

BLUE H.E.L.P., INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

BLUE H.E.L.P., INC.
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Greenberg, Rosenblatt, Kull & Bitsoli, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountants' Review Report

The Board of Directors
Blue H.E.L.P., Inc.
Worcester, Massachusetts

We have reviewed the accompanying financial statements of Blue H.E.L.P., Inc., (a nonprofit organization), which comprise the statements of assets, liabilities and net assets - modified cash basis as of December 31, 2020 and 2019, and the related statements of support and revenues, expenses, and changes in net assets - modified cash basis and functional expenses - modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting.

The Board of Directors
Blue H.E.L.P., Inc.
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Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.


GREENBERG, ROSENBLATT, KULL & BITSOLI, P.C.

Worcester, Massachusetts
July 27, 2021

BLUE H.E.L.P., INC.
 STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
 DECEMBER 31,

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 119,483	\$ 27,250
Deposit refund receivables	-	40,000
Equipment, net	199	801
Other asset, net	<u>4,694</u>	<u>-</u>
 Total assets	 <u>\$ 124,376</u>	 <u>\$ 68,051</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
Liabilities:		
Loan payable - related party	<u>\$ -</u>	<u>\$ 400</u>
Net assets:		
Without donor restrictions	30,698	32,651
With donor restrictions	<u>93,678</u>	<u>35,000</u>
Total net assets	<u>124,376</u>	<u>67,651</u>
 Total liabilities and net assets	 <u>\$ 124,376</u>	 <u>\$ 68,051</u>

See independent accountants' review report
 and notes to financial statements

BLUE H.E.L.P., INC.
 STATEMENTS OF SUPPORT AND REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
 MODIFIED CASH BASIS
 FOR THE YEARS ENDED DECEMBER 31,

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
		Total		Total
Support and revenue:				
Contributions and grants	\$ 254,513	\$ 345,104	\$ 187,370	\$ 222,370
Event sponsorship and admission	10,987	10,987	35,182	123,244
Sale of merchandise, net	3,703	3,703	8,754	8,754
Interest income	300	300	66	66
Net assets released from restrictions	31,913	-	88,062	(88,062)
	<u>301,416</u>	<u>360,094</u>	<u>319,434</u>	<u>354,434</u>
Expenses:				
Program services	156,093	156,093	201,938	201,938
General and administrative	108,591	108,591	59,322	59,322
Fundraising	38,685	38,685	21,228	21,228
	<u>303,369</u>	<u>303,369</u>	<u>282,488</u>	<u>282,488</u>
Increase (decrease) in net assets	(1,953)	56,725	36,946	35,000
Net assets (deficit) - beginning	32,651	67,651	(4,295)	-
Net assets - ending	<u>\$ 30,698</u>	<u>\$ 124,376</u>	<u>\$ 32,651</u>	<u>\$ 67,651</u>

See independent accountants' review report
 and notes to financial statements

BLUE H.E.L.P., INC.
STATEMENTS OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEARS ENDED DECEMBER 31,

	2020			2019				
	Program Services	General & Administrative	Fundraising	Total	Program Services	General & Administrative	Fundraising	Total
Event and conference venues	\$ 6,711	\$ -	\$ 15,020	\$ 21,731	\$ 94,708	\$ -	\$ 5,629	\$ 100,337
Travel	20,801	328	-	21,129	38,535	8,132	9,812	56,479
Merchandise donations	52,338	-	-	52,338	50,097	-	-	50,097
Advertising and marketing	699	2,322	20,545	23,566	2,578	16,570	5,587	24,735
Office expenses	-	18,850	-	18,850	-	10,847	-	10,847
Salaries and wages	9,090	18,410	2,800	30,300	-	-	-	-
Contracted services	33,019	13,305	320	46,644	-	10,142	-	10,142
Bank and merchant fees	-	3,879	-	3,879	-	7,541	-	7,541
Payroll taxes	-	2,813	-	2,813	-	-	-	-
Professional fees	-	41,941	-	41,941	-	-	-	-
Print and publication	8,408	-	-	8,408	7,534	-	-	7,534
Postage	16,550	2,494	-	19,044	2,682	4,823	-	7,505
Other	3,477	1,840	-	5,317	3,054	32	200	3,286
Donations to other organizations	5,000	-	-	5,000	2,750	-	-	2,750
Interest	-	-	-	-	-	770	-	770
Depreciation and amortization	-	2,409	-	2,409	-	465	-	465
	<u>\$ 156,093</u>	<u>\$ 108,591</u>	<u>\$ 38,685</u>	<u>\$ 303,369</u>	<u>\$ 201,938</u>	<u>\$ 59,322</u>	<u>\$ 21,228</u>	<u>\$ 282,488</u>

See independent accountants' review report and notes to the financial statements

BLUE H.E.L.P., INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

Blue H.E.L.P., Inc. (the Organization) is a nonprofit organization located in Central Massachusetts organized to serve the law enforcement community across the United States by reducing mental health stigma through education services, providing support to families of law enforcement officers suffering from post-traumatic stress, acknowledging the service and sacrifice of law enforcement officers lost to suicide, and bringing awareness to suicide and mental health issues.

Basis of Accounting:

The financial statements are presented on the modified cash basis of accounting. That basis differs from accounting principles generally accepted in the United States of America primarily because revenue is recorded when received rather than when earned and expenses are recorded when paid rather than when the obligation is incurred. Modifications to the cash basis of accounting include reporting deposit refund receivables, equipment and other asset, net of accumulated depreciation and amortization, and to report debt balances.

Basis of Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of donor restrictions, as follows:

Net assets without donor restrictions - are resources available to support operations. The governing board of the Organization may elect to designate such resources for specific purposes. This designation may be removed at the board's discretion.

Net assets with donor restrictions - are resources restricted by donors for a particular purpose or for use in a particular future period. The Organization's donor-imposed restrictions are temporary in nature and expire when the resources are used in accordance with donor instructions or when the stipulated time has passed.

Contributions:

Contributions and grants received are recorded as support with or without donor restrictions depending on the absence or existence and nature of any donor restrictions.

Donor-restricted contributions are reported as increases 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 as net assets released from restrictions in the statements of revenues, expenses, and changes in net assets - modified cash basis. All net assets released from restrictions in 2020 and 2019 were due to the use of assets for a specific purpose.

Donated services are recognized if they create or enhance non-financial assets or if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. There were no donated services required to be reported for the years ended December 31, 2020 and 2019.

BLUE H.E.L.P., INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents:

The Organization maintains its cash and cash equivalents balances with financial institutions. At December 31, 2020 and 2019, the Organization's cash balances were fully insured. The Organization considers all investments with an original maturity of three months or less to be cash equivalents.

Deposit Refund Receivables:

In 2019, the Organization made deposits in advance for events to be held in 2020. These deposits were refunded to the Organization in 2020 due to event cancellations.

Equipment:

Equipment is stated at cost and depreciated using the straight-line method over the estimated useful life of 3 years.

Other Asset:

Other asset is stated at cost and amortized using the straight-line method over the estimated useful life of 3 years.

Functional Expenses:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Advertising:

The Organization uses advertising to promote its programs among the audiences it serves and potential donors. The production costs of advertising are expensed as incurred. During 2020 and 2019, advertising costs totaled 24,000 and 25,000, respectively.

Tax-Exempt Status:

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the United States Internal Revenue Code.

Use of Estimates:

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Reclassifications:

Certain accounts in the 2019 financial statements have been reclassified for comparative purposes to conform with the 2020 presentation with no effect on previously reported increase in net assets or ending net assets.

BLUE H.E.L.P., INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

(2) NET ASSETS WITH DONOR RESTRICTIONS

Certain net assets maintained by the Organization are restricted as a result of donor-imposed spending requirements:

<u>Name</u>	<u>Restriction</u>	<u>2020</u>	<u>2019</u>
Training	To provide the law enforcement community training to raise suicide awareness.	\$ 38,892	\$ -
Kids Camp	To provide support for children affected by suicide to attend a camp operated by a third party.	50,000	35,000
Memorial Bricks	Bricks purchased to support the development of Memorial Park which is owned by an unaffiliated third party.	<u>4,786</u>	<u>-</u>
		<u>\$ 93,678</u>	<u>\$ 35,000</u>

Net assets restricted for Kids Camp as of December 31, 2019 were repurposed to Training during 2020.

(3) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2020, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statement of assets, liabilities and net assets – modified cash basis:

	<u>2020</u>
Financial assets:	
Cash and cash equivalents	\$ 119,483
Less: cash and cash equivalents unavailable for general expenditures within one year due to donor-restrictions for program services	<u>(93,678)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 25,805</u>

BLUE H.E.L.P., INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

(4) EQUIPMENT

Equipment consists of the following:

	<u>2020</u>	<u>2019</u>
Computer equipment	\$ 1,659	\$ 1,659
Accumulated depreciation	<u>(1,460)</u>	<u>(858)</u>
	<u>\$ 199</u>	<u>\$ 801</u>

Depreciation expense totaled \$603 in 2020 and \$465 in 2019.

(5) OTHER ASSET

Other asset consists of website development costs of \$6,500 incurred in 2020, presented net of accumulated amortization. Amortization expense was \$1,806 in 2020.

(6) REVOLVING LINE OF CREDIT

The Organization has available a \$6,500 revolving line of credit. Advances on the line of credit will be payable on demand with no interest.

(7) RELATED PARTY TRANSACTION

In 2018, a \$7,400 interest-free loan from the President and Co-Founder was made to the Organization. The Organization repaid \$7,000 in 2019. The remaining loan balance of \$400 was repaid by the Organization in 2020.

BLUE H.E.L.P., INC.
NOTES TO FINANCIAL STATEMENTS
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(8) CONCENTRATIONS

Approximately 18% and 10% of the Organization's revenue came from one donor in 2020 and 2019, respectively.

(9) SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring after December 31, 2020 through July 27, 2021, the date the financial statements were available for issue, and has determined there were no subsequent events requiring adjustment to or disclosure in the financial statements except as noted below.

In March 2021, the Organization changed its name from Blue H.E.L.P., Inc. to 1st H.E.L.P., Inc. The name change is a result of expanding its mission to firefighters across the United States.