Provide, Inc.

Independent Auditors' Report
And
Financial Statements

December 31, 2018

Provide, Inc.

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DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report

To The Board of Directors of
Provide, Inc.

We have audited the accompanying financial statements of Provide, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, 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.

Auditors' 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 auditors' 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.

Dedham Executive Center, 990 Washington Street, Suite 308A, Dedham, Massachusetts 02026 (617) 262-9898 Fax (617) 437-9937

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Provide, Inc. as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, as of and for the years ended December 31, 2018 and 2017, the Agency adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, Presentation of Financial Statements of Not-for-Profit Entities. Our opinion is not modified with respect to this matter.

Report of Summarized Comparative Information

We have audited the Agency's financial statements as of and for the year ended December 31, 2017, and our report dated May 18, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Daniel Dennis & Company LLP

April 15, 2019

Provide, Inc.
Statement of Financial Position
December 31, 2018 with Comparative Totals for 2017

Assets		
	2018	*2017*
Current Assets:		
Cash and cash equivalents	$ 1,797,043	$ 909,746
Investments	540,588	566,551
Other investments	420,630	414,111
Promises to give	106,757	2,981,804
Prepaid expenses	19,587	32,489
Total current assets	2,884,605	4,904,701
Fixed Assets		
Furniture and equipment	56,128	54,328
Less: accumulated depreciation	(34,725)	(18,857)
Total noncurrent assets	21,403	35,471
Total assets	$ 2,906,008	$ 4,940,172
Liabilities and Net Assets		
Current Liabilities:		
Accrued expenses	$ 21,803	$ 61,511
Accrued payroll	33,513	44,992
Accrued vacation	52,168	67,703
Total current liabilities	107,484	174,206
Net Assets:		
Without donor restrictions	1,196,286	1,084,462
With donor restrictions	1,602,238	3,681,504
Total net assets	2,798,524	4,765,966
Total liabilities and net assets	$ 2,906,008	$ 4,940,172

See accompanying notes to financial statements.

Provide, Inc.
Statement of Activities
For the Year Ended December 31, 2018
With Summarized Comparative Totals for the Year Ended December 31, 2017

	Without Donor Restrictions	*With Donor Restrictions*	*2018 Total*	*2017 Total*
Revenue and Support:				
Grants and contributions	$ 450,692	$ 1,257,250	$ 1,707,942	$ 6,420,102
In-kind contributions	8,045	-	8,045	8,032
Released from restriction	3,336,516	(3,336,516)	-	-
Interest income	13,399	-	13,399	8,953
Realized (loss)/gain on investments	(29,811)	-	(29,811)	20,867
Unrealized (loss)/gain on investments	(26,679)	-	(26,679)	60,045
Dividend income	612	-	612	7,223
Miscellaneous income	7,315	-	7,315	-
Total revenue and support	3,760,089	(2,079,266)	1,680,823	6,525,222
Expenses:				
Program services	2,948,681	-	2,948,681	2,955,541
General and administrative	488,677	-	488,677	622,806
Fundraising	210,907	-	210,907	240,425
Total expenses	3,648,265	-	3,648,265	3,818,772
Change in net assets	111,824	(2,079,266)	(1,967,442)	2,706,450
Net assets, beginning of year	1,084,462	3,681,504	4,765,966	2,059,516
Net assets, end of year	$ 1,196,286	$ 1,602,238	$ 2,798,524	$ 4,765,966

See accompanying notes to financial statements.

Provide, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2018
With Summarized Comparative Totals for the Year Ended December 31, 2017

	Program Services	*General and Administrative*	*Fundraising*	*2018 Total*	*2017 Total*
Salary and related expenses:					
Salaries	$ 1,749,452	$ 289,594	$ 126,846	$ 2,165,892	$ 2,237,296
Benefits	284,388	47,194	20,514	352,096	358,473
Payroll taxes	138,691	23,199	10,411	172,301	181,267
Total salary and related expenses	2,172,531	359,987	157,771	2,690,289	2,777,036
Consultants	97,274	32,014	495	129,783	235,275
Travel	315,920	27,356	5,380	348,656	272,464
Meetings and conferences	148,978	13,152	1,985	164,115	228,421
Rent	13,563	1,863	774	16,200	43,375
Office expenses	60,217	9,047	13,254	82,518	72,082
In-kind expenses	8,045	-	-	8,045	8,032
Telephone	4,189	575	241	5,005	7,290
Printing	81,217	-	24,643	105,860	75,689
Professional development	15,993	2,681	1,183	19,857	18,249
Postage	14,133	1,926	807	16,866	20,154
Dues and subscriptions	-	8,063	-	8,063	6,941
Depreciation	8,410	6,823	635	15,868	17,209
Insurance	4,267	3,440	245	7,952	8,359
Professional fees	-	11,250	-	11,250	11,000
Payroll processing	-	8,711	-	8,711	9,417
Utilities	-	-	-	-	195
Staff recruitment	3,944	1,364	3,494	8,802	6,636
Website maintenance	-	425	-	425	948
Total expenses	$ 2,948,681	$ 488,677	$ 210,907	$ 3,648,265	$ 3,818,772

See accompanying notes to financial statements

Provide, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2018 with Comparative Totals for 2017

	2018	*2017*
Cash Flows From Operating Activities:		
Change in net assets	$ (1,967,442)	$ 2,706,450
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	15,868	17,209
Dividends/interest reinvested	(612)	(7,223)
Donation of investments	(2,970,189)	(3,019,968)
Realized loss/(gain) on investments	29,811	(20,867)
Unrealized loss/(gain) on investments	26,679	(60,045)
Change in operating assets:		
Promises to give	2,875,047	(2,946,104)
Security deposit	-	4,258
Prepaid expenses	12,902	(2,229)
Change in operating liabilities:		
Accrued expenses	(39,708)	34,763
Accrued payroll	(11,479)	(458)
Accrued vacation	(15,535)	(2,870)
Net cash used in operating activities	(2,044,658)	(3,297,084)
Cash Flows From Investing Activities:		
Purchase of fixed assets	(1,800)	(22,189)
Proceeds from the sale of investments	2,944,378	3,559,616
Purchase of investments	(10,623)	(518,251)
Net cash provided by investing activities	2,931,955	3,019,176
Net change in cash and cash equivalents	887,297	(277,908)
Cash and cash equivalents, beginning of year	909,746	1,187,654
Cash and cash equivalents, at end of year	$ 1,797,043	$ 909,746

See accompanying notes to financial statements.

1. *Organization*

Provide Inc. (the Agency) was organized in the Commonwealth of Massachusetts as a not-for-profit corporation on January 2, 1996. The primary mission of the Agency is to educate, train and assist healthcare and social service providers to care for and support women seeking abortion. The Agency is funded primarily by grants and contributions.

The Agency envisions a world in which all people have the assistance, support and care they need to decide if, how and when to bring children into their lives. The Agency believes that they have a role in making this vision a reality, and that broader engagement around abortion both within the health care system and in society will ensure that abortion is an accessible part of the larger constellation of resources people need. The Agency's work focuses on making sustainable improvements to abortion access where it is needed most: in rural communities and in the South and Midwest, and on the engagement of professional groups such as primary care doctors and nurses that do the most to provide care to women in these areas.

The program and the achievements for that program during 2018 is as follows:

Referrals Program
Nationally, the health care and social services sector employs over 12 million people, and serves millions more. These providers can serve as a critical link to getting women quality care for a range of health care needs, including unintended pregnancy. The Agency's referrals program strives to strengthen this link by enhancing pregnancy options counseling and integrating abortion referrals into primary health care and social service sites while simultaneously, working to create the culture change necessary to expand abortion services in the longer term. In 2018, the Agency held trainings at 630 health and social service sites in states where women seeking abortion face particularly high barriers to accessing care, including AL, CO, FL, IL, KY, LA, MS, NC, NE, NY, OH, OK, SC, and TN. Tailored to address each site's specific needs, trainings resulted in significant changes in participants' knowledge, attitudes, and intentions for future practice, including correcting common misperceptions about abortion and increasing trainees' intention to provide referral for abortion by 69%. Additional technical assistance was provided to half of trained sites and supported concrete changes to organizational protocols, client handouts and site manuals, to further enhance and sustain agencies' capacity to respond to the needs of women with unintended pregnancy in an empathetic, supportive and client-centered manner.

2. *Summary of Significant Accounting Policies*

Accounting Method
The 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). The significant accounting policies followed by the Agency are described below to enhance the usefulness of the financial statements to the reader.

2. *Summary of Significant Accounting Policies* – *Continued*

Financial Statements Presentation
The statement of activities reports all changes in net assets. Operating revenues consist of those monies received and other contributions attributable to the Agency's ongoing efforts.

Standards of Accounting and Reporting
The Agency's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The statement of financial position presents two classes of net assets (without donor restrictions and with donor restrictions) and the statement of activities displays the change in each class of net assets. The classes of net assets applicable to the Agency are presented as follows:

Net assets without donor restrictions
Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. The Board of Directors has discretionary control over all of these assets and may elect to designate such resources for specific purposes. This designation may be removed at the board's direction.

Net assets with donor restrictions
Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Fixed Assets and Depreciation
Furniture and equipment are recorded at cost or if donated, fair value on the date of receipt. Assets with a cost of greater than $1,000 and a useful life of greater than one year are capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Expenditures for routine maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. The Agency computes depreciation using the straight-line method for furniture and equipment over three to seven year lives.

2. Summary of Significant Accounting Policies – Continued

Revenue Recognition
The Agency earns revenue as follows:

Grants and Contributions - Contributions are recorded upon receipt or pledge as revenue with or without donor restrictions depending on the existence and/or nature of any donor restrictions. All grants and contributions are considered to be without donor restriction unless specifically restricted by the donor. Grants are recorded as revenue as costs related to the services provided are incurred.

In-kind - In-kind services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Agency.

During the years ended December 31, 2018 and 2017, the Agency derived approximately 99% of its total revenue from grants and contributions from individuals and foundations, and 1% from other revenue. All revenue is recorded at the estimated net realizable amounts.

Income Taxes
The Agency qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is generally not subject to income tax. However, income from certain activities not directly related to the Agency's tax-exempt purpose is subject to taxation as unrelated business income.

As of December 31, 2018, the Agency has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2018 returns and believes they are more-likely-than-not of being sustained if examined by Federal or State tax authorities. At December 31, 2018, the Agency believes that it has no uncertain tax positions within any of its open tax returns (2015-2017).

Cash and Cash Equivalents
The Agency considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

The Agency maintains its cash balances at several financial institutions. The cash balances are insured by the Federal Deposit Insurance Corporation. At times these balances may exceed the federal insurance limits; however, the Agency has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash accounts.

2. *Summary of Significant Accounting Policies* - *Continued*

Functional Allocation of Expenses
The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to programs and supporting services. Administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Agency.

Payroll and associated costs are allocated to functions based upon actual time charges. Occupancy costs are allocated based upon direct program expenses.

Use of Estimates
In preparing the Agency's financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements
Investments are reported using a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quotes prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of fair value hierarchy are as follows:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical investments that the Agency has the ability to access at the measurement date.

- Level 2 – Inputs are measurements other than quotes prices in active markets that are observable for the investments, either directly or indirectly.

- Level 3 – Significant inputs to the valuation model are unobservable

Investments
The Agency carries investments in marketable securities at fair value in the statement of financial position. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income and gains and losses are recorded as increases or decreases in the net assets class without restriction unless a donor or law restricts their use.

2. *Summary of Significant Accounting Policies* - *Continued*

Other Investments
Certificates of deposit held for investment that are not debt securities are included in "Other investments." Certificates of deposit with original or remaining maturities less than one year are classified as "Current Assets – Other investments." Certificates of deposit with remaining maturities greater than one year are classified as "Noncurrent Assets – Other investments." Other investments are accounted for using the cost method.

Fundraising
Fundraising relates to the activities of raising general and specific contributions and grants to the Agency.

Promises to Give
Unconditional promises to give are recognized as revenue and as assets, net of allowances, in the period in which the promises are made. Unconditional promises to give are recorded, in the year received, at the present value of estimated future cash flows using a risk-adjusted discount rate. Amortization of the discount is included in contribution revenue. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and when the promises become unconditional.

Unconditional promises to give are periodically reviewed to estimate an allowance for doubtful accounts. Management estimates the allowance by review of historical experience and a specific review of collections trends that differ from scheduled collections on individual promises. As of December 31, 2018 and 2017, management has determined any allowance would be immaterial.

New Accounting Pronouncement
During 2018, the Agency adopted the provisions of FASB's Accounting Standard Update (ASU) 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. This update is effective for fiscal years beginning after December 15, 2017.

Summarized Comparative 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 Agency's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

3. *Investments*

As of December 31, 2018 and 2017, the Agency's investment accounts are maintained at one financial institution. The investments are subject to market fluctuations and due to the level of risk associated with investments, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the financial statements. At December 31, 2018 and 2017, investments are measured at fair value on a recurring basis and consisted of the following:

	Level 1	
Description	*2018*	*2017*
Mutual Funds:		
Large Blend Funds	$ 540,588	$ 566,551

The following schedule summarizes the investment returns for the years ended December 31, 2018 and 2017:

	2018	*2017*
Interest and dividends	$ 612	$ 7,328
Realized (loss)/gain/Unrealized (loss)/gain on investments	(56,490)	80,912
Total	$ (55,878)	$ 88,240

4. *Other Investments*

Other investments are carried at cost and consist of the following certificates of deposit at December 31, 2018 and 2017:

2018

Amount	*Maturity date*	*Interest rate*
$ 420,630	4/29/2019	1.75%

2017

Amount	*Maturity date*	*Interest rate*
$ 414,111	4/29/2018	1.20%

5. *Promises to Give*

Unconditional
The Agency has received unconditional promises to give primarily due from individual donors and foundations. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be received more than a year after December 31, 2018 are recorded at the present value of their future cash flows.

As of December 31, 2018 and 2017, all unconditional promises to give are expected to be collected within one year.

Conditional
During the year ended December 31, 2016, the Agency received a contribution in the amount of $400,000. The Agency received the first installment of $200,000 during 2016. Subsequent payments were conditional and would be made after the required reports are completed and at least 75% of the prior payment was expended. During fiscal year 2018, the Agency received the second and final installment of the contribution in the amount of $200,000.

6. *Operating Lease Commitments*

During fiscal year 2017, the Agency occupied office and retail store space under operating lease agreements which were terminated in March 2017.

Commencing in 2017, the Agency began leasing office space as a tenant at will for $1,350 per month.

Rent expense for the years ended December 31, 2018 and 2017 was $16,200 and $43,375, respectively.

7. *Related Party Transactions*

During 2018 and 2017, the Agency leased space from a family member of its executive director. The total rental expense paid to the related party for the year ended December 31, 2018 and 2017 was $16,200 and $13,500, respectively.

8. *Employee Benefits*

The Agency implemented a 403(b) retirement plan for the benefit of eligible employees. Employees are eligible to participate in the plan upon date of hire. The Agency shall make a contribution of 3% of compensation for eligible employees, regardless of whether eligible employees elect to make elective deferrals to the plan. Employer contributions of $65,738 and $58,330, net of expenses, were made by the Agency for the years ending December 31, 2018 and 2017.

9. *Net Assets With Donor Restrictions*

With Donor Restriction
At December 31, 2018 and 2017, net assets with donor restrictions were restricted for the following:

Description	*2018*	*2017*
Program/purpose restriction	$ 1,178,988	$ 3,646,781
Time restriction	423,250	34,723
Total	$ 1,602,238	$ 3,681,504

10. *Availability and Liquidity*

Financial assets available for expenditure, that are without restriction limiting their use within one year of the statement of financial position date, comprise the following:

Financial assets at year end:	
Cash	$ 1,797,043
Accounts receivable:	
Promise to give	106,757
Investments	540,588
Other investments	420,630
Total financial assets	2,865,018
Less amounts not available to be used within one year:	
Net assets with donor restrictions	1,602,238
Less net assets with purpose or time restrictions to be met in less than one year	(1,314,738)
	287,500
Financial assets available to meet general expenditures over the next twelve months	$ 2,577,518

11. *Concentration*

During 2018, 52% of total revenue and support was provided by two contributors. It is always considered reasonably possible that contributors might be lost in the near term.

12. Subsequent Events

The Agency has performed an evaluation of subsequent events through April 15, 2019, which is the date the Agency's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2018 that requires recognition or disclosure in these financial statements.