

Plan A Health

Independent Auditor's Report
And
Financial Statements
December 31, 2020

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Independent Auditor's Report

July 19, 2021

To the Board of Directors
Plan A Health
700 Columbus Avenue
New York, NY-10025
United States

Report on the Financial Statements

We have audited the accompanying financial statements of Plan A Health (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020, and the related statements of activities 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.

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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plan A Health as of December 31, 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.



Mohamed Metwally, CPA
Watauga TX
07/19/2021

**Plan A Health
Statement of Financial Position
December 31, 2020**

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalent	\$ 288,014
Grants Receivable	\$ 12,500
TOTAL CURRENT ASSETS	<u>300,514</u>
Fixed Assets	
Clinic Vehicles	\$ 171,013
Accumulated Depreciation	-
Total Fixed Assets	<u>171,013</u>
TOTAL ASSETS	<u>471,527</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Payroll Liabilities	\$ 287
Deferred Compensation Payable	\$ 91,800
TOTAL CURRENT LIABILITIES	<u>92,087</u>
LONG-TERM LIABILITIES	
EIDL Loan	\$ 27,400
PPP Loan	\$ 1,000
TOTAL LONG-TERM LIABILITIES	<u>28,400</u>
TOTAL LIABILITIES	<u>120,487</u>
NET ASSETS	
Net Assets with Donor Restrictions	12,500
Net Assets Without Donor Restrictions	338,539
TOTAL NET ASSETS	<u>351,039</u>
TOTAL LIABILITIES AND NET ASSETS	<u>471,527</u>

The accompanying notes are an integral part of the financial statements.

**Plan A Health
Statement of Activities
December 31, 2020**

Revenue	
Government assistance (state, local, federal)	\$ 1,000
Corporate Contribution	\$ 40,050
Fiscal Sponsor Donations	\$ 27,500
Foundation Grants	\$ 292,220
Individual and Business Contributions	\$ 152,866
Other contributions	\$ 16,791
Other Income	\$ 23,115
Total Revenue	<u>553,541</u>
Expenses	
Program Services:	
Salary	\$ 84,990
Contractors	\$ 6,107
Office Supplies and Materials	\$ 3,000
Travel	\$ 1,698
Total Program Services	<u>95,795</u>
Fundraising Services:	
Salary	\$ 18,212
Other Expenses	\$ 1,497
Total Fundraising Service	<u>19,709</u>
Admin Services:	
Salary	\$ 18,212
Legal and Professional	\$ 1,950
Insurance	\$ 5,199
Finance Fees	\$ 3,581
Software/Cloud/Hosting	\$ 1,520
Rent and Lease	\$ 2,821
Other Expenses	\$ 2,249
Total Admin Services	<u>35,532</u>
Change in Net Assets	<u>402,505</u>
Net Assets Beginning of The Year	(51,466)
Net Assets End of The Year	351,039

The accompanying notes are an integral part of the financial statements.

Plan A Health
Statement of Cash Flows
Year Ending December 31, 2020

Change in Net Assets	402,505
Adjustments to reconcile net loss to net cash provided by operating activities:	
Accounts Receivable	\$(12,500)
Payroll Liabilities	\$287
PPP Loan Proceeds	\$1,000
Net cash provided by operating activities:	<u>391,293</u>
Cash flows from investing activities:	
Fixed Assets: Clinic Vehicle	\$(171,013)
Net cash provided by investing activities	<u>(171,013)</u>
Cash flows from financing activities:	
EIDL Loan	\$27,400
Net cash provided by investing activities	<u>27,400</u>
Net change in cash	<u>247,680</u>
Cash - beginning of year	\$40,334
Cash and cash equivalent - end of year	<u>288,014</u>

The accompanying notes are an integral part of the financial statements.

Plan A Health
Notes to Financial Statements
December 31, 2020

1. Operations and Nonprofit Status

Operations

Plan A Health is a Not-for-Profit entity that provides mobile clinics that bring health care directly to underserved communities, with an emphasis on improving sexual and reproductive health, which will serve all people, regardless of insurance status, income, or location, and ensure access to affordable, quality, and compassionate care.

Nonprofit Status

The Organization was incorporated as the Plan A Health in 2018 and received the nonprofit status under the provisions of the state of Delaware Nonprofit Corporation Act and qualifies as a tax-exempt not-for profit corporation under Section 501(c)(3) of the Internal Revenue Code in 2020. Accordingly, contributions made to this Organization qualify for the maximum charitable deduction for Federal income tax purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies which affect significant elements of the Organization's financial statements are described below to enhance the usefulness of the financial statements to the reader. The preparation of financial statements in conformity with generally accepted accounting principles 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles has, in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Basis of Accounting

The Organization's policy is to maintain its books and prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when a liability has been incurred.

Assets, liabilities, revenues, and expenses are recognized on the accrual basis of accounting.

Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes.

Financial Statement Presentation

As required by the FASB Accounting Standards Codification™, the Organization classifies its net assets based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes in net assets therein are classified and reported as follows:

Net Assets Without Donor Restrictions - consists of assets, public support and program revenues which are available and used for activities and programs. Net assets without donor restrictions represents the portion of net assets of the Organization that is not restricted by donor-imposed stipulations. Contributions are considered without restriction unless specifically restricted by the donor. In addition, net assets without donor restrictions may include funds which represent unrestricted resources designated by the Board of Directors for specific purposes.

Net Assets with Donor Restrictions - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and are satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants, bequests, and contracts, and may include investment income earned on restricted funds.

These may also include resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently but permits the Organization to expend part or all of the income derived from the donated assets. The entity doesn't have any restricted net assets.

Contributions Receivable

Contributions Receivables are classified as current if they are scheduled for receipt within one year, and non-current when the expected date of receipt exceeds one year. Unconditional promises to give that are expected to be collected within one year are reported at a net realizable value. Unconditional promises to give due in future years are initially valued at a discounted rate when such amounts are considered material. Management believes that these receivables are collectible, and therefore, no allowance for doubtful amounts has been established. If a receivable is determined to be uncollectible in subsequent periods, a provision will be established at that time. The Organization did not experience any loss on uncollectible receivables for the years presented.

Property and Equipment

The entity records all property and equipment at cost, if purchased (exceeding \$1,000), or if donated, at fair value on the date of receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments (exceeding \$1,000) are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets, as expressed in terms of years.

Expenditures for land, building and equipment are recorded at cost. Donated assets and capitalized donated leases are recorded at their estimated fair market values at the date of donation. Depreciation expenses are calculated using the straight-line method and the following estimated useful lives:

Buildings and improvements	10-35 years
Furniture and equipment	3-10 years
Vehicles	3-5 years

Maintenance and repairs, which materially add to the value of the property or appreciably prolong its life, are recorded as an increase to the appropriate asset account. Plan A Health, Inc. capitalizes all fixed assets with a cost greater than or equal to \$1,000 and a useful life of at least three years, unless otherwise stipulated by a grant. When an asset is purchased through a grant, the grant's capitalization rules apply. Plan A Health, Inc. will conduct a regular inventory of fixed assets and maintain a central list of fixed assets which includes date of purchase, registration numbers, warranty information, original cost, and estimated life.

Contributions, Gifts and Grants

As required by the FASB Accounting Standards Codification™, contributions are required to be recorded as receivables and revenues and the Organization is required to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Contributions may include gifts of cash, securities, collection items or promises to give.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give—that is, those with a measurable performance or other barrier and right of return—are not recognized until the conditions on which they depend have been met. Contributions of assets other than cash are reported at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved, when such amounts are considered material.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restriction expires, at which time the assets are reclassified to net assets without donor restrictions. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Functional Expenses

The Organization allocates its expenses on a functional basis among various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification. Other expenses, such as Salaries and Related Expenses, Website and Computer Related Expenses, Office Expenses, and Occupancy, that are common to several functions are allocated based on salary dollars. Supporting services

are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to the entity's internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, direct mail solicitation, distribution of materials and other similar projects related to the procurement of funds.

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Income Taxes

Plan A Health is organized as a Delaware nonprofit corporation and have been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that each entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

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-) imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment. 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, where the donor stipulates those resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 in the consolidated statements of activities as net assets released from restrictions donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Recent Accounting Guidance

Recently Implemented Standards in May 2014, the FASB issued ASC Update No. 2014-09, (Topic 606) Revenue from Contracts with Customers. This ASU is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. This updated guidance impacts not-for-profit entities that have revenue transactions other than contributions. In August 2015, the FASB deferred the effective date of ASC Update No. 2014-09 by one year when it issued ASC Update No. 2015- 14, (Topic 606) Revenue from Contracts with Customers. This standard was adopted by the Organization effective January 1, 2019. The adoption of this standard did not result in a material change to the Organization's revenue balances.

In June 2018, the FASB issued ASC Update No. 2018-08, (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The ASU also provides additional guidance to help determine whether a contribution is conditional or unconditional. This standard was adopted by the Organization effective January 1, 2019. This ASU provides organizations with the option of applying the clarified guidance in the initial year of implementation on a prospective basis; therefore, the Organization has not restated its 2018 revenue balances or opening net assets for the years presented.

3. Property and Equipment

The following is a summary of property and equipment as of December 31, 2020:

Asset Category	Est. Life	Cost	Accumulated Depreciation	Net Book Value
Vehicles	3-5 Years	171,013	-	171,013
Total		<u>171,013</u>	<u>-</u>	<u>171,013</u>

4. Designation and Restrictions of Net Assets

As of December 31, 2020, net assets consisted of the following balances:

Net Assets with Donor Restrictions	-
Net Assets Temporary Restricted	12,500
Net Assets Without Donor Restrictions	338,539
TOTAL NET ASSETS	<u>351,039</u>

\$12,500 grant from the Women's Foundation of Mississippi, restricted to salary, administrative expenses, marketing, and supplies.

5. Subsequent Events

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through the auditor's report date, the date which the financial statements were available for issue, and noted the following events which met the criteria:

2020 Coronavirus Pandemic: Subsequent to year end, the global economies have been impacted by the Coronavirus pandemic. This has led to delay in receiving promised contribution. However, management believe that the impact of the Coronavirus Pandemic is very minimal as the amount of contribution increased in comparison to 2019 amount.