



JUST TRYAN IT

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

JUST TRYAN IT, INC.

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DECEMBER 31, 2020 AND 2019**

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Independent Accountants' Review Report

To the Board of Directors of
Just TRYAN It, Inc.
Bethesda, Maryland

We have reviewed the accompanying financial statements of Just TRYAN It, Inc. (JTI), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows 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 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement 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 accounting principles generally accepted in the United States of America. 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 accordance with accounting principles generally accepted in the United States of America.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
March 24, 2021

Certified Public Accountants

JUST TRYAN IT, INC.

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|---|--------------------------|--------------------------|
| Assets | | |
| Cash | \$ 246,622 | \$ 227,882 |
| Accounts Receivable | <u>4,300</u> | <u>2,500</u> |
| Total Assets | <u>\$ 250,922</u> | <u>\$ 230,382</u> |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accrued Expenses | \$ 114 | \$ 5,118 |
| Net Assets | | |
| Net Assets Without Donor Restrictions | <u>250,808</u> | <u>225,264</u> |
| Total Liabilities and Net Assets | <u>\$ 250,922</u> | <u>\$ 230,382</u> |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

JUST TRYAN IT, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|--------------------------|--------------------------|
| Revenues Without Donor Restrictions | | |
| Contributions | \$ 381,328 | \$ 784,890 |
| Interest | 19 | 32 |
| Total Revenues Without Donor Restrictions | <u>381,347</u> | 784,922 |
| Expenses | | |
| Program Services | 260,126 | 316,742 |
| General and Administrative | 58,744 | 72,003 |
| Fundraising | <u>36,933</u> | <u>297,953</u> |
| Total Expenses | <u>355,803</u> | <u>686,698</u> |
| Changes in Net Assets Without Donor Restrictions | 25,544 | 98,224 |
| Net Assets, Beginning of Year | <u>225,264</u> | <u>127,040</u> |
| Net Assets, End of Year | <u><u>\$ 250,808</u></u> | <u><u>\$ 225,264</u></u> |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

JUST TRYAN IT, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | 2020 | | | | 2019 | | | |
|----------------------------|-------------------|----------------------------|------------------|-------------------|-------------------|----------------------------|-------------------|-------------------|
| | Program Services | General and Administrative | Fundraising | Total | Program Services | General and Administrative | Fundraising | Total |
| Grant Expense | \$ 150,174 | \$ - | \$ - | \$ 150,174 | \$ 282,550 | \$ 2,450 | \$ - | \$ 285,000 |
| Salaries and Payroll Taxes | 91,884 | 35,573 | 31,400 | 158,857 | 26,833 | 49,479 | 143,228 | 219,540 |
| Event Expenses | 6,589 | - | 1,321 | 7,910 | 824 | 2 | 92,215 | 93,041 |
| Professional Fees | - | 3,100 | - | 3,100 | - | 4,050 | - | 4,050 |
| Office Expenses | 6,117 | 6,405 | 869 | 13,391 | 5,988 | 2,958 | 465 | 9,411 |
| Fundraising Incentives | 3,235 | 32 | 761 | 4,028 | - | 449 | 7,462 | 7,911 |
| Insurance | - | 7,875 | - | 7,875 | - | 6,440 | - | 6,440 |
| Rentals | 661 | - | - | 661 | - | - | 38,192 | 38,192 |
| Travel and Meeting | 176 | 1,044 | 492 | 1,712 | 492 | 2,611 | 7,980 | 11,083 |
| Marketing | 1,088 | 4,270 | 800 | 6,158 | - | 1,857 | 5,442 | 7,299 |
| Miscellaneous | - | 202 | 1,290 | 1,492 | 55 | 643 | 2,969 | 3,667 |
| Filing and Licensing Fees | 202 | 243 | - | 445 | - | 1,064 | - | 1,064 |
| Total Expenses | \$ 260,126 | \$ 58,744 | \$ 36,933 | \$ 355,803 | \$ 316,742 | \$ 72,003 | \$ 297,953 | \$ 686,698 |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

JUST TRYAN IT, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|---|--------------------------|--------------------------|
| Cash Flows from Operating Activities | | |
| Change in Net Assets Without Donor Restrictions | \$ 25,544 | \$ 98,224 |
| Adjustments to Reconcile Change in Net Assets Without Donor Restrictions to Net Cash Provided by Operating Activities | | |
| <u>Increase in Assets</u> | | |
| Accounts Receivable | (1,800) | (2,500) |
| <u>Increase (Decrease) in Liabilities</u> | | |
| Accrued Expenses | <u>(5,004)</u> | <u>3,696</u> |
| Net Cash Provided by Operating Activities | 18,740 | 99,420 |
| Cash at Beginning of Year | <u>227,882</u> | <u>128,462</u> |
| Cash at End of Year | <u><u>\$ 246,622</u></u> | <u><u>\$ 227,882</u></u> |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

JUST TRYAN IT, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

1. ORGANIZATION

Just TRYAN It, Inc. (JTI), was incorporated in 2010 as a not-for-profit organization. The objective of JTI is to positively impact the lives of families whose children have been diagnosed with cancer by providing them with financial assistance. JTI strives to instill the importance of philanthropy and service, promote wellness, and inspire tomorrow's leaders to make a difference in their communities.

JTI raises funds through children's triathlons that are used to support pediatric cancer research programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The financial statements have been prepared using the accrual basis of accounting. Consequently, revenues are recognized when earned and expenses are recognized when obligations are incurred.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Concentration of Credit Risk

Cash consists of monies held in demand deposit accounts. JTI considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

JTI maintains its cash balances at Wells Fargo Bank. The balances at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. At December 31, 2020 and 2019, JTI considered all receivables collectible and determined there was no allowance for doubtful accounts necessary.

Revenue Recognition

In accordance with accounting principles generally accepted in the United States of America, contributions received are recorded as support and revenue with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. When a time restriction ends or a purpose restriction is satisfied, the portion of 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. Contributions that are restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

There were no net assets with donor restrictions at December 31, 2020 and 2019.

JUST TRYAN IT, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

JTI is exempt from federal income taxes under Section 501(c)(3) of Internal Revenue Code. In addition, JTI is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. No provision of income taxes is required at December 31, 2020 and 2019, as JTI had no net unrelated business income. JTI requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. JTI does not believe its financial statement include, or reflect, any uncertain tax positions. JTI’s Form 990, *Return of Organization Exempt from Income Tax*, is generally subject to examination by the taxing authorities for three years after filing.

3. ADOPTION OF ACCOUNTING STANDARDS

Adoption of Accounting Standards Update 2018-08

During the year ended December 31, 2020, JTI adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides additional guidance in (1) evaluating whether transactions should be accounted for as contributions (within the scope of ASC 958) or as exchange (reciprocal) transactions (subject to ASC 606); and (2) distinguishing between conditional and unconditional contributions. Management believes that the adoption of this ASU enhances the comparability of financial information among not-for-profit entities. This change in accounting principle was adopted on a modified prospective basis in 2020. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions as of January 1, 2020. The impact of adoption was not material to the financial statements.

Adoption of Accounting Standards Codification Topic 606

During the year ended December 31, 2020, JTI adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. Management believes that the adoption of this standard provides better consistency and comparability across non-profit and for-profit entities. The standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaces most existing revenue recognition guidance in U.S. GAAP. This change in accounting principle was adopted on a modified prospective basis in 2020. Analysis of the various provisions of this standard resulted in no significant changes in the way JTI recognizes revenue.

4. ALLOCATION OF EXPENSES

Certain categories of expenses are attributable to more than one program or supporting function and are allocated periodically. Salaries and payroll taxes are allocated on the basis of estimates of time and effort. Event expenses are primarily held for the achievement of JTI’s mission and are therefore treated as program expenses, except for specifically identified direct costs for solicitation of contributions to the event. Other expense allocations are based on specific identification.

JUST TRYAN IT, INC.

NOTES TO FINANCIAL STATEMENTS
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5. LIQUIDITY AND AVAILABILITY OF RESOURCES

JTI's cash flows have variations during the year due to the timing of fundraising events and seasonal concentration of contributions. JTI manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due. Excess cash flows not needed for day-to-day operations are maintained in a money market account.

The following represents financial assets and liquidity resources that were available for general operating expenditures within one year as of December 31, 2020 and 2019:

| Description | 2020 | 2019 |
|--|-------------------|-------------------|
| Cash | \$ 246,622 | \$ 227,882 |
| Accounts Receivable | 4,300 | 2,500 |
| Total Financial Assets and Liquidity Available within One Year | <u>\$ 250,922</u> | <u>\$ 230,382</u> |

6. SMALL BUSINESS ADMINISTRATION LOANS

Paycheck Protection Program

During 2020, JTI received a Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of \$26,000. PPP provides cash-flow assistance through 100% federally guaranteed loans to eligible recipients to maintain payroll during the COVID-19 public health emergency and cover certain other expenses. If JTI maintains its workforce and meets certain requirements, up to 100% of the loan may be forgiven by the SBA. No more than 25% of the forgiven amount may be for non-payroll costs. Loans under PPP have an interest rate of 1% and may negotiate to a five-year maturity date, if not forgiven. The loan proceeds are included in contributions on the statements of activities, as the conditions of the PPP were met in 2020.

Economic Injury Disaster Loan Advance

During 2020, JTI received an Economic Injury Disaster Loan (EIDL) Advance from the Small Business Administration (SBA) in the amount of \$3,000. The EIDL Advance provides working capital to alleviate economic injury caused by the COVID-19 public health emergency. If JTI uses the funds to cover certain working capital and normal operating expenses, up to 100% of the loan may be forgiven by the SBA. The loan proceeds are included in contributions on the statements of activities, as the conditions of the EIDL were met in 2020.

7. CONTINGENCIES

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and nonprofit organizations around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

JUST TRYAN IT, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

8. SUBSEQUENT EVENTS

JTI has evaluated subsequent events through March 24, 2021, the date on which the financial statements were available to be issued.