriate resources available, through a network of mental health professionals and local chapter support and partner organizations, to refer service members to the proper care and assistance that they need.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting and financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*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.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Organization does not have any net assets with donor restrictions at December 31, 2018 or 2017.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash

The Organization maintains cash in a bank deposit account which, at times, may exceed federally insured limits.



**STOP SOLDIER SUICIDE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

In-kind donations

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills and are performed by people whose services would otherwise be purchased by the Organization.

Certain individuals volunteer their time and perform a variety of tasks that assist the Organization with its programs, campaign solicitations and various other assignments. The value of their contributed time is not reflected in the financial statements in as much as those services would not typically be purchased had they not been provided by donation.

Advertising

Advertising costs are expensed as incurred. Advertising costs amounted to \$211,402 and \$27,598 for the years ended December 31, 2018 and 2017, respectively.

Functional expenses

The costs of program and supporting services activities have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. See Note 4 for the natural classification of the expenses. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Time and effort
Occupancy	Square footage
Advertising	Time and effort

Income tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from state income taxes.

The Organization recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Income Taxes*. Under that guidance, the Organization assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

Management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that require disclosure in or adjustment to the financial statements.

**STOP SOLDIER SUICIDE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently adopted accounting pronouncement

In August 2016, FASB issued Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to the prior period presented.

Recently issued but not yet effective accounting standards

*Revenue Recognition*

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended (commonly referred to as "ASC 606"), which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 replaces most existing revenue recognition standards in U.S. GAAP, including industry-specific standards, when it becomes effective. This standard is effective for the Organization beginning January 1, 2019. The standard permits the use of either the retrospective or cumulative-effect transition method. The Organization is currently completing its evaluation of the impact that ASC 606 will have on its financial statements and related disclosures.

The Organization expects, at a minimum, the effect of adoption will be expanded disclosures that will enable users to better understand the nature, amount, timing, and uncertainty, if any, of revenues and cash flows arising from contracts with customers.

*Leases*

In February 2016, FASB issued ASU No. 2016-02, *Leases*. This update requires all leases with a term greater than 12 months to be recognized on the statement of financial position through a right-of-use asset and a lease liability and the disclosure of key information pertaining to leasing arrangements. This new guidance is effective for years beginning after December 15, 2019, with early adoption permitted. The Organization is evaluating the effect that ASU 2016-02 will have on its financial statements and disclosures, but has not yet determined the timing of adoption.

*Contributions*

In June 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which provides guidance for determining whether a transaction should be accounted for as a contribution or an exchange transaction, and whether a contribution is conditional or unconditional. This ASU is effective for years beginning after December 15, 2018. The Organization is evaluating the effect that ASU 2018-08 will have on its financial statements and related disclosures.

Subsequent events

In accordance with FASB ASC 855, *Subsequent Events*, the Organization has evaluated subsequent events through May 28, 2019, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

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**NOTE 3. LIQUIDITY AND AVAILABILITY**

Currently, the Organization typically only receives contributions without donor restrictions. If contributions are received with donor restrictions, they are to be used in accordance with the associated purpose restrictions. As of December 31, 2018, the financial assets of the Organization available for general expenditures consists of cash aggregating \$2,526,231.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**NOTE 4. FUNCTIONAL EXPENSES**

Following is the detail of functional expenses for the year ended December 31, 2018, which presents the natural classification of expenses by function:

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 437,877	\$ 68,059	\$ 13,793	\$ 519,729
Advertising	105,701	-	105,701	211,402
Bank charges	-	3,352	-	3,352
Insurance	-	42,258	-	42,258
Office supplies and expense	-	34,120	-	34,120
Outside consultants	199,055	-	-	199,055
Professional fees	-	100,263	-	100,263
Education and awareness	135,091	-	-	135,091
Rent	39,524	4,392	-	43,916
Travel	-	41,203	-	41,203
Miscellaneous	-	153	-	153
Total	<u>\$ 917,248</u>	<u>\$ 293,800</u>	<u>\$ 119,494</u>	<u>\$ 1,330,542</u>

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**NOTE 5. COMMITMENTS AND CONTINGENCIES**

Operating leases

In 2015, the Organization entered into an agreement to rent office space under an operating lease that expires on April 30, 2019, and expects not to renew. Alternatively, in 2018, the Organization entered into an agreement to rent office space under an operating lease which is expected to commence in February 2019, and expire in May 2024. Rent expense charged to operations in connection with the existing lease amounted to \$43,916 and \$37,440 for the years ended December 31, 2018 and 2017, respectively.

Future minimum rental payments required under these operating leases as of December 31, 2018, are as follows:

<u>Year ending December 31:</u>	<u>Amount</u>
2019	\$ 87,251
2020	83,782
2021	86,326
2022	88,916
2023	91,583
2024	<u>31,291</u>
	<u>\$ 469,149</u>

Litigation

The Organization is currently subject to various legal action or claims in the ordinary course of its operations. Management believes that the ultimate resolution of these matters will not have a material adverse effect on the Organization's financial condition. Nevertheless, litigation is subject to inherent uncertainties and unfavorable rulings could occur. An unfavorable ruling could cost money damages and, in such event, could result in a material adverse impact on the Organization's financial position, results of operations or cash flows for the period in which the ruling occurs.