

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.

**FINANCIAL STATEMENTS
AND
AUDITORS' REPORT**

MARCH 31, 2021 AND 2020

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.

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INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of
Reproductive Health Access Project, Inc.

We have audited the accompanying financial statements of Reproductive Health Access Project, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2021 and 2020, and the related statements of activities, expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Reproductive Health Access Project, Inc. as of March 31, 2021 and 2020, 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.

Skody Scot & Company, CPAs, P.C.

New York, NY
November 7, 2021

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 486,688	\$ 253,855
Contributions & other receivables	21,000	79,660
Property and equipment, net	19,187	11,186
Security deposits	14,384	14,384
	\$ 541,259	\$ 359,085

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 178,637	\$ 78,332
Refundable advance	117,875	-
Total liabilities	296,512	78,332
Commitments and contingencies (see notes)		
Net Assets:		
Without donor restrictions	163,467	151,586
With donor restrictions	81,280	129,167
Total net assets	244,747	280,753
Total liabilities and net assets	\$ 541,259	\$ 359,085

See accompanying notes to the financial statements.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2021 AND 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:						
Contributions	\$ 1,127,626	\$ 81,280	\$ 1,208,906	\$ 1,145,508	\$ 129,167	\$ 1,274,675
Government grants	105,855	-	105,855	-	-	-
Program service revenue	27,228	-	27,228	73,667	-	73,667
Interest income	319	-	319	942	-	942
Net assets released from restriction:						
Satisfaction of purpose restrictions	129,167	(129,167)	-	47,482	(47,482)	-
Expiration of time restrictions	-	-	-	60,000	(60,000)	-
Total net assets released from restriction	129,167	(129,167)	-	107,482	(107,482)	-
Total support and revenues	1,390,195	(47,887)	1,342,308	1,327,599	21,685	1,349,284
Expenses:						
Program services	1,149,145	-	1,149,145	1,178,357	-	1,178,357
Management and general	135,585	-	135,585	146,811	-	146,811
Fundraising	93,584	-	93,584	138,837	-	138,837
Total expenses	1,378,314	-	1,378,314	1,464,005	-	1,464,005
Increase/(decrease) in net assets	11,881	(47,887)	(36,006)	(136,406)	21,685	(114,721)
Net assets, beginning of year	151,586	129,167	280,753	287,992	107,482	395,474
Net assets, end of year	\$ 163,467	\$ 81,280	\$ 244,747	\$ 151,586	\$ 129,167	\$ 280,753

See accompanying notes to the financial statements.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF EXPENSES
YEAR ENDED MARCH 31, 2021

	Program Services	Management and General	Fundraising	Total Expenses
Personnel costs:				
Salaries	\$ 518,873	\$ 55,932	\$ 55,878	\$ 630,683
Payroll taxes and benefits	86,582	8,019	9,324	103,925
Pension	24,680	2,286	2,658	29,624
Outside contractors	294,945	4,008	9,511	308,464
Total personnel costs	<u>925,080</u>	<u>70,245</u>	<u>77,371</u>	<u>1,072,696</u>
Direct expenses:				
Depreciation	196	3,699	-	3,895
Dues & subscriptions	31,137	9,531	3,999	44,667
Grants and contributions to others	90,250	-	-	90,250
Insurance	-	14,084	-	14,084
Office supplies and expenses	6,134	10,899	8,735	25,768
Postage & delivery	200	1,215	846	2,261
Printing and design	6,727	4,376	1,949	13,052
Professional fees	-	11,500	-	11,500
Rent and utilities	66,051	7,339	-	73,390
Training and workshops	22,467	168	-	22,635
Travel and meetings	625	952	36	1,613
Website	278	1,577	648	2,503
Total direct expenses	<u>224,065</u>	<u>65,340</u>	<u>16,213</u>	<u>305,618</u>
Total expenses	<u>\$ 1,149,145</u>	<u>\$ 135,585</u>	<u>\$ 93,584</u>	<u>\$ 1,378,314</u>

See accompanying notes to the financial statements.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF EXPENSES
YEAR ENDED MARCH 31, 2020

	Program Services	Management and General	Fundraising	Total Expenses
Personnel costs:				
Salaries	\$ 462,920	\$ 44,188	\$ 90,262	\$ 597,370
Payroll taxes and benefits	78,497	7,493	15,305	101,295
Pension	19,077	1,821	3,720	24,618
Outside contractors	183,248	-	1,618	184,866
Total personnel costs	<u>743,742</u>	<u>53,502</u>	<u>110,905</u>	<u>908,149</u>
Direct expenses:				
Depreciation	-	4,435	-	4,435
Dues & subscriptions	28,837	5,809	2,745	37,391
Grants and contributions to others	58,700	-	-	58,700
Insurance	-	12,705	-	12,705
Office supplies and expenses	6,842	5,650	9,210	21,702
Postage & delivery	4,429	496	3,845	8,770
Printing and design	9,577	4,791	7,844	22,212
Professional fees	-	11,680	-	11,680
Rent and utilities	72,730	8,081	-	80,811
Training and workshops	57,381	430	749	58,560
Travel and meetings	157,531	3,166	3,446	164,143
Website	38,588	-	93	38,681
Loss on sale of donated stock	-	36,066	-	36,066
Total direct expenses	<u>434,615</u>	<u>93,309</u>	<u>27,932</u>	<u>555,856</u>
Total expenses	<u>\$ 1,178,357</u>	<u>\$ 146,811</u>	<u>\$ 138,837</u>	<u>\$ 1,464,005</u>

See accompanying notes to the financial statements.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2021 AND 2020

	2021	2020
Cash flows from operating activities:		
Increase/(decrease) in net assets	\$ (36,006)	\$ (114,721)
Adjustments for non-cash items included in operating activities:		
Depreciation	3,895	4,435
Changes in assets and liabilities:		
Contributions & other receivables	58,660	5,174
Accounts payable and accrued expenses	100,305	15,480
Refundable advance	117,875	-
Net cash provided/(used) by operating activities	244,729	(89,632)
Cash flows from investing activities:		
Purchases of equipment	(11,896)	-
Net cash provided/(used) by investing activities	(11,896)	-
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	232,833	(89,632)
Cash and cash equivalents at beginning of year	253,855	343,487
Cash and cash equivalents at end of year	\$ 486,688	\$ 253,855

See accompanying notes to the financial statements.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Organization

Reproductive Health Access Project, Inc. (Organization), a not-for-profit organization, was incorporated in the State of Delaware on September 7, 1999 under the name Access Project Foundation. The Organization amended its certificate of incorporation in February 2005 to change to its current name. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements contain any uncertain tax positions. The Organization primarily receives its support from contributions from individuals, foundations and corporations.

The purpose of the Organization is to integrate abortion, contraception and miscarriage care into primary care. The Organization aims to accomplish its mission by training and supporting clinicians, including medical students, residents, and practicing clinicians. Its programs include developing and maintaining a national network of reproductive health care providers and trainers; disseminating information to educate clinicians and the general public; sponsoring fellowships and hands-on clinical training; and promoting understanding about reproductive health options.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash Equivalents

For the purposes of the statements of financial position and the statements of cash flows, the Organization considers as cash equivalents money market funds and all highly liquid resources, such as investments in certificates of deposit, with an original maturity, to the Organization, of three months or less.

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectible receivables.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Investments

The policy of the Organization is to sell donated investments soon after receipt and consider them cash donations valued at the sale price. During the year ended March 31, 2020, one donated investment lost significant value soon after receipt before it was sold. This loss is shown separately in the statement of expenses.

Property and Equipment

The Organization capitalizes certain property and equipment with estimated lives of three years or more. Purchased property and equipment are stated at cost, less accumulated depreciation. Donated property and equipment are stated at fair value on the date of donation, less accumulated depreciation. Depreciation of equipment is computed by the straight-line method over estimated useful lives ranging from three to five years. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.

Grants Payable

Grants payable represents all unconditional grants that have been authorized by the Organization but remain unpaid as of the statement of financial position date. Conditional grants are expensed and considered payable in the period the conditions are substantially satisfied. At March 31, 2021 and 2020, authorized grants totaling \$0 and \$40,000, respectively, have not been recognized in the accompanying statements of activities and expenses because the conditions on which they depend have not been met. The recognition of these grants is conditioned upon the grantee meeting certain program requirements.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related expenses based on estimated time and effort and office supplies and expenses, postage and delivery, printing and design, rent and utilities, and website expenses based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. 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. This classification includes net assets designated by the board or management for a specified purpose.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) 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 (endowment), where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

The Organization recognizes contributions when cash, noncash assets, or unconditional promises to give are received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to meeting these conditions, if any, are reported as refundable advances in the statements of financial position. At March 31, 2021 and 2020, the Organization did not have any conditional pledges that were not recognized.

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted for a purpose by the donor are reported as revenue with donor restrictions and increases in net assets with donor restrictions. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

Program service revenue relates to fees received in exchange for program services and consists primarily of training, consulting, and project management fees. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred revenue.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

During the year ended March 31, 2021, the Organization received \$223,730 of Paycheck Protection Program (PPP) funds from the U.S. Small Business Administration - \$105,855 for first round funding and \$117,875 for second round funding. Management has determined that the correct model to follow is the grant model. The purpose-related conditions imposed on the first PPP funding were met by year-end; therefore, \$105,855 has been recognized as revenue and included with government grants in the statement of activities for the year ended March 31, 2021. The purpose-related conditions imposed on the second PPP funding were not met by year-end; therefore, recognition has been deferred. The amount is reported as a refundable advance in the statement of financial position as of March 31, 2021.

Note 2 - Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at March 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Bank deposits and cash	\$ 379,830	\$ 203,873
Money market funds	<u>106,858</u>	<u>49,982</u>
Total held	<u>\$ 486,688</u>	<u>\$ 253,855</u>

Note 3 - Property and Equipment

Property and equipment consisted of the following at March 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Equipment and furniture	\$ 53,125	\$ 41,229
Less: Accumulated depreciation	<u>(33,938)</u>	<u>(30,043)</u>
	<u>\$ 19,187</u>	<u>\$ 11,186</u>

Note 4 - Net Assets With Donor Restrictions

As of March 31, 2021 and 2020, net assets with donor restrictions are available as follows:

	<u>2021</u>	<u>2020</u>
American academy of family physicians advocacy	\$ 81,280	\$ 57,855
Fellowship program	-	50,000
Zine project	<u>-</u>	<u>21,312</u>
	<u>\$ 81,280</u>	<u>\$ 129,167</u>

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

Note 5 - Concentrations

The Organization maintains its cash and cash equivalents in various accounts. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution. The Securities Investor Protection Corporation (SIPC) insures cash and securities, including money market funds, up to \$500,000 per financial institution. At times, the balances of the accounts may have exceeded the insured limits during the years ended March 31, 2021 and 2020.

For the years ended March 31, 2021 and 2020, approximately 52% and 52% of the Organization's total support was provided by a major contributor. It is always possible that benefactors, grantors, or contributors might be lost in the near term. In the event funding is terminated or significantly reduced, the Organization's ability to continue providing their programs at the same level of service would be greatly diminished.

Note 6 - Revenue from Contracts with Customers

All of the revenue derived from contracts with customers during the years ended March 31, 2021 and 2020, was fully earned in the same annual reporting period. Detail of revenue from contracts with customers during the years ended March 31, 2021 and 2020, is as follows:

	<u>2021</u>	<u>2020</u>
Training, consulting, and project management	\$ 26,500	\$ 73,271
Presentation fees and education materials	728	396

Note 7 - Pension Plan

During 2007, the Organization adopted a Tax Sheltered Annuity Plan (TSA). Any employee is eligible to enroll in the plan. The Organization makes contributions based on a percentage of each employee's salary who has been an employee of the Organization for at least one year. During the years ended March 31, 2021 and 2020, the Organization contributed a total of \$29,624 and \$24,618, respectively, to this TSA plan.

Note 8 - Related Party Transactions

During the year ended March 31, 2021, a member of the Organization's board of director provided consulting services to the Organization and received payments in total of \$23,550 as compensation.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

Note 9 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization's financial assets, as of March 31, 2021 and 2020, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash and cash equivalents	\$ 486,688	\$ 253,855
Receivables	<u>21,000</u>	<u>79,660</u>
Total financial assets	507,688	333,515
Less those unavailable for general expenditures within one year	<u>-</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>507,688</u>	\$ <u>333,515</u>

Note 10 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through November 7, 2021, which is the date the financial statements were available to be issued.